



N A T I O N A L G E N E R A T O R S F O R U M

Lvl 11, 60 Marcus Clarke St.,
postal: GPO Box 1301
Canberra ACT 2601
ABN 83 113 331 623

Tel: 02 6243 5120
Fax: 02 6243 5143
john.boshier@ngf.com.au
www.ngf.com.au

Australian Energy Market Commission
PO Box H166
Australia Square, NSW 1215

Submission by email: submissions@aemc.gov.au

November 4 2005

Dear Sir/Madam,

RE: - Draft Rule Determination: Information publication for non-scheduled generation

The National Generators Forum (NGF) welcomes the opportunity to comment on the draft Rule determination, concerning publication of information related to non-scheduled generation.

The NGF strongly supports the reporting of the contribution of non-scheduled generating units to the supply of system load.

Subject to the suggestions below, we support the proposed changes and believe they should be advanced rapidly in order to unlock the immediate market efficiency benefits they will facilitate.

If you have any questions in relation to this proposal, please call John Arneaud on 03 6230 5190 or 0408 589 513.

Yours faithfully

(signed)

John Boshier
Executive Director

Publication of Total Underlying Demand

While the proposed Rule change enables NEMMCO to publish both aggregate regional non-scheduled generation output, and continue publishing the net demand served by scheduled generation, there appears to be no intent to publish a single aggregated number representing the total underlying demand being served by both elements.

Rather than leave participants to piece this together from the two components, it would appear highly desirable for NEMMCO to publish a single unified 'official' number for total underlying demand as well as the currently published "scheduled demand".

The advantages of having an explicit requirement for NEMMCO to publish a single number built into the Rule change are that: (a) it removes any doubt over NEMMCO's authority to do this (although it is unclear that there is any) and (b) it ensures that NEMMCO does this.

It is proposed that the Rules be modified to require NEMMCO to publish a single unified 'official' number representing the total underlying demand being served by both scheduled and non-scheduled generating units, at least to the extent to which NEMMCO had the available SCADA information.

This proposal would facilitate historical demand analysis on a like basis, enhance market transparency, support contractual activity, assist trading decisions, and generally improve certainty by ensuring there is no discontinuity in published demand numbers due to the sudden growth in wind generation in certain regions or re-classification of generating units.

Whilst it is noted that at present this proposal will have limited impact outside of South Australia and Tasmania, it is considered important that a change be made as soon as possible so as to avoid a larger step change in reported demand at a future date. This change in focus to total underlying load should also be reflected in the treatment of demand in the 2006 SOO.

Inclusion of Additional Factors

It is suggested that Clauses 3.7.3(h) and 3.13.4(f) are modified as shown overleaf, (red text). The suggested wording allows for the possibility that NEMMCO may in future include non-scheduled generation plant in the determination availability, surpluses and deficits.

Although NEMMCO may not at present make any allowance for the contribution to availability, surpluses and deficits from non-scheduled generating units, there may exist a degree of uncertainty about future inclusion by NEMMCO, for example under 3.7.3 (h)(4)(ii) or 3.13.4 (f) (5). Given that the present change to the rules has been driven by NEMMCO's need to have an explicit requirement to publish information from non-scheduled plant, it is not inconceivable that a similar situation could arise in the future if NEMMCO began to include an allowance for wind farms in the determination of regional availability, surpluses and deficits.

The suggested wording requires that NEMMCO explicitly state that the allowance for non-scheduled generating units is currently zero and if this were to change would require NEMMCO to publish the non-zero allowances in pre-dispatch and STPASA.

Clause 3.7.3 (h)

(h) NEMMCO must prepare and publish the following information as short term PASA outputs for each trading interval in the period covered in accordance with clause 3.13.4(c):

- (1) forecasts of the most probable *power system load* plus required *reserve* adjusted to make allowance for *scheduled load*, for each *region* and for the total *power system*;
- (2) forecasts of *power system load* for each *region* with 10% and 90% probability of exceedence;
- (3) forecasts of the most probable *energy* consumption for each *region* and for the total *power system*;
- (4) aggregate *generating unit* availability for each *region* calculated by adding the following two categories:
 - (i) the capacity of *generating units* which are able to operate at full capacity on a continuous basis to meet forecast *power system load*; and
 - (ii) an allocation of *generation* which cannot be *generated* continuously at the offered capacity of the *generating unit* for the period covered due to specified *energy constraints*;
- (4A) aggregate *generating unit PASA availability* for each region;
- (4B) the aggregated MW allowance (if any) made by NEMMCO for generation from non-scheduled generating systems in any of the forecasts described in clause 3.7.3 (h)(1)(2)(3)(4) and (4A);

Clause 3.13.4 (f)

(f) Details of the pre-dispatch schedule to be published must include the following for each trading interval in the period covered:

- (1) forecasts of the most probable peak power system load plus required reserve for each region and for the total power system;
 - (2) forecasts of the most probable energy consumption for each region and for the total power system;
 - (3) forecast inter-regional loss factors;
 - (4) aggregate generating plant availability for each region and aggregate availability of each type of market ancillary service for each region;
 - (5) projected supply surpluses and deficits for each region, including shortages of reserve and projected market ancillary service surpluses and deficits for each region;
- (5A) the aggregated MW allowance (if any) made by NEMMCO for generation from non-scheduled generating systems in any of the forecasts described in clauses 3.13.4(f)(1)(2)(4) and (5) and**
- (6) identification and quantification of:
 - (i) when and where the projected conditions are found to be inadequate;
 - (ii) any trading intervals for which low reserve or lack of reserve conditions are forecast to apply;
 - (iii) where a projected supply deficit in one region can be supplemented by a surplus in a neighbouring region (dependent on forecast interconnector capacities) and the expected interconnector flow;
 - (iv) forecast interconnector transfer capabilities and the projected impact of any inter-network tests on those transfer capabilities; and
 - (v) when and where network constraints may become binding on the dispatch of generation or load.