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Our Ref: D19/202860
Contact Officer: David Monk
Contact Phone: 08 8213 3437

20 January 2020

Wayne Tucker
General Manager
Regulation, Policy and Strategic Asset Management
TasNetworks
PO BOX 606
Moonah TAS 7009

Dear Mr Tucker

Re: Request for extension of time to submit cost pass through application

I refer to your letter dated 18 December 2019 requesting an extension of time to submit a cost pass through application in respect of an inertia and fault level shortfall event, pursuant to clause 6A.7.3(k) of the National Electricity Rules. The letter seeks this extension until 30 June 2020 in order to assess and quantify the full effect of the inertia and fault level shortfall in Tasmania declared by AEMO on 13 November 2019.

AEMO released a notice of inertia and fault level shortfalls in Tasmania on 13 November 2019. The notice declares an inertia shortfall in Tasmania of 2,350 MWs and fault level shortfalls of:

- 530 MVA at George Town
- 320 MVA at Risdon
- 310 MVA at Waddamana
- 180 MVA at Burnie.

TasNetworks has agreed with AEMO that the services required to remedy the declared inertia and fault level shortfalls in Tasmania will be made available from 1 April 2020. I understand that TasNetworks has entered into negotiations for the provision of these services, but these arrangements have not yet been finalised. TasNetworks is therefore seeking an extension until 30 June 2020 to submit a pass through application in relation to recovering the costs of providing these services.

Based on the information provided by TasNetworks, the AER is satisfied that the proposed extension until 30 June 2020 is required in order to allow TasNetworks sufficient time to conclude all relevant financial, contractual, operational and procedural developments such that the effect of the shortfall declaration can be accurately assessed.

In light of these circumstances, the AER has determined to extend the time that TasNetworks has to submit a cost pass through application relating to the inertia and fault level shortfall in Tasmania declared by AEMO on 13 November 2019, until **30 June 2020**.

If you have any queries in relation to this letter, please contact Mr David Monk on (08) 8213 3437.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S. Roberts', with a long horizontal flourish extending to the right.

Sebastian Roberts

General Manager
Transmission and Gas Branch
Australian Energy Regulator

Sent by email on: 20.01.2020