

NEMMCO

**National Electricity Market
Management Company Ltd**

ABN 94 072 010 327

Melbourne Office

30 April 2007

Dr John Tamblyn
Chairman
Australian Energy Market Commission
PO Box H166
Australia Square NSW 1215

By email: submissions@aemc.gov.au

Dear John,

Re: Proposed National Electricity Amendment (Split Snowy Region) Rule 2007

Thank you for the opportunity to provide this submission to the AEMC determination process on the proposal to split the Snowy region. This is a brief submission which focuses only on implementation issues associated with the split Snowy proposal.

Although NEMMCO has not carried out a detailed investigation of the tasks required for the split Snowy proposal, it is expected that the implementation effort and elapsed time would be similar to that required for the proposal to abolish the Snowy region. However, NEMMCO recognises that the split Snowy proposal is yet to go through the draft and then final determination processes, and as such, is still many months away from a final decision. For this reason, NEMMCO believes that it is not possible to implement the split Snowy option by the 1 July 2008, as this would require specific work to commence by the end of June 2007.

The proposal to split the Snowy region, as NEMMCO understands it, would require the regional boundary between Victoria and the new 'Murray' region to cut through the Dederang to South Morang 330 kV lines, the Dederang to Wodonga 330 kV line, the three 220 kV lines from Dederang to Glenrowan, and both 220 kV lines from Dederang to Mount Beauty. NEMMCO understands that these lines do not currently have revenue quality metering.

As the AEMC are aware, provision of revenue quality metering on transmission lines could involve considerable expense and time. The full extent of work required will depend on, among other things, whether existing voltage and current transformers installed on these transmission lines is suitable for revenue metering. Even if the voltage and current transformers are suitable for revenue metering, there would still be substantial work required to install and test the revenue metering facilities. If the voltage and current transformers themselves need to be upgraded, NEMMCO understands that this work is unlikely to be achieved within a 12 month timeframe, and would involve considerable expense.

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There is potential to use SCADA metering as a substitute for revenue metering on these interconnectors, however a number of issues arise including:

- SCADA metering has not previously been used in the National Electricity Market as a substitute for revenue metering on interconnectors;
- Since metering data is normally collected and supplied by registered metering data providers, use of SCADA data collected by NEMMCO raises questions about NEMMCO's role as a metering data provider;
- Processes would need to be implemented by NEMMCO to capture, accumulate and store the relevant SCADA data, as well as provide this data to the MSATS system; and
- Procedures would need to be developed to address SCADA errors and failures.

These issues would require further investigation by NEMMCO to ascertain the feasibility of using SCADA as a substitute for revenue metering in the interconnectors.

Please feel free to contact me if you require any clarification or further information.

Yours sincerely


Brian Spalding
Chief Operating Officer