

16 July 2009

Mr Kamlesh Khelawan
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

By email: submissions@aemc.gov.au

Dear Kamlesh,

Grid Australia response to AEMC Draft Rule Determination: Arrangements for Managing Risks Associated with Transmission Network Congestion (ERC0076)

Grid Australia appreciates the opportunity to comment on the Commission's Request for Submissions on Specific Issues Explanatory Note, dated 2 July 2009. The following comments are in relation to the *Draft National Electricity Amendment (Negative Inter-regional Settlements Residue Amounts) Rule 2009*.

NEMMCO has proposed that the application of draft clause 3.6.5(a)(4B) be specifically extended to existing clause 3.6.5(a)(3). This would require the AER to determine the appropriate TNSP for distribution and payment of settlements residues under both clauses.

The AER has suggested in its submission dated 2 July 2009 that such a formal determination is unnecessary. It proposes that the above clauses simply refer to the appropriate TNSP. This would be the sole TNSP in regions where only one TNSP operates or the Coordinating Network Service Provider appointed under clause 6A.29 where multiple TNSPs operate (a well established process currently in use in South Australia, New South Wales and Victoria).

Grid Australia supports the AER recommended approach and proposed drafting in the interests of transparency and administrative simplicity.

Please feel free to contact me on (08) 8404 7983 or via e-mail Korte.Rainer@electranet.com.au to discuss any of this submission.

Yours sincerely,



Rainer Korte
Chairman
Grid Australia Regulatory Managers Group