

ABN 94 072 010 327

Sydney

5 September 2007

Dr John Tambiyn Commissioner **AEMC** PO Box H166 AUSTRALIA SQUARE NSW 1215

Dear John

NEMMCO Submission on the National Transmission Planner Scoping Paper

Thank you for the opportunity to make this submission regarding the scope and conduct of the AEMC's review into the development of an implementation plan for the national transmission planning process announced by the Council of Australian Governments (COAG).

NEMMCO looks forward to working with the AEMC and other stakeholders to implement a workable and effective national transmission planning process. We are well placed to contribute to the development and implementation of the process given our experience in preparing the Statement of Opportunities, the Annual National Transmission Statement and convening the Inter-Regional Planning Committee.

The following key issues have been identified in response to the scoping paper:

- Governance: As the National Transmission Planner will be part of AEMO, governance arrangements for the national transmission planning process must be able to coexist with those for AEMO.
- Consolidation of Planning Functions: The national transmission planning processes should not preclude the consolidation of the functions of some existing TNSPs and JPBs within AEMO should the relevant Jurisdictions desire this outcome.
- Limited Scope: A national transmission planning processes having a broader scope than the limited information provision role assumed in the scoping paper should be considered provided it delivers the objectives required by COAG. Any suggestion that the National Transmission Network Development Plan just specify the required capability is flawed as the required capability is that which can be justified against the cost of delivery by specific projects and no more.
- Sufficient Detail: A sufficiently detailed description of the proposed national transmission planning process needs to be developed to ensure the process will be effective and workable. NEMMCO encourages the development of one or more proposals with sufficient detail to enable an informed review of alternatives.

Melbourne Office



Our submission consists of this covering letter and three attachments:

- Attachment 1 responds to each of the issues raised in the scoping paper;
- Attachment 2 provides a national transmission planning issues paper; and
- Attachment 3 provides the current terms of reference for the Inter-Regional Planning Committee.

Attachment 1 considers the issues raised in the Commission's scoping paper, provides a response to each issue and identifies the supporting information provided in the issues paper. The issues paper (Attachment 2) has been developed drawing on NEMMCO's knowledge of the existing transmission planning arrangement and provides:

- a description of the existing transmission planning processes;
- NEMMCO's views on the pros and cons of the existing processes and potential opportunities for improvement; and
- illustrates via a potential National Transmission Planning process the level of detail required when assessing proposed options.

The terms of reference provided in Attachment 3 describes the current role of the Inter-Regional Planning Committee allowing informed consideration of how the activities performed by the IRPC should be incorporated in the new national transmission planning process.

For further details regarding any of the matters raised in this submission please contact David Bones on 07 3347 3041.

Yours faithfully

Brian Spalding

Chief Operating Officer

Attachments 1, 2 and 3.