

17 May 2019

Sebastian Roberts
General Manager, Transmission and Gas Branch
Australian Energy Regulator
Level 17, Casselden
2 Lonsdale Street
MELBOURNE VIC 3000

Email: Sebastian.Roberts@aer.gov.au

Dear Sebastian,

Re: SA Energy Transformation RIT-T Dispute – Request for information

I am writing in response to the AER 10 May 2019 follow-up information request on the SA Energy Transformation RIT-T dispute raised by the South Australian Council for Social Service (SACOSS).

Your information request states that SACOSS contends that ElectraNet's RIT-T Project Assessment Conclusions Report provides little detail about the operation of the Special Protection Scheme (SPS) proposed to detect and manage system security risks associated with the loss of the Heywood interconnector and/or the proposed new South Australia to New South Wales interconnector (Project EnergyConnect).

SACOSS is concerned that the RIT-T modelled market benefits are based on combined interconnector capacities that are not achievable if the SPS does not work as intended.

We have prepared the accompanying report on the SPS in response to the further information you requested. The report provides a high level overview of the concept level design of the SPS and how this has been developed.

We trust this provides the further information required for the AER to make a determination in relation to the SACOSS dispute.

We are confident based on the work undertaken so far and our recent experience in implementing a similar special protection scheme in South Australia that the SPS can be successfully implemented to ensure the assumed interconnector transfer capacities and forecast market benefits can be achieved for the South Australia to New South Wales interconnector.

Please contact me on (08) 8404 7983 if you would like to discuss any aspect of our response.

Yours sincerely

A handwritten signature in blue ink that reads "Rainer Korte". The signature is written in a cursive style with a blue color.

Rainer Korte
Group Executive Asset Management