



27 November, 2017

Sarah-Jane Derby
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Ms Derby,

Declaration of Lack of Reserve Conditions

Powerlink Queensland (Powerlink) provides this submission to the Australian Energy Market Commission's (AEMC's) Draft Determination on the Declaration of Lack of Reserve Conditions Rule change proposal. The Rule change proposal was submitted by the Australian Energy Market Operator (AEMO) in order to improve the operation of the lack of reserve (LOR) framework under the National Electricity Rules. The AEMC's Draft Determination accepted the central premise of the AEMO Rule change proposal, but included a stronger governance framework by including specific matters that the Reserve Level Declaration Guidelines must take into account.

Summary

Powerlink supports the AEMC's Draft Determination and considers that the matters raised by Powerlink in its original submission have been appropriately addressed. The specific matters raised by Powerlink are:

1. **Governance arrangements:** the Draft Determination requires that the Reserve Level Declaration Guidelines developed by AEMO must take into account some specific matters and also requires that AEMO provide suitable explanation of the assessment methodology.
2. **Minimum LOR trigger levels:** the Draft Determination requires that a minimum of three probability levels be specified, that reflect increasing probability of involuntary load shedding occurring. Powerlink considers this provides an appropriate degree of continuity from the current LOR specification to any new arrangements.

If you have any questions in relation to this submission, please contact Ms Jennifer Harris on (07) 3860 2667 or via email at jharris@powerlink.com.au.

Yours sincerely,

A handwritten signature in blue ink that reads "Merryn York".

Merryn York
CHIEF EXECUTIVE

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