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Mr John Pierce
Chairman
Australian Energy Market Commission
Level 5
201 Elizabeth Street
Sydney NSW 2000

Dear Mr Pierce

ERC0112 – INITIAL CONSULTATION – Release of Generator information by AEMO

The National Generators Forum (NGF) welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC's) initial consultation on the Rule change proposal from Senergy Econnect Australia Pty Ltd (Senergy) on the Release of Generator Information by the Australian Energy Market Operator (AEMO).

The NGF supports the principle of making information available to the market in a timely manner. In most cases, connection agreements are executed more than three months before commissioning. There are, however, likely to be projects where this may not be the case. In such circumstances, it would not be possible to produce a finalised releasable user guide. We propose, therefore, an amendment to Senergy's proposal that maintains the principle of timely access to information while providing sufficient flexibility for connecting parties to meet their National Electricity Rules (NER) obligations.

Background

The NGF lodged the *Confidentiality Arrangements in Respect of Information Required for Power System Studies Rule change* in April 2008. The purpose of that proposal was to allow NEMMCO to disclose sufficient information to Registered Participants for planning and operational purposes while protecting the commercial value of propriety information.

The AEMC accepted the key parts of the NGF proposal including the requirement that a generator makes available the information necessary to undertake power system studies in the form of a releasable user guide and source code. NEMMCO would keep and administer

the release of such information to ensure that models of the NEM comprise accurate data of localised aspects of the power system.

The Senergy rule change proposal and the AEMC's consultation paper focus exclusively on matters relating to the timelines for the release of confidential information in a form that enables generation proponents to undertake power system modelling for projects in a similar "electricity vicinity". The NGF understands that the Rule change would not revisit any of the matters relating to the content and form of this information, as finalised in the earlier NGF Rule change determination.

Relationship between Connection Agreement and releasable user guide

Executing a connection agreement is a significant milestone for commissioning a generation project. The agreement sets out how the new generation plant is to connect to the grid. It covers the construction and commercial terms as well as the performance standards for the connecting plant.

A final releasable user guide requires an agreed set of performance standards and completed technical modelling. Until the performance standards are agreed upon and the modelling is complete, a connecting party is only able to provide draft information to AEMO. This draft information may change depending on whether there are any last minute adjustments to the plant's performance standards prior to executing a connection agreement.

An alternative proposal

The NGF appreciates the value to the market of making information available as soon as practicable. To ensure all participants are able to comply with the NER requirements to release information, we put forward a slightly amended proposal for the AEMC's consideration:

- Agree to make the release date the "earlier of" execution of a connection agreement or three months before the proposed start of plant commissioning.
- Allow the connecting party to publish a "draft guide" where a connection agreement has not been executed three months before the proposed start of plant commissioning. This draft is to reflect the best information available at that time but is not legally binding and is subject to change.
- Require the connecting party to provide AEMO with an updated releasable user guide as soon as practicable after the execution of the connection agreement if within three months of commissioning.

We consider this approach facilitates timely access to information while still providing connecting parties with the necessary flexibility to finalise their releasable user guide once the performance standards are set and the technical modelling is complete. As such, we consider this amended proposal promotes the National Electricity Objective and provides a beneficial compromise that makes no participant worse off.

We appreciate the tension between the early release of data to allow generation investors to perform preliminary studies and the consequential uncertainty in the value of any system

modelling based on this necessarily conceptual design data. We believe that as long as the data is made available with appropriate caveats, any subsequent usage would be at the user's risk.

Should you have any questions or would like to discuss this submission please contact Hannah Cole on (02) 8345 5500.

Yours sincerely



Malcolm Roberts
Executive Director