AEMC

INFORMATION

Summary of reports

AEMC Transmission Frameworks Review

The AEMC, during the preparation of the TFR final report, commissioned a number of consultants to provide advice on several aspects of the review. This information sheet provides a summary of the final report, the accompanying technical report, and those consultant reports.

AEMC, Transmission Frameworks Review final report, 11 April 2013

The Final Report presents the recommendations arising from our three-year review of transmission frameworks. It is structured in two parts:

- Part 1 recommends the further development of an alternative model for transmission, called optional firm access. It has the potential to deliver better coordination between generation and transmission in the longer term.
- Part 2 recommends changes to the ways in which generators connect to the transmission network. The changes would introduce greater contestability and transparency into the process, while maintaining clear accountability for the safe and secure operation of the network.

AEMC, Transmission Frameworks Review, Technical Report: Optional Firm Access, 11 April 2013

The Technical Report has been prepared by AEMC staff and provides further detail on the optional firm access model and the reasons for many of the design choices made. It presents a complete picture of how the model would work, in a greater level of technical detail than contained in the final report. The level of detail is intended to allow:

- stakeholder evaluation of how the model would affect their organisations; and
- analysis of the model's impacts on NEM efficiency.

The Technical Report would form the blueprint for the further development of the optional firm access model.

ROAM Consulting, Modelling Transmission Frameworks Review, 28 February 2013

We commissioned modelling to quantify some of the benefits associated with the optional firm access arrangements. The modelling, undertaken by ROAM Consulting, found potential savings resulting from improved coordination between generation and transmission investment. The modelled benefits of the alternative arrangements become more significant in the longer term, when existing spare transmission capacity is forecast to be insufficient to meet emerging demand. The modelled benefits are also greater in future scenarios involving more change from current patterns of demand and generation.

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NERA, Review of Financial Transmission Rights and Comparison with the Proposed OFA Model in Australia, 12 March 2013

We requested NERA Economic Consulting (NERA) to review existing financial transmission rights in other countries and to compare them with our proposed optional firm access model. The report also discusses alternative mechanisms used in other jurisdictions to provide financially firm transmission access for generators.

FTI Consulting, Critical Assessment of Transmission Investment Decision-Making Frameworks in the National Electricity Market, 4 April 2013

FTI Consulting undertook a critical assessment of the incentives provided by our proposed transmission investment decision-making framework. The report is based on economic theory and international experience and covers two areas:

- Whether market signals for transmission investment promote an optimal investment program.
- Whether the optional firm access proposal provides appropriate incentives for investors.

The report is broadly supportive of the optional firm access arrangements. It contains some useful suggestions on incentive design.

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