



Our ref: ERC0016

26 April 2007

Dr Brian Spalding  
Chief Operating Officer  
NEMMCO  
Level 22, Norwich House  
6-10 O'Connell Street  
Sydney NSW 2000

Dear Dr Spalding

### **Advice on Feasible Dates for Implementation of Region Boundary Change**

In a letter to the Commission in August 2006, NEMMCO estimated it could implement by November 2007, at the earliest, the proposed abolition of the Snowy region.

On 5 March 2007, you wrote to the Commission advising that you had revised NEMMCO's estimate recommending a revised implementation date of 1 July 2008. The work and time required to convert constraint equations and to test those equations and new region boundary structure in both pre-production and production environments were stated to be the reasons driving this revised timeframe.

On 28 March 2007, the Commission released an updated schedule for its work on congestion management, including its revised timetable for decision making in respect to the three Rule change proposals it now has before it in relation to the management of congestion in the Snowy Region. Consistent with that timetable, the Commission intends to make determinations on those proposals in August 2007.

In light of your letter of 5 March 2007, and the Commission's updated schedule on congestion management, the Commission notes that NEMMCO would be unable to implement a change to the Snowy region boundary by 4 November 2007, as proposed in the draft Rule for the Abolition of Snowy Region Rule change proposal.

The Commission will continue to work closely with NEMMCO regarding implementation issues so that NEMMCO can implement, as soon as practicable,

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the Commission's final decisions in relation to the three Rule change proposals before it for the management of congestion in the Snowy region.

Yours sincerely



Liza Carver  
Acting Chairperson