AEMC Reliability Panel
Public Forum

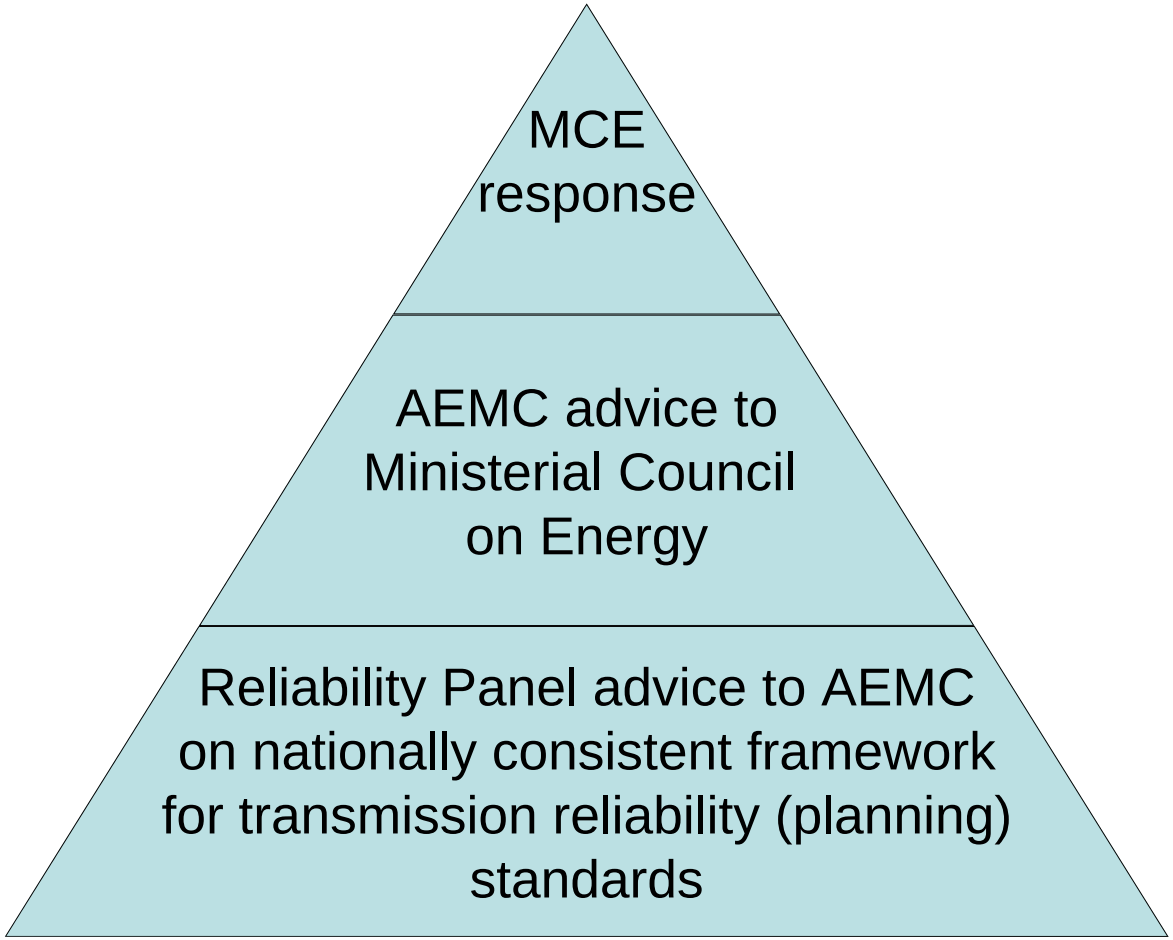
Towards a Nationally Consistent Framework for Transmission Reliability Standards

Melbourne Airport Hilton
30 April 2008

Ian Woodward
Chairman
AEMC Reliability Panel

Review

- AEMC asked the Panel to undertake a review of the jurisdictional transmission reliability standards and provide advice to the Commission.
- Panel's advice will assist the Commission in formulating its advice to the Ministerial Council for Energy (MCE) on the development of a nationally consistent framework for transmission reliability standards.
- Part of National Transmission Planner Review.


MCE response
AEMC advice to Ministerial Council on Energy
Reliability Panel advice to AEMC on nationally consistent framework for transmission reliability (planning) standards

AEMC Reliability Panel

- Ian Woodward, Chairman (AEMC Commissioner)
- Kerry Connors, Executive Officer, Consumer Utilities Advocacy Centre (end use customers)
- Jeff Dimery, Group General Manager, Merchant Energy, AGL Energy (market customers)
- Mark Grenning, Chief Advisor Energy, Rio Tinto
- Les Hosking, Managing Director and CEO, NEMMCO
- Gordon Jardine, Chief Executive, Powerlink (TNSPs)
- George Maltabarow, Managing Director, EnergyAustralia (DNSPs)
- Stephen Orr, Commercial Director, International Power Australia (generators)
- David Swift, Chief Executive, Electricity Supply Industry Planning Council
- Geoff Willis, former CEO, Hydro Tasmania

Key themes

- Existing framework of transmission reliability (planning) standards has considerable divergence across jurisdictions
  - Form of standards
  - Level of standards
  - Who sets the level of standards
  - Instruments used to give effect to standards
    - Legislation, licences, network codes, connection agreements, TSNP planning documents
- Issues Paper asked for views on a framework for nationally consistent transmission reliability standards

Areas of focus

- Considerable consensus
  - Nationally consistent framework – highly desirable
  - High level policy principles for a national framework
- Principles
  1. Transparency
  2. Governance
  3. Economic efficiency
  4. Specificity of standards
  5. “Fit for purpose” standards
  6. Accountability
- Additional principles
  7. The maintenance of at least existing levels of network performance;
  8. Standards should be technologically neutral;
  9. Desirability for a consistent relationship between transmission and sub-transmission standards.

Options

- **Four** options drawn from submissions
- Panel has developed a **fifth option** for consultation.
- Establishing a nationally consistent framework based around these areas of consensus will require significant changes to existing jurisdictional instruments, and potentially the National Electricity Law (NEL) and National Electricity Rules (NER).

Options: key issues

- National application
- Form of standard and specificity
- Level of standard
- Level setting
- Alignment with distribution network standards
- “NEM wide” – Information Reference Standard

Areas of further development

- Three areas of disagreement on a framework for nationally consistent transmission standards are:
  - Form of standard;
  - National versus jurisdictional setting of standards; and
  - Accountabilities (which flows form the above point).
- Implementation regime and transition plan

Submissions and Input

- 9 to date on Issues Paper
- Requesting submissions on Draft Report
- Opportunities for further engagement
- Serious attempt to seek input, expertise and stakeholder views

Next steps

- Draft Report – submissions due June 2008
- International comparisons report
- Panel's analysis
- Panel Report to AEMC by 30 July 2008

Today

- Program:
  - Opening
  - Presentations: 15 mins plus questions
  - Questions from floor & discussion
  - Finish and morning tea 11:00
- For assistance: see Ignatius or Julian

Process

Date	Milestone
21 December 2007	Publish Issues Paper
8 February 2008	Close of submissions on Issues Paper
24 April 2008	Publish Draft Report
30 April 2008	Public forum on Draft Report
3 June 2008	Close of submissions on Draft Report
30 July 2008	Submit Final Report to AEMC