



N A T I O N A L G E N E R A T O R S F O R U M

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Chief Executive
National Electricity Market Management Co Ltd
GPO Box 2008S
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Dear Les

Spot Market Data Transparency Request

The National Generators Forum (NGF), through this letter, requests that NEMMCO implements a project to increase spot market data transparency.

This issue was raised in the Dispatch and Pricing Reference Group (DPRG), which is chaired by a NEMMCO representative. In response, the NEMMCO Market Development department developed a draft report entitled "Spot Market Data Transparency Proposal", which was considered by the DPRG on 23 September 2008.

On the basis of these considerations, the NGF has considered whether implementing the recommendations of this report would require a Rule change. We do not believe that such a change is required, as our examination of the Rules has identified that under Rule 3.13.1(a), NEMMCO must make additional information available to participants, if –

- It is requested, and
- It is not "defined by the Rules as confidential or commercially sensitive".

This letter is to satisfy the first of these conditions. The NGF requests the publication of information outlined in stages one and two of the appendix to this letter, which we believe is allowed under the second condition of Rule 3.13.1(a).

This proposal to increase transparency originated in response to the development of remote sensing of power line conditions, and the related sale of real-time power flow data to some market participants.

In this context, increased spot market data transparency has two benefits. Firstly, it would reduce the information asymmetry between participants, especially between large and small participants. Secondly, it would reduce the overall cost to the industry of data acquisition. Both these benefits are consistent with an enhancement in relation to the National Electricity Objective.

The NGF recognises that there are practical limits to data provision, and that the necessary changes to NEMMCO systems will take time.

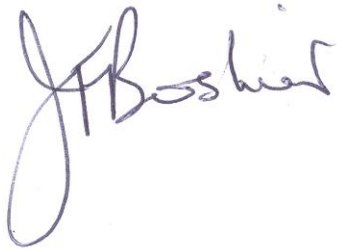
From both these perspectives it appears desirable that this project develop by stages, with consultation between NEMMCO and market participants as the project evolves.

The NGF, in seeking this additional transparency, is not seeking to restrict the information to its members, but rather seeks publication of all the selected information in a form available to any market participant.

Some initial suggestions in relation to a staged implementation are included as an appendix to this letter.

If you have any questions in relation to this request, please call me on 02 6243 5120.

Yours faithfully
John Boshier

A handwritten signature in blue ink, appearing to read 'JBoshier', with a large loop at the end of the first name.

John Boshier
Executive Director

Appendix

Proposed stages in Spot Market Data Transparency enhancements

The following proposed stages are intended as suggestions for the initial enhancements to spot market transparency, and not as a comprehensive definition of the project as it may evolve.

Stage 1

Provision, in each dispatch interval, of the initial output at the start of the dispatch interval, for each scheduled generating unit, semi-scheduled generating unit, scheduled network service, scheduled load, and for each non-scheduled generating unit for which the data is available.

We note this data is currently published each day in relation to the day before, so this change would appear to involve nothing more than advancing the timing of this publication.

Stage 2

Provision, in each dispatch interval, of the power flow at the start of the dispatch interval for each National Transmission Flow Path (as defined in the ANTS), and whether that flow was subject to a network constraint.

Stage 3

Review of the value of the transmission flow data provided in stage 2, and definition of enhanced data provision if necessary.