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Our Ref: 61592
Contact Officer: Ali Hassan
Contact Phone: 02 9230 9106

2 April 2019

Rainer Korte
Group Executive Asset Management
ElectraNet
52-55 East Terrace, Adelaide
Adelaide SA 5000

Dear Mr Korte,

Re: AER Information Request- SAET RIT-T Dispute

As you are aware, on 15 March 2019, the Australian Energy Regulator (AER) received a dispute notice¹ from the South Australian Council of Social Service (SACOSS) about the South Australian Energy Transformation (SAET) regulatory investment test for transmission (RIT-T) undertaken by ElectraNet.

In accordance with clause 5.16.5(d) of the National Electricity Rules (the Rules), the AER is required to either reject the dispute or make and publish a determination on the dispute within 40 days of receiving the dispute notice. This can be extended by up to 60 days to account for the complexity or difficulty of the issues involved.

In its dispute notice, SACOSS contend that ElectraNet's Project Assessment Conclusions Report (PACR) for SAET RIT-T does not adequately consider the system security risks with the assumed retirement of three gas generators or an unplanned outage of one of the interconnectors, such as the Heywood interconnector. In particular, SACOSS contend that the PACR provides little detail about the operation of a Special Protection Scheme (SPS) proposed to detect and manage system security risks associated with the loss of Heywood and/or the proposed interconnector.

To assist our assessment of the SAET RIT-T dispute, we seek information on the following:

1. The analysis and process to date for developing the SPS as proposed in ElectraNet's PACR²:

¹ [SACOSS, Dispute Notice under Clause 5.16.5 of the NER, ElectraNet's SA Energy Transformation RIT-T, 15 March 2019](#)

² [ElectraNet, South Australian Energy Transformation \(SAET\) RIT-T, PACR, page 67, March 2019](#)

- a. What are the technical requirements of an SPS to ensure South Australia remains synchronously connected to the NEM following the non-credible loss of either the Heywood interconnector or the proposed new interconnector while combined imports or exports across the interconnectors are at the maximum of 1300 MW.
- b. Since the publication of the PSCR³, what process has ElectraNet undertaken in developing the SPS including:
 - i. The development process.
 - ii. The consultation process.
 - iii. Design studies undertaken either for the proposed interconnector and/or any completed studies for similar requirements in the NEM or any other jurisdiction.
- c. What other measures are likely to be required to manage system security, for example limiting transfer capabilities/flows on either the proposed interconnector or Heywood.
- d. Given the detailed design of any transmission project is not available prior to the successful completion of the RIT-T, what is the process to develop, approve and commission the final scheme?

We request you provide this information by **COB 16 April 2019**.

If you have any questions regarding this matter, please contact Ali Hassan on 02 9230 9106.

Yours sincerely



Sebastian Roberts
General Manager
Transmission and Gas Branch

Sent by email on: 02.04.2019

³ [ElectraNet, South Australian Energy Transformation \(SAET\) RIT-T, PSCR, page 39-40, November 2016](#)