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The Chairman Australian Energy Market Commission PO Box A2449 Sydney South NSW 1235

By Email: Submissions@AEMC.gov.au

Dear Dr Tamblyn,

National Electricity Amendment (Confidentiality Arrangements in Respect of Information Required for Power System Studies) Rule 2008

McLennan Magasanik Associates

McLennan Magasanik Associates (MMA) is an independent adviser specialising in market advice in electricity, gas and environmental product markets. Our clients include market participants, and also large customers, financiers and prospective market participants. We have managed power system studies in association with other consultants from time to time, including forecasts of transmission marginal loss factors.

Rule change proposal

MMA is supportive of the Rule Proposal by the National Generators Forum, as modified by this submission. Under their proposal the ability to perform power system studies would remain restricted to existing Registered Participants.

MMA's proposal

MMA proposes that the parties eligible to obtain data necessary to perform power system studies should be widened to include bona fide consultants offering power system analysis services. Data should be able to be legally retained between consulting assignments, consistent with confidentialty provisions. This would assist in training and preparation for new tasks. Common system data that is unchanged from a previous assignment (such as network parameters embedded in a software database) may be used for a new assignment without data re-entry providing approval requirements have been met including any new confidentialty arrangements.

Benefits of MMA's proposal

Benefits which are likely to arise from accepting this proposal include;

• Electricity services will be provided more efficiently by more efficient power system analysis by consultants well practiced and experienced in power system

analysis; It will enable consultants to maintain their capabilities at lower long-term cost because duplicate data preparation and skill loss will be reduced

- Electricity services will be provided more efficiently by large customers and financiers also able to be guided by power system analyses, including forecasts of transmission marginal loss factors, and
- Investment in electricity services will be promoted by lowering this potential barrier to entry for prospective market participants.

How the MMA proposal meets the Market Objective

The above benefits are highly aligned with meeting the Market Objective. Preventing or delaying efficient power system analysis by consultants assisting large customers, financiers and prospective market participants does not meet the Market Objective.

Relevance to Rule change proposal

As the MMA proposal requires only minor amendment to the Rule change proposal to provide additional benefits, it is highly relevant to this Rule change proposal, and would be most efficiently implemented at the same time.

Other submissions

MMA is supportive of the submission by Digsilent as supplemented by this submission.

This submission is not confidential.

Yours sincerely,

Bob Graham Director McLennan Magasanik Associates