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Wind Energy Policy Working Group
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Dear Sir

TransGrid Submission on "Integrating Wind Farms into the NEM" Discussion Paper

Thank you for the opportunity to comment on the Ministerial Council on Energy (MCE) discussion paper entitled 'Integrating Wind Farms into the National Electricity Market'. TransGrid was pleased to be able to provide input in the process by which this paper was produced and accordingly we generally support the findings and recommendations. We also support the need for such a review and recognise that a number of the issues identified are in fact not exclusive to wind but apply to other forms of generation including other intermittent and non-scheduled generation. We also recognise and agree with the need for urgency in a number of areas.

In particular we support the findings in the following areas and for the following reasons: -

- The need for wind generation forecasts as wind power becomes a material component of the NEM generation mix;
- The release of non-scheduled generation data to the market consistent with the data released for other forms of generation;
- Consideration of control systems to provide effective management of the effect of intermittent generation on network flows;
- Bringing non-scheduled intermittent generation into the dispatch process to avoid the need for regular use of directions and instructions which are intended to be last resort provisions
- Provision of non-confidential and verified models;
- Refinement of the treatment of the causer pays arrangements for regulation FCAS services with a materiality test applied and continual review going forward; and
- Review of code connection procedures in the interests of clarification of some matters.

TransGrid is also generally in support of the findings with respect to the technical standards. We are in support of the proposed process involving regular reviews and the immediate establishment of the Technical Standards Reference Group. We do not make specific detailed comment in this correspondence on the findings. However, we reserve the right to comment further on these matters.

We are also pleased to be able to provide a representative on the Technical Standards Reference Group and look forward to the timely resolution of these Code issues. We recognise there is a clear need for timely clarification in a number of areas and support the general direction recommended by the MCE report.

TransGrid agrees with the requirement for the provision of non-confidential and verified plant models but we have reservations about the role of NSP's in the testing of the models to verify them. We believe the power to require testing should rest with NEMMCO not with an NSP. Further, we believe it is the Generator's obligation to provide accurate models, and that they should take all reasonable steps including testing to verify model accuracy. It appears NEMMCO wants comfort that the model it has used to register the generator and its associated performance standards has been verified. However, the proposal at present, seems to require the NSP to arrange testing required by NEMMCO. It therefore seems more appropriate that the existing provisions of clause 5.7.6 are retained, and additional arrangements are included to require:

- the provision of verified models be part of the performance standards for all generators;
- NEMMCO to nominate at the time of registration of the performance standards which models it requires verified by test;
- testing be undertaken during commissioning new plant or equipment to confirm the models;
- the generator to submit the verified models to the NSP for the purpose of registering data, and to NEMMCO so that NEMMCO can confirm the registered performance standards;
- that any compliance monitoring be the responsibility of the Generator as part of the compliance monitoring program; and
- that any additional testing required by NEMMCO be requested directly by NEMMCO to the Generator.

We see this as a more efficient process more directly allocating the responsibility for model accuracy to the Generator, and providing NEMMCO with the power to enter a direct dialogue with the Generator on testing. This is also a legitimate arrangement given the potential impact on security of supply and NEMMCO's responsibilities for security of supply.

We look forward to continuing involvement with the development of the market on these important issues and support the progress to date. For further comment or clarification on TransGrid's position please feel free to contact Mr Philip Gall, TransGrid's Manager/Regulatory Affairs on (02) 9284 3434 in the first instance.

Yours sincerely,



Philip Gall
Manager/Regulatory Affairs