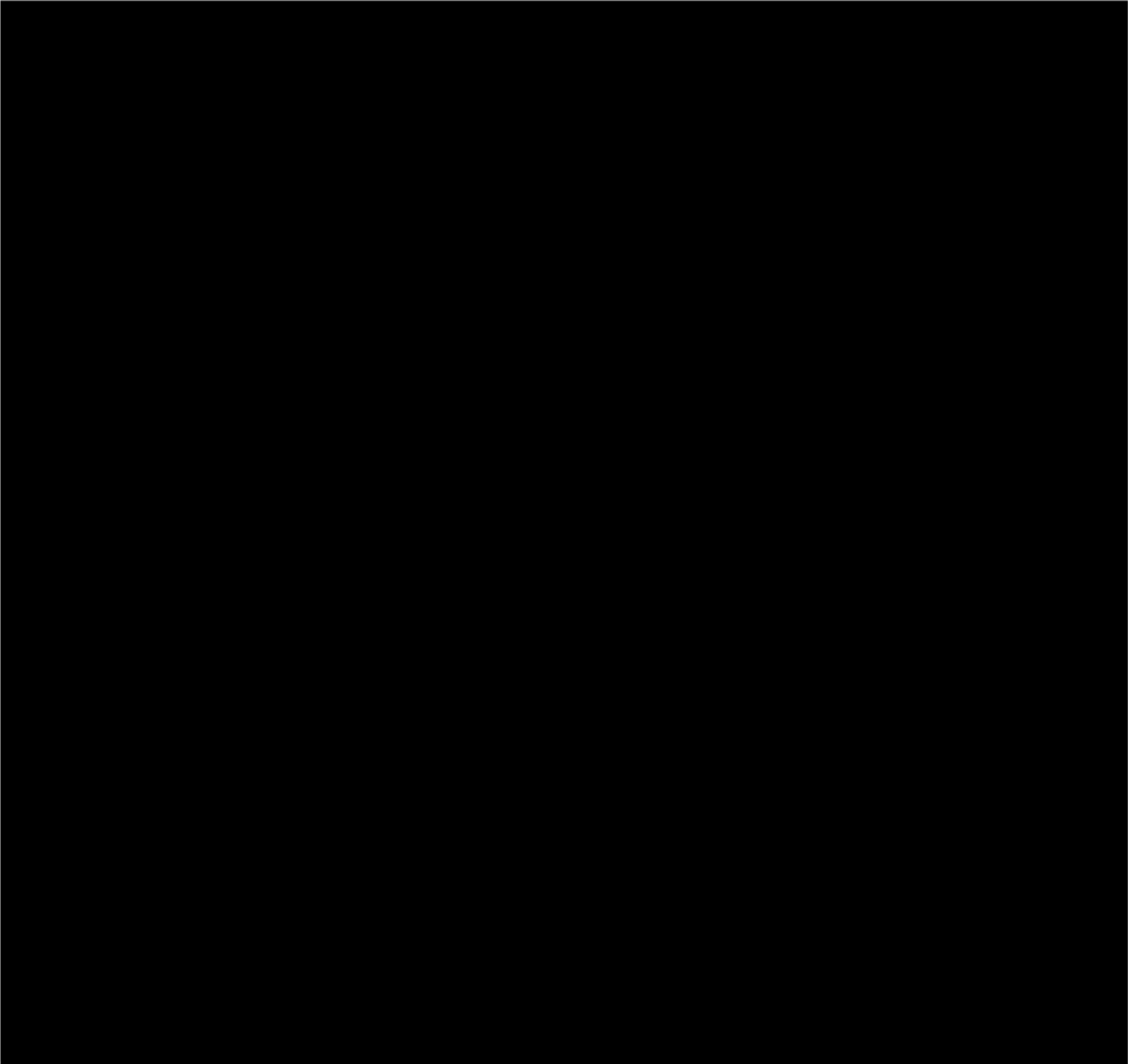


Released under FOI



From: [redacted]@aemo.com.au
Sent: Friday, 6 August 2021 8:17 AM
To: Burkitt, Blair <blair.burkitt@aer.gov.au>
Cc: [redacted]@aemo.com.au; [redacted]@aemo.com.au; [redacted]@aemo.com.au; [redacted]@aemo.com.au
Subject: AEMO-AER meeting 28/07 Action: Potential pathways to progress ISP projects

Good morning Blair,

Further to the below, please find attached our potential pathways to progress Humelink through a feedback loop assessment. Apologies for the delay in getting this to you.



Released under FOI

Please reach out if you have any further clarifications on this – otherwise we look forward to hearing back from you on the outcome of your discussion on the 11th.

Regards,

[REDACTED]
Principal Analyst, Regulation
Australian Energy Market Operator

T
M

[REDACTED]@aemo.com.au | www.aemo.com.au

In response to the COVID-19 pandemic, AEMO has adopted digital and remote ways of working to protect our people and critical operations.

Please be aware that most meetings will now be conducted digitally, preferably using WebEx, to minimise physical contact and allow business to continue.

Given the dramatic increase in load on our systems, please bear with us while we work through any technical issues that may result.

From: Burkitt, Blair <blair.burkitt@aer.gov.au>

Sent: Monday, 2 August 2021 3:42 PM

To: [REDACTED]@aemo.com.au>

Cc: [REDACTED]@aemo.com.au>; [REDACTED]@aemo.com.au>; [REDACTED]

[REDACTED]@aemo.com.au>; [REDACTED]@aemo.com.au>

Subject: RE: AEMO-AER meeting 28/07 Action: Potential pathways to progress ISP projects [SEC=OFFICIAL]

OFFICIAL

Hi [REDACTED]

That's fine, noting we will be considering this issue in 11 Aug.

Kind regards

From: [REDACTED]@aemo.com.au>

Sent: Monday, 2 August 2021 4:03 PM

To: Burkitt, Blair <blair.burkitt@aer.gov.au>

Cc: [REDACTED]@aemo.com.au>; [REDACTED]@aemo.com.au>; [REDACTED]

[REDACTED]@aemo.com.au>; [REDACTED]@aemo.com.au>

Subject: AEMO-AER meeting 28/07 Action: Potential pathways to progress ISP projects

Hi Blair,

I hope all is well.

In our meeting on Wednesday last week we promised we would provide AER staff with AEMO's view of potential pathways to progress HumeLink by Monday 2nd August. Discussions are still ongoing internally regarding these, and thus we were wondering if we can send this to you by COB Wednesday this week (4th August) instead?

Regards,

[REDACTED]
Principal Analyst, Regulation
Australian Energy Market Operator

T
M

[REDACTED]@aemo.com.au | www.aemo.com.au

Released under FOI

In response to the COVID-19 pandemic, AEMO has adopted digital and remote ways of working to protect our people and critical operations.

Please be aware that most meetings will now be conducted digitally, preferably using WebEx, to minimise physical contact and allow business to continue.

Given the dramatic increase in load on our systems, please bear with us while we work through any technical issues that may result.

This email, including all attachments, is confidential and for the sole use of the intended recipient(s). If you are not the intended recipient, you are prohibited from disclosing, copying, distributing, or in any other way using it.

If you have received this email in error, please notify me by return email, or contact the AEMO Client Services Team on 1300 236 600, and then delete this email from your system.

IMPORTANT: This email from the Australian Energy Regulator (AER), and any attachments to it, may contain information that is confidential and may also be the subject of legal, professional or other privilege. If you are not the intended recipient, you must not review, copy, disseminate, disclose to others or take action in reliance on, any material contained within this email. If you have received this email in error, please let the AER know by reply email to the sender informing them of the mistake and delete all copies from your computer system. For the purposes of the Spam Act 2003, this email is authorised by the AER www.aer.gov.au

This email, including all attachments, is confidential and for the sole use of the intended recipient(s). If you are not the intended recipient, you are prohibited from disclosing, copying, distributing, or in any other way using it.

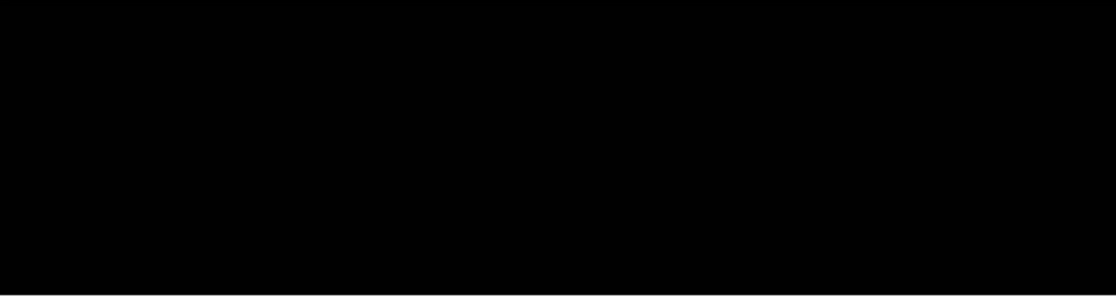
If you have received this email in error, please notify me by return email, or contact the AEMO Client Services Team on 1300 236 600, and then delete this email from your system.

Released under FOI

Feedback loop options for HumeLink

Comments prepared by AEMO to inform AER staff paper

6 August 2021



Background

On 28 July 2021, during the monthly AEMO/AER engagement meeting on ISP activities, AER staff commented that they were preparing a paper for an internal committee meeting on options for the assessment of feedback loops as part of the actionable ISP framework. A meeting action was agreed for AEMO to provide workable options for a feedback loop assessment on HumeLink, based on earlier discussions with AER staff, to help inform its staff paper.

The new 'ISP Rules' commenced 1 July 2020 and HumeLink is an 'existing actionable ISP project'. TransGrid has a choice to apply the new Rules to the HumeLink RIT-T if TransGrid elects to do so (which it has done).

The AER has stated¹ that the AER's Cost Benefit Analysis (CBA) Guidelines and Forecasting Best Practice Guidelines (FBPG) do not apply to the HumeLink RIT-T.



The [HumeLink PACR](#), published 29 July 2021, states that the actionable ISP framework has been applied and that an AEMO feedback loop will be requested. The PACR applies the 2020 IASR assumptions and scenarios and updated demand assumptions from the 2020 ESOO. Sensitivity testing using the draft 2021 IASR assumptions was also undertaken.²

The HumeLink PACR identifies significant competition benefits by assessing this class of market benefit for the two top-ranked options. The 2020 ISP did not include an assessment of competition benefits.

On 30 July 2021, following extensive consultation, AEMO published its latest ISP inputs, assumptions and scenarios in the 2021 IASR.

¹ The AER's final decision on guidelines to make the ISP actionable. This document states that the AER's Cost Benefit Analysis (CBA) Guidelines and Forecasting Best Practice Guidelines (FBPG) do not apply to the HumeLink RIT-T.

² HumeLink PACR, p.12

Released under FOI

