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Dear Dr Tamblyn,

National Electricity Rules: Draft determination and draft National Electricity Amendment (Technical Standards for Wind Generation and other Generator Connections) Rule 2006

Thank you for the opportunity to comment on the above technical standards which are extensive and comprehensive. The intent of these technical standards is to more effectively provide for non-scheduled (principally wind) generating plant in the National Electricity Market (NEM). NEMMCo has stated its concerns that, as the proportion of wind generators in the NEM continue to grow, it is important to manage their impact on the integrated power system. These standards seek to aid in resolving this issue.

Energy Australia as a Network Service Provider holding both DNSP and TNSP licences will be involved in the connection of numbers of wind generators to its system. In NSW to date there has been more interest expressed from wind generators seeking to connect to the distribution system rather than the transmission system.

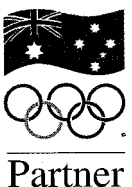
Accordingly EnergyAustralia has a particular interest in the proposed changes proposed by NEMMCo.

Negotiation of connection agreements

The proposed rule changes propose a number of amendments to the provisions associated with negotiating connection. Whilst NEMMCo have stated the intention of the rule changes related to connection are to streamline the compliance process, it is EA's considered view that some of the changes complicate the process of negotiating connection agreements.

The rule seeks to enhance the existing process to ensure that performance standards are more generally set in consultation with NEMMCo where required (ie. where a negotiated standard rather than automatic is sought) and that these performance standards are properly reflected in connection agreements notified to NEMMCo, properly monitored and if necessary tested.

Care needs to be taken in ensuring that the respective roles and responsibilities of NEMMCo and the NSP are clearly understood by all parties in the negotiation of performance standards. A number of proposed provisions in Clause 5.3.4A and 5.7.6 confer functions and powers on NEMMCo which exacerbate uncertainty regarding respective roles and powers including:



1. Amended s5.3.4A (f) appears to provide for NEMMCo only to determine whether a negotiated access standard satisfies the criteria for acceptance of a negotiated access standard. It is possible that there may be factors known to the NSP which would impact on this assessment. It would be more appropriate if clause 5.3.4A (f)(4) were amended to make it clear that an automatic access standard will also be rejected if either NEMMCO or the NSP forms the opinion that subparagraph (b)(4)(ii) is not or will not be satisfied.
2. Proposed clause 5.7.6(b), which confers on NEMMCo an ability to generator testing to be carried out where it considers that the analytical parameters for modelling of a generating unit or system are inadequate. However, rather than conferring a power on NEMMCo to directly require the generator to do this, the power conferred on NEMMCo is one to direct a NSP to require a generator to conduct such a test under an existing provision of clause 5.7.6. by NEMMCo. This has the potential to be confusing for generators, particularly in terms of who is requiring the testing and its purpose. It would be far simpler, if the power conferred on NEMMCo was to direct the generator to conduct the testing.

A general comment on the deadlines and timetables set for responses by interested parties also needs to be made. These times for responses as outlined in Clauses such as Clause 5.3.4A should be seen as those able to be met in the majority of cases and benchmarks to strive for. However the complexity of some proposals needs to be acknowledged and there should be a mechanism for the relaxation of the time-frames in cases where the complexity of the issues requires further time for assessment.

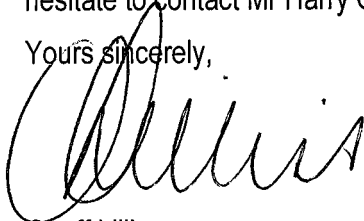
Significant impact on DNSP Connection Agreements

EnergyAustralia has not yet concluded a detailed examination of the extensive drafting amendments proposed by NEMMCo or attempted to put the rules into practice. If any other significant issues are identified, it will seek to make a further submission.

There is also some uncertainty about the interaction of this review of Technical Standards for Wind Generators with the AEMC review of Enforcement and Compliance with Technical Standards. The AEMC should seek to ensure this does not lead to complications or consider merging the two reviews into a common Rule change process.

If you wish to discuss further the matters raised by EnergyAustralia in this submission, please do not hesitate to contact Mr Harry Colebourn on (02) 9269 4171.

Yours sincerely,



Geoff Lilliss
Executive General Manager Network

Attachment-Minor Drafting matters

ATTACHMENT

Technical Drafting Issues.

There appears to be incorrect clauses references in proposed clause 5.3.4A, these are:

- the reference to subparagraph (a) (4) (ii) in proposed clause 5.3.4A (f) (4) should be to subparagraph (b) (4) (ii); and
- the reference to paragraph (a) in proposed clause 5.3.4A (h) (3) should be to paragraph (b).

There also appears to be some words missing from proposed clause 5.3.8(d)