

Connecting to the shared transmission network

AEMC Transmission Frameworks Review

The Commission is making recommendations to facilitate more efficient connections between generators and transmission networks.

Increased competition and transparency

There have been concerns with the cost, complexity and time delays associated with connecting new generation to the transmission network.

Our package of recommendations for transmission connections seeks:

- to reduce the complexity and ambiguity, thereby increasing clarity, in the rules and frameworks in this area; and
- to encourage Transmission Network Service Providers (TNSPs) to make efficient trade-offs between the specification of connections and their cost.

The recommendations will increase competition in and transparency of the construction process for assets required for generator connections to the shared transmission network. However, we also consider that there is a need to balance increased competition with the maintenance of clear accountability for outcomes on the shared network.

Accordingly, we consider there should be a clear distinction between services provided by assets that form part of the shared network, and those provided by assets used exclusively by the connecting party (or parties).

Dedicated Connection Assets

We are terming those assets that are solely used by the generator as “dedicated connection assets”. Broadly, these comprise the transmission equipment between a substation and a particular generator’s plant. These assets are fully contestable, and are the responsibility of the connecting party.

Identified User Shared Assets

There are also assets used to connect a generator, which form part of the shared network – that is, power on the broader network flows through these. We are terming these “identified user shared assets” and they can be considered those parts of a substation, that while forming part of the shared network, are required solely for the connection of a particular generator. However, they are not exclusively used by the connecting generator.

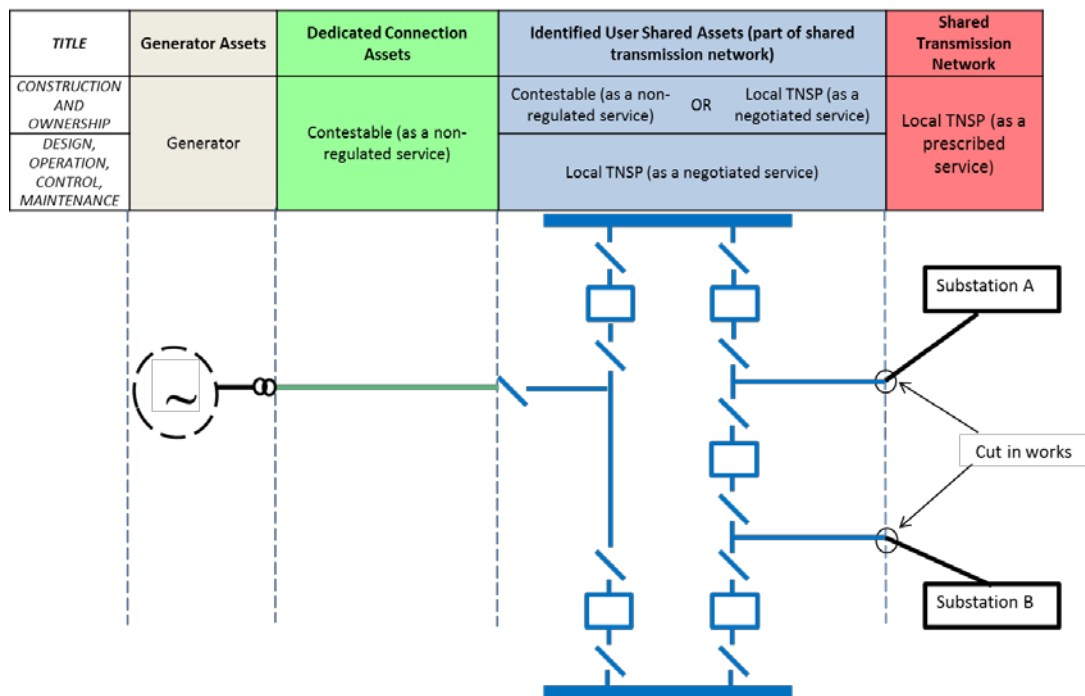
For these assets, generators would have the option of appointing their own contractor for construction – in accordance with a TNSP-agreed specification. If generators choose not to take advantage of this contestable option, TNSPs would continue to have an obligation to provide all relevant shared network elements required to connect a generator, if requested. The current negotiated frameworks will be strengthened to provide better information to connecting parties.

We also consider that there is a need to balance increased competition with maintenance of clear accountability for outcomes on the shared network. Therefore, regardless of which approach a generator chooses for construction and ownership, the local transmission businesses would always be accountable for the operation and control of any assets forming part of the shared network following construction.

The Transmission Frameworks Review is making recommendations to increase competition and transparency in the construction of assets required for generation connections

Illustrative transmission asset classification

We have illustrated these concepts below (namely, the assets, responsibility for provision of these assets, and the form of economic regulation applying) through a stylised example of a layout of the assets used to connect a generator.



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11 April 2013