

Our Ref: C2000/1620

6 December 2000

Mr Bryan Coulter  
Executive Director – Energy Division  
Department of Mines and Energy  
GPO Box 194  
BRISBANE QLD 4001

Dear Mr Coulter

**National Electricity Code -  
Applications for authorisation nos: A90751, A90752, and A90753**

I refer to your applications for authorisation of the amendments to Queensland Derogations, as submitted to the Commission on 24 October 2000.

Pursuant to subsection 91(2) of the *Trade Practices Act* (TPA), the Commission hereby grants interim authorisation for the applications A90751, A90752 and A90753, subject to the following condition.

The Commission requires that proposed wording for clause 9.37.15(a) be deleted and replaced with:

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 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* 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.

This condition is designed to ensure that an independent umpire, NEMMCO, determines security risk to systems outside Queensland in the period after the Queensland - New South Wales interconnector is commissioned.

These interim authorisations take effect from Wednesday 6 December 2000 and will lapse when the Commission reaches a final determination in regard to each application.

The Commission will recommence its statutory public consultation process regarding the applications as soon as possible, and hopes to release its draft determination early in the new year. Please note that under subsection 91(2) of the TPA, the Commission may revoke an interim authorisation at any time.

If you have any queries about any issue raised in this letter, please contact Gavin Fox on (02) 6243 1252 or Rick Miles on (02) 6243 1243.

Yours sincerely

Paul Bilyk  
Acting General Manager  
Regulatory Affairs – Electricity