NEMMCO

National Electricity Market
Management Company Ltd

ABN 94 072 010 327

Melbourne Office

7 November 2008

Dr John Tamblyn
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear John,

Submission on Confidentiality Arrangements in Respect of Information Required for Power System Studies

NEMMCO appreciates the opportunity to comment on the draft Rule determination. Generally we support the draft Rule as proposed by the AEMC, and provide some comments in Attachment 1.

NEMMCO considers that the draft Rule represents a reasonable compromise between ensuring Registered Participants have sufficient information to carry out power system studies for planning, connection and operational purposes, and the confidentiality of commercially sensitive design information is maintained.

We look forward to your consideration of this submission. If you have any queries regarding this submission, please contact Mr Paul Ravalli on (03) 9648 8742.

Yours faithfully

Brian Spalding
Acting Chief Executive Officer
NEMMCO

Enc.

cc.

ATTACHMENT 1

Comments on Draft Rule for "Confidentiality Arrangements in Respect of Information Required for Power System Studies"

Consent to release source code information in another form – draft rule 3.13.3(k2)

The draft rule states that NEMMCO must provide information in certain forms "unless *NEMMCO* obtains the written consent of the person who provided the information to *NEMMCO* to provide it in a different form"[1].

The draft rule could be interpreted as meaning that only a consent that NEMMCO has sought and obtained would enable NEMMCO to release the information in another form. Under most circumstances, NEMMCO would be best placed to seek and obtain that consent and may charge a fee to that person requesting the information for this service. We do not believe that it was intended that the draft rule require this in every case, and suggest that a minor change would permit flexibility to allow the person who requests the information to obtain the consent themselves.

We suggest that replacing the word "obtains" with "is given" in draft rule 3.13.3(k2) would allow that flexibility.

Transcription error – draft rule 3.13.3(k3)(6)

NEMMCO believes the AEMC may have made a transcription error regarding rule 3.13.3(k3)(6) from NEMMCO's recommended text. The draft rule should refer to the information listed in Schedule 5.5.3 ("Network and plant technical data of equipment at or near connection point") and Schedule 5.5.4 ("Network Plant and Apparatus Setting Data") and not rules S5.5.3 and S5.5.4. That is:

> **3.13.3 Standing data**
>
> (k3) If *NEMMCO* is required, under paragraph (l), to provide information requested under subparagraph (k)(2), *NEMMCO* may provide:
> …
> (6) other technical data as listed in ~~clauses S5.5.3 and S5.5.4~~ Schedule 5.5.3 and Schedule 5.5.4.

Provider of information

The National Electricity Rules require certain information to be provided to NEMMCO and, under draft rule 3.13.3(k2), NEMMCO may be given permission by the provider of source code information to release that source code information in a form other than one of those listed in draft rule 3.13.3(k2). Draft rule 11.22(c) defines who the provider of information is.

Our concern lies with the identification of the provider of the information in circumstances where information has been provided on behalf of another party, or where there has been a change in ownership of the underlying assets, and query whether the transitional

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[1] Originally recommended by NEMMCO in our submission to the Rule proposal.

arrangements for existing model information (draft rule 11.22(c)) are flexible enough to permit an unambiguous conclusion as to the identity of the provider in all circumstances.

We propose that:

- the transitional arrangement described under draft rule 11.22(c) be deleted and moved to rule 3.13.3; and

- a new rule 3.13.3(k2A)(3) be inserted, essentially in the same form as the proposed transitional provision, to recognise that a Network Service Provider (**NSP**) may be the provider of information (for example, draft rule 3.13.3(k2) must capture any form of source code information, including that necessary for transmission network plant).

That is:

- a new rule 3.13.3(k2A) be inserted, which would apply to existing as well as all future source code information provided to NEMMCO:

    ### 3.13.3 Standing data

    (k2A)   Regardless of whether source code information has been provided to *NEMMCO* before or after the commencement date described in rule 11.22, for the purpose of clause 3.13.3(k2), the provider of the source code information is:

    (1) the *Generator*, where the information was received from a *Generator* under clause S5.2.4(b)(6) or S5.2.4(d);

    (2)   the *Generator*, if the information was provided to *NEMMCO* by a *Network Service Provider* and that same *Network Service Provider* advises *NEMMCO* that the provider of the information is the *Generator*;

    (3)   the relevant *Network Service Provider*, if that same *Network Service Provider* advises *NEMMCO* that the provider of the information is itself; and

    (4)   otherwise, the relevant *Transmission Network Service Provider*.

    It should be noted that subparagraphs (3) and (4) are written generally to allow for model source code for transmission network plant as well as generating system and generating unit model information.

- deletion of the transitional arrangement under draft rule 11.22(c), as this is now covered with the proposed new rule 3.13.3(k2A) [2].

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[2] In any event, 11.22(c) would require some redrafting. The way it is currently drafted refers to information not yet provided. NEMMCO's intention in suggesting this rule was to specify ownership of source code information already held by NEMMCO at the commencement date. The recommendation in this submission to move this rule to 3.13.3 clarifies this for information already held as well as information yet to be provided.

Availability of relevant design information under rule 5.7.6

Rule 5.7.6 applies where an existing model is considered to be unsatisfactory and tests and analysis of test data are required to establish a new model. Under these circumstances, it is the NSP that must establish the new model. While it is expected that the Generator and NSP would cooperate in this endeavour, there is no requirement for the Generator to pass relevant design information, including the existing model source code information, to the NSP to establish that model. While the NSP's task might not be impossible it is, at the very least, inefficient if the Generator does not cooperate.

NEMMCO suggests the following change to require the Generator to cooperate with the NSP for the provision of information, including source code information, and for the NSP to provide any new or revised source code information to the Generator:

> **5.7.6 Tests of generating units requiring changes to normal operation**
>
> (f1) If requested by a *Network Service Provider*, a *Generator* must provide to the *Network Service Provider* any relevant information relating to the *plant* which is the subject of a test carried out under this clause 5.7.6, including source code information provided to *NEMMCO* under clause S5.2.4(b)(6).
> …
> (h) A *Generator* must provide the test records obtained from a test under paragraph (a) to the *Network Service Provider*, who must derive the analytical parameters for the applicable model developed in accordance with the *Generating System Model Guidelines*, or otherwise agreed with *NEMMCO* under clause S5.2.4(c)(2) and provide them and any new or revised model source code information to ~~*NEMMCO* and~~ the relevant *Generator*.

The requirement for the NSP to provide the information to NEMMCO has been removed. NEMMCO's preference is for generating system and generating unit model information to be provided by the Generator. When the Generator receives the information from the NSP under rule 5.7.6(h), it would be required to provide the information to NEMMCO under draft rule S5.2.4(d), ensuring that the Generator is the provider of the information under draft rule 3.13.3(k2).