



Thursday, 3 September 2015

Mr Julian Eggleston
Director, Australian Energy Market Commission
Level 6, 201 Elizabeth Street
Sydney NSW 2000

Lodged via www.aemc.gov.au

Dear Mr Eggleston,

RE: Review of the last resort planning power guidelines (Ref EPR0047)

GDF SUEZ Australian Energy (GDFSAE) appreciates the opportunity to comment on the review of the last resort planning power guidelines.

The last resort planning power (LRPP) is provided for in the National Electricity Rules to ensure timely and efficient inter-regional transmission investment for the long-term interests of electricity consumers. It provides the Australian Energy Market Commission (AEMC) with power to direct participants to apply the regulatory investment test for transmission to projects that are likely to relieve a forecast constraint on flow paths between regions.

The National Electricity Rules require the AEMC to publish the LLRP guidelines (the guidelines) to provide information about the AEMC's approach to exercising the LRPP, including information gathering and public communication.

The current version of guidelines states that the AEMC anticipates that it will review the guidelines at least every five years. Since the last review was carried out in 2010, the guidelines are now due for review.

The proposed revised guidelines include a new three-stage process for the AEMC to use in determining whether to exercise the LLRP.

The first stage involves the AEMC analysing whether there are any inter-regional flow constraints that are not being examined by the Network Service Providers (NSPs).

The second stage of the process is only undertaken if the first stage identifies any inter-regional constraints that may not have been adequately examined by the relevant NSPs. GDFSAE suggests that the AEMC provide some further clarity around how it would assess whether an NSPs examination of an inter-regional constraint was 'adequate' or not. This would assist NSPs in ensuring that their annual planning reports include sufficient detail to meet the AEMC's adequacy test.

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GDFSAE notes the proposed housekeeping amendments to streamline the guidelines and update a number of out of date cross references to the National Electricity Rules.

GDFSAE trusts that the comments provided in this response are of assistance to the AEMC in its deliberations. Should you wish to discuss any aspects of this submission, please do not hesitate to contact me on, telephone, 03 9617 8331.

Yours sincerely,



Chris Deague
Wholesale Regulations Manager