

10 September 2015

R John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY NSW 1234

Dear John

AEMO access to demand forecasting information draft rule determination (ERC0184)

Grid Australia supports the AEMC's preferred draft rule as a means of improving the ability of the Australian Energy Market Operator (AEMO) to perform its demand forecasting role and enable better informed transmission investment decisions. Further, Grid Australia notes that its members have assisted AEMO in developing and assessing its forecasting methodology to date.

Grid Australia welcomes the AEMC's finding in its draft determination that it would be beneficial for stakeholders to have access to the data that AEMO uses to develop its forecasts, in addition to the forecasts themselves. Grid Australia also supports using the National Transmission Network Development Plan (NTNDP) database as a mechanism for achieving this. However, in order to maximise this benefit for Transmission Network Service Providers (TNSPs), Grid Australia considers that TNSPs should have access to this data as early as possible for input into TNSP planning processes.

Under the draft rule, such data would be published in the NTNDP database, which is currently released in November of each year, approximately nine months from when the annual forecasting process began and four months after AEMO's forecasts are published.

Grid Australia recommends that these delays be removed in the final rule. Ideally this would allow TNSPs to access the new information to perform analysis for their own planning and operations in a similar timeframe to AEMO, given that the Rules require Transmission Annual Planning Reports to be published by 30 June each year.

TNSPs have detailed knowledge of the configuration of their networks and potential forecast changes in network configuration. This includes the types of loads supplied from transmission connection points, the timing and types of new load connections as well as the transfer of loads between sites. The opportunity to highlight any inconsistencies or inaccuracies in the data being used by AEMO will also help to improve the robustness of AEMO's forecasts.

The information used to develop AEMO's forecasts, particularly the economic data and underlying assumptions, is essential to understanding those forecasts. Access to this information would be consistent with one of the objectives of the rule change request which is to enable better informed transmission investment decisions and will potentially provide greater confidence in AEMO's demand forecasts.

Grid Australia also agrees with the AEMC that an explicit requirement in the draft rule for AEMO to consult with the Australian Energy Regulator in developing its forecasts is unnecessary, given the existing memorandum of understanding between the two organisations.

Please do not hesitate to contact me on (08) 8404 7983 or via e-mail at Korte.Rainer@electranet.com.au if you wish to discuss any matter raised in this submission.

Yours sincerely



Rainer Korte
Chairman
Grid Australia Regulatory Managers Group