



Lvl 6, 60 Marcus Clarke St.,
Postal: GPO Box 1301
Canberra ACT 2601
ABN: 83 113 331 623

Tel: 02 6243 5120
Fax: 02 6243 5143
john.boshier@ngf.com.au
www.ngf.com.au

21 January 2008

Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
Sydney NSW 2000

Dear Dr Tamblyn

AEMC Review of the National Transmission Planner

I refer to the National Generator's Forum (NGF) submission to the Australian Energy Market Commission's (AEMC) National Transmission Planning Arrangements – "Issues Paper" submitted by the NGF on December 21, 2007. As part of the submission, the NGF recommends a National Transmission Planning (NTP) model which includes two important elements regarding the NTP's involvement in the regulatory test. These elements are the requirement that:

1. The NTP develop a detailed methodology for applying the regulatory test;
2. The NTP scrutinise all TNSP applications of the regulatory test and publish the findings.

The NGF NTP model provides for increased accountability and transparency of the regulatory test. Under this model, TNSPs are required to apply the regulatory test in a more consistent manner and with increased transparency.

However, in proposing this model, the NGF does not at any time propose that the accountability for the investment, operation and performance of the transmission system be taken away from the TNSPs. These functions would still remain with the TNSP.

We hope this letter provides additional clarity to the NGF's original submission, specifically in relation to the NTP's involvement in the regulatory test under the NGF model. We would be pleased to discuss it further with you or your staff in more detail at your convenience, and for further information please contact me on 02 6243 5120.

Yours faithfully

John Boshier
Executive Director