

29 August 2013

Mr Chris Pattas
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Dear Chris

RE: AER Draft Expenditure Forecast Assessment Guidelines for electricity transmission and distribution economic benchmarking templates

AEMO welcomes the opportunity to provide feedback on the AER's draft expenditure forecast assessment guidelines for transmission and distribution templates.

AEMO supports a nationally consistent reporting framework that allows for improved benchmarking measures across the network businesses. AEMO also supports greater transparency of information relating to network assets, such as equipment ratings, outage rates and asset age, which enable more efficient planning and operation within the National Electricity Market (NEM). These changes also promote efficient outcomes for customers which are critical in the current dynamic economic environment and essential to meet the National Electricity Objective (NEO).

From our national planning perspective, AEMO's submission suggests further enhancements to the AER's proposed draft economic benchmarking template to ensure sufficient data is obtained so that network planning and operation are undertaken as comprehensively as possible to benefit the market.

AEMO looks forward to working with the AER on the development of these templates throughout the AER's process.

If you have any questions regarding any aspects of this submission please do not hesitate to contact Reena Kwong (03) 9609 8492.

Yours sincerely



Murray Chapman
**Acting Executive General Manager
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AER TNSP and DNSP economic benchmarking data templates

The comments below refer to the variables and definitions requested within the benchmarking data templates.

In order to obtain information that will be valuable to the AER for their intended purpose, AEMO believes some variables require clarification and propose the following additional definitions:

- TPA06 Interconnector capacity – This is intended to be a single number that reflects installed transmission system capacity for interconnectors and would be equivalent to the normal assigned continuous capacity / rating (with forced cooling etc if relevant). It is to include:
 - only energised transformers, not cold spare capacity
 - capacity of tertiary windings etc as relevant

Assigned rating may be nameplate rating, or rating determined from results of temperature rise calculations from testing. Step-up transformers at generation connection location are not to be included.

- Section 7.3 System losses – These are losses as percentage of energy input to the transmission system network.

The comments below refer to information relating to quality of service data requirements, Tables 7.1 through to 7.4.

AEMO supports the provision of quality of service information of the type AER has included in the draft templates.

AEMO proposes expanding this list to include plant outage data for elements, particularly network circuits and transformers, at each of the voltage levels in the NEM. This information would assist in the calculation of probabilities of network outages of these elements which could then be applied more accurately to economic planning studies, including RIT-T assessments. This would further enhance the transparency of the economic planning approach and thoroughness of cost benefit assessments that are undertaken for reliability planning.

Suggested additional data include:

1. Network circuits (e.g. 500kV, 330kV, 275kV, 220kV, 132kV, 110kV, 66kV, 44kV, 33kV, 22kV, 11kV and any other voltages in the NEM)
 - a. Number of total circuits
 - b. Total distance of circuits (km)For both planned and unplanned outages:
 - c. Number of years with historical outage data
 - d. Total number of outages
 - e. Total duration of outages (hr)Maximum duration of an outage (hr)
2. Transformers (e.g. 500/330kV, 500/275kV, 500/220kV, 330/275kV, 330/220kV, 330/132kV, 275/132kV, 330/110kV, 275/110kV, 220/66kV and any other voltages in the NEM)

a. Number of transformers

For both planned and unplanned outages:

b. Number of years with historical outage data

c. Total number of outages

d. Total duration of outages (hr)

e. Maximum duration of an outage (hr)