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Dr John Tamblyn Chairman Australian Energy Market Commission PO BOX A2449 SYDNEY SOUTH NSW 1235

By e-mail: submissions@aemc.gov.au

Ref: 276555 Your Ref: ERC0089 Contact: Franc Cavoli Ph: 03 8664 6615

Dear John

Grid Australia's Rule Change Proposal: Confidentiality Provisions for Network Connections

AEMO appreciates the opportunity to respond to this Rule change proposal. This response is being submitted by the Australian Energy Market Operator (Transitional) Ltd (AEMOT) on behalf of Australian Energy Market Operator Limited (AEMO). Any reference in this letter and submission to either AEMO or AEMOT should be taken as a reference to the entity that will exist from 1 July 2009, which will be called the Australian Energy Market Operator.

AEMO supports the proposed Rule change because increasing the flow of information, where appropriate, would result in greater transparency for market participants. In turn, this would promote efficient investment in, and efficient operation and use of, electricity services in the National Electricity Market.

Nonetheless, AEMO suggests a couple of minor amendments should be made to the drafted Rule. Firstly, AEMO considers that proposed clause 5.3.8(d) should be amended to require Network Service Providers to advise connection applicants of the extent of the disclosure of information regarding their connection application prior to disclosing the information. This would ensure connection applicants are aware of any disclosure of information which may materially affect it.

AEMO suggests proposed clause 5.3.8(d) be amended as follows.

(d) A person intending to disclose information under paragraphs (b), or (c), and (c1) must first advise the relevant *Connection Applicant* of the extent of the disclosure, unless the information may be disclosed under by virtue of clause 8.6.2.

AEMO also notes that the wording in clause 5.3.8(c1) uses the term 'network connection' to mean a proposed generating system or load, whereas the Rules' definition refers to the formation of a physical link via connection assets between two facilities.

As such, AEMO's proposed wording for clause 5.3.8(c1) omits references to the term 'network connection' and is intended to retain the meaning of the proposed clause. Consistent with clause 5.1.3(d), AEMO has not used the Rules' definition of 'facility'.

AEMO's suggests proposed clause 5.3.8(c1) be amended as follows.

(c1) A Network Service Provider may publish or disclose information regarding the size, location, completion date, primary technology (e.g. gas turbine, coal fired, wind generator) and broad function (e.g. base load generator, peaking generator or load) of a network connection, providing that an application to connect in relation to that network connection of the proposed facility for which an application to connect has been received by the Network Service Provider in accordance with clause 5.3.4. and clause 5.3.4A.

If you have any questions or queries please contact Franc Cavoli on (03) 8664 6616.

Yours sincerely

Matt Zema

Managing Director and Chief Executive Officer

AEMO (Transitional) Ltd

Enc.