



D20/40047

FAXED

Ref. 2/140/17

27 November, 2000

Mr Paul Bilyk
Acting General Manager
Regulatory Affairs - Electricity
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Dear Mr Bilyk,

**RE: NATIONAL ELECTRICITY CODE : AMENDMENTS TO
THE QUEENSLAND DEROGATIONS**

I refer to your notice dated 26 October 2000 wherein you advised that on 24 October 2000 the ACCC received applications from the National Electricity Code Administrator for authorisation (Numbers A90751, A90752 and A90753) of amendments to the National Electricity Code.

You requested that to assist in the ACCC's consideration of the applications, interested parties comment on the potential anti-competitive detriment and public benefit associated with the proposed amendments to the Code.

Powerlink Queensland is an interested party as it operates the transmission network in Queensland. Powerlink Queensland has concerns with the proposed change to clause 9.37.15 of the National Electricity Code. Powerlink Queensland considers that if the wording proposed by the Queensland jurisdiction for clause 9.37.15 is adopted there are not sufficient safeguards to avoid any adverse impact on the security of the interconnected system after interconnection and risks to participants outside the Queensland region. These risks are to the public's detriment.

Accordingly, Powerlink Queensland requests that the ACCC authorise the application by the Queensland jurisdiction but place a condition on that authorisation. The condition should be that the wording proposed for clause 9.37.15 be deleted and that the wording in the attachment be adopted in its place.

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Powerlink Queensland is the registered business name of the
Queensland Electricity Transmission Corporation Limited
ACN 078 849 233

AUSTRALIAN COMPETITION AND CONSUMER COMMISSION

If you have any queries regarding this submission please contact Ms Merryn York on (07) 3860 2143.

Yours sincerely,

A handwritten signature in black ink that reads "Simon Bartlett". The signature is written in a cursive style with a large initial 'S'.

Simon Bartlett
GENERAL MANAGER NETWORK
Attach.

9.37.15 Stability (schedule 5.1 paragraph S5.1.8)

- (a) The requirements for stability as defined in paragraph S5.1.8 of schedule 5.1 of the *Code* are modified, for both NEMMCO and the relevant *Network Service Provider*, by the requirement that, until the *interconnection date* the end of 31 December 2002 and to the extent that they apply to localised supply arrangements in the Queensland region, a *Network Service Provider* whose network is a *Queensland transmission network* or a ~~*Queensland distribution network*~~ must use reasonable endeavours to ensure that the stability criteria are met except for events that the *Network Service Provider* reasonably believes to be low probability events or where it may be uneconomic to augment the *transmission network* to an extent that satisfies the above stability requirements. The relevant *Network Service Provider* must seek NEMMCO's consent prior to relying on this clause 9.37.15(a). NEMMCO may refuse to grant such consent where NEMMCO reasonably considers that there is a risk of cascading effects on *power system security* or a material impact on the *power system* outside the Queensland region.
- (a1) A *Network Service Provider* wishing to apply Clause 9.37.15(a) will liaise with NEMMCO to establish conditions for the application of Clause 9.37.15(a) and shall use reasonable endeavours to agree at least three working days in advance on power system operating procedures to be used for each application of the derogation described in 9.37.15(a).
- (b) ~~Until the *interconnection date*, the criteria used in Queensland to assess damping performance is to be based on a damping ratio for electromechanical modes of 0.05 instead of any reference to halving times.~~