



**EnergyAustralia**

4 June 2015

Mr John Pierce  
Mr Neville Henderson  
Dr Brian Spalding  
Australian Energy Market Commission

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Dear Commissioners

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Lodged electronically: [www.aemc.gov.au](http://www.aemc.gov.au) (ERC0184)

### **AEMO access to demand forecasting information, Consultation paper, 7 May 2015**

EnergyAustralia welcomes the opportunity to make a submission on the rule change proposal to increase AEMO's information gathering powers in regards to access to (and subsequent publication of) detailed connection point demand forecasting information.

EnergyAustralia is one of the country's leading retailers, providing gas and electricity to more than 2.6 million customers. We own and operate a range of generation and storage facilities, including coal, gas and wind assets, in NSW, Victoria and South Australia.

At a high level, EnergyAustralia encourages maximum transparency and unhindered access to any data used to plan and invest in the network, and we acknowledge that accurate connection point forecasts would support the role of the National Transmission Planner and improve its analysis – so we support this Rule change in principle. EA also supports the principle of adopting and promulgating a nationally consistent methodology for establishing maximum demand forecasts, as per AEMO's June 2013 publication<sup>1</sup>.

However, we also believe that NSPs are best placed to develop the detailed bottom-up maximum demand forecasts due to their knowledge of the customers connected to their networks, combined with their resources and experience at planning for their assets (i.e load transfers between sites, etc). At the end of the day it is the NSP's that have mandated license obligations to meet supply reliability standards. Therefore EnergyAustralia has some reservations about the potential for this Rule change proposal, and more broadly the general framework around point of connection forecasts, to be promoting duplication of a highly resource intensive annual process of applying the methodology and developing the forecasts, including the data gathering and cleansing process.

We understand that a completely independent forecast may assist the AER in network determinations, but believe contestable and transparent forecasting methodologies and assumptions that are open to scrutiny in terms of approach and only a single application of the methodology and process is a better way to ensure a reliable forecast. In this context, AEMO's work maybe an unnecessary duplication.

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<sup>1</sup> AEMO, Connection Point Forecasting: A Nationally Consistent Methodology for Forecasting Maximum Electricity Demand – Report, 26 June 2013

At the next round of consultation on this rule change we would also like a much clearer understanding of the specific shortfalls in data AEMO has experienced, in the context that it has already published its own forecasts for all regions except Queensland, and given the existing provisions in the Rules that required NSP's to gather and publish load forecast information (NER clauses 5.11, 5.12.2(c)(1) and Schedule 5.7 and 5.8). We also seek further details of AEMO's likely application of the increased information gathering powers – such as the circumstances under which it would release orders and notices for information collection, to which parties and how often. This would provide some sense of context around the increased regulatory burden the rule change may effect.

If you any have further questions please contact me on (03) 8628 4518 or at Ben.Hayward@EnergyAustralia.com.au.

Regards

A handwritten signature in black ink, appearing to read 'Ben Hayward', written in a cursive style.

**Ben Hayward**

Wholesale Regulation