

10 September, 2015

John Pierce
Chairman,
Australian Energy Market Commission,
PO Box A2449
Sydney South, NSW 1235

National Electricity Amendment (AEMO access to demand forecasting information) Rule 2015 (ERC0184)

Dear Mr Pierce

The Energy Networks Association welcomes the opportunity to make a submission on the draft rule in relation to the above rule change request.

The ENA is the national industry association representing the businesses operating Australia's electricity transmission and distribution and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia. ENA members own assets valued at over \$100 billion in energy network infrastructure.

There are three key points on which the ENA expressly supports the Australian Energy Market Commission (AEMC) findings and the draft more preferable rule.

1. ENA supports the Rule change on the basis that it will put beyond doubt the Australian Energy Market Operator's (AEMO) functions in respect of connection point and regional demand forecasts and its information gathering powers in relation to these functions.
2. In the ENA's earlier submission on the Rule change request the ENA proposed that provision could be made within the National Electricity Rules (NER) for AEMO to publicly share the information on which the forecasts are based, and not only the forecasts themselves. ENA welcomes the provisions in the draft rule that will require AEMO to publish both its forecasts and the information used in preparing forecasts, subject to any confidentiality restrictions. It is ENA's view that this transparency could result in greater confidence in AEMO's forecasts and potentially allow stakeholders to apply the understanding of AEMO's forecasts in the development of their own demand forecasts. While the ENA is supportive of the solution proposed by the AEMC, it notes that ENA's transmission members' concern that this could lead to a considerable delay between forecasts being developed, published and the information being made available. Further details are provided in the Grid Australia submission.
3. The draft rule differs from the Rule change request in that it does not explicitly specify the nature of interactions between the AEMO and the Australian Energy Regulator (AER) in AEMO carrying out its demand forecasting functions. Nor does the draft rule supplement AEMO's information gathering powers with an obligation in the NER for network service providers to assist AEMO. ENA endorses this approach in the draft rule, as it is our view that the proposed changes were unnecessary.

ENA seeks AEMC's clarification within the draft Rule of the constraint on AEMO's access to data at the transmission connection point level and proposes the following amendment drafting amendments to 5.20.6 of the National Electricity Rules.

5.20.6 NTP Functions

(a) This rule has effect for the purposes of section 49(2)(e) of the National Electricity Law.

(b) The NTP functions also include the following:

(i) developing any forecasts of electricity demand at a regional or connection point level; and

(ii) developing forecasts at connection point level where the connection point directly influences planning on the shared network.

Further ENA requests that the AEMC further consider the need for a clear provision in the NER to reconcile the differences in forecasts between AEMO and distribution network service providers where divergent forecasts could have implications for planning purposes. ENA recommend that this shared planning responsibility be recognised in the AEMC final determination.

If you have any questions regarding this submission please contact Lynne Gallagher on 02 6272 1515 or by email on lgallagher@ena.asn.au

Yours sincerely,



John Bradley
Chief Executive Officer