

28 January 2020



Mr Darrell Channing
Director
Adjudication
ACCC
GPO Box 3131
CANBERRA ACT 2601

Email: adjudication@accc.gov.au

Dear Mr Channing

Stanwell Corporation Limited & Diamantina Power Station Pty Ltd – application for revocation of authorisations A91448 and A91449 and substitution of authorisation AA1000454 – draft determination and interim authorisation

Energy Queensland Limited (Energy Queensland) appreciates the opportunity to provide comment on the Australian Competition and Consumer Commission's (ACCC's) draft determination and interim authorisation on the application for revocation and substitution authorisation lodged by Stanwell Corporation Limited and Diamantina Power Station Pty Ltd (the Applicants) in respect of arrangements for participants of the North West Power System (NWPS) to agree to rules relating to the coordination of electricity dispatch. Energy Queensland is the parent company of Ergon Energy Corporation Limited (Ergon Energy Network), and Ergon Energy Queensland Pty Ltd (Ergon Energy Retail), the owner of the network infrastructure in the region and local electricity retailer respectively.¹ Ergon Energy Network and Ergon Energy Retail are participants in the NWPS.

Energy Queensland supports the ACCC's proposal to:

- conditionally re-authorise the current and future participants within the NWPS to agree to rules related to the coordination and dispatch of generators, and demand management and load shedding of certain electricity consumers in the NWPS (the Dispatch Protocol), given that the existing authorisations are due to expire on 20 February 2020 and the ACCC's final determination is unlikely to come into effect prior to that date;
- grant the re-authorisation for five years rather than ten years as proposed by the Applicants and on condition that the Applicants must notify the ACCC in writing of any amendment to the Dispatch Protocol and certain Schedules of the Dispatch Protocol within 10 business days of the amendment being made.
- grant interim authorisation to allow the participants to continue to engage in the conduct while the ACCC is considering the substantive application for re-authorisation.

¹ It should be noted that Ergon Energy Queensland Pty Ltd is no longer a subsidiary of Ergon Energy Corporation Limited, but that both businesses are now subsidiaries of Energy Queensland Limited.

Energy Queensland is of the view that the Dispatch Protocol remains fit-for-purpose and is an effective mechanism for ensuring the ongoing safety, security and reliability of electricity supply in the NWPS. We therefore agree with the ACCC's assessment that this arrangement remains to the benefit of the public in the Mount Isa region. Energy Queensland also considers that the Dispatch Protocol will be essential to enabling NWPS participants to meet future challenges in the region, in particular to manage the connection of increasing volumes of renewable generation to the network and accommodate new participants.

Energy Queensland notes that the ACCC has taken into consideration the potential future connection of the NWPS to the National Electricity Market (NEM) via the proposed CopperString 2.0 project and agrees that the Dispatch Protocol will be required to transition the NWPS to the NEM should this project proceed. In this regard, Energy Queensland would also support a review of the authorisation in the event there is a material change in circumstances that would impact the security and operations of the network, such as the connection of the CopperString transmission line.

Should you require any further information or wish to discuss matter further, please contact me or Charmain Martin on [REDACTED].

Yours sincerely

[REDACTED]

Trudy Fraser
Manager Policy and Regulatory Reform

Telephone: [REDACTED]

Email: [REDACTED]