

NOTICE OF FIRST STAGE OF RULES CONSULTATION

[National Electricity Rules - clause 8.9]

CONGESTION INFORMATION RESOURCE GUIDELINES

This notice informs all Registered Participants, Intending Participants and interested parties (**Consulted Persons**) that AEMO is conducting a consultation on the Congestion Information Resource Guidelines (CIR Guidelines).

This consultation is being conducted under clause 3.7A of the National Electricity Rules (**Rules**) in accordance with the Rules consultation requirements detailed in clause 8.9.

Date of Notice

This Notice of First Stage of Rules Consultation was issued on 13 March 2014.

Objectives of the Consultation

The objectives of the consultation are to:

- Provide Consulted Persons with the opportunity to be involved in the development of the congestion information resource (CIR).
- Ensure that Consulted Persons are properly informed about the proposed and the final outcome.
- Understand what CIR improvements stakeholders would like AEMO to put in place through the CIR Guidelines, and the priority of those proposed improvements.

Background

In June 2008, the AEMC published the final report of its congestion management review (CMR). The CMR Final Report and other associated reports published by the AEMC during the review provide important background information relevant to this consultation. The reports are available on the AEMC website.¹

On 19 February 2009, the AEMC received a Rule change proposal from the Ministerial Council on Energy (MCE) regarding the CIR. The AEMC then commenced a fast-tracked Rule change consultation process. Following completion of that consultation, the National Electricity Amendment (CIR Rule) No 16 2009 commenced operation on 1 September 2009.

Full details of the Rule change consultation leading to this Rule are available on the AEMC website. The information published by the AEMC in the making of this Rule is also relevant background to this consultation.

AEMO established the interim CIR in October 2009 and commenced a consultation on the first CIR in December 2009. When the consultation was completed in April 2010, AEMO published the CIR Guidelines on its website.

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¹ Available at: <u>http://www.aemc.gov.au/Markets-Reviews-Advice/Congestion-Management-Review</u>.



In accordance with clause 3.7A(d) of the Rules, AEMO annually conducts a formal stakeholder consultation to determine how or if the CIR Guidelines should be changed.

Matter under Consultation

The matter under consultation is identified in clause 3.7A of the Rules. This clause provides:

(k) *AEMO* must develop and *publish* guidelines (the *congestion information resource guidelines*) in relation to:

(1) the categories of information to be contained in the *congestion information resource* including the source of that information;

(2) the scope and type of information to be provided by *Transmission Network Service Providers* in accordance with paragraphs (n) and (o);

(3) the processes to be implemented by *AEMO* to obtain the information from *Transmission Network Service Providers* in accordance with paragraphs (n) and (o);

(4) the determination of the intervals for updating and *publishing* the *congestion information resource* under paragraph (e); and

(5) the processes to be implemented by *AEMO* for providing *Market Participants* with information under paragraph (g).

The Consultation Process

The following table contains an outline of the consultation process, including key dates. These are proposed dates only and may be subject to change by AEMO.

| PROCESS | PROPOSED DATE |
|---|----------------|
| Closing date for submissions received in response to this Notice of First Stage of Rules Consultation | 22 April 2014 |
| Publication of the Draft Determination and Report and invitation to make submissions in response to the Draft Determination | 30 June 2014 |
| Closing date for submissions received in response to the Draft Determination and Report | 15 July 2014 |
| Publication of the Determination and Report | 27 August 2014 |

Invitation to Make Submissions

AEMO invites written submissions on the CIR Guidelines. In particular, AEMO requests comments on the following:

- i. What additional information stakeholders consider should be included in the CIR.
- ii. What current congestion-related information AEMO should stop publishing.
- iii. AEMO's proposal to discontinue the current Quarterly Interconnector Performance Report and satisfy the requirements of NER 3.13.3(p) as follows:



- Publish a new document on nominal interconnector capacities which will include the limits for each interconnector and the major factors influencing capacity. This document will be updated when changes occur.
- Modify the Monthly Constraint Report to provide a history of binding constraint equations setting interconnector limits. This would include a brief explanation of the constraint equation, including whether this was a system normal or an outage constraint.
- Publish the full list of constraint equations that set the interconnector limits and the hours for which they set the limits, along with the annual NEM Constraint Report.

Section 10.2 of the CIR Guidelines will be updated to reflect the proposed changes.

Comments are also invited on any other issues relating to the consultation subject matter.

Please identify any information in your submission that you consider to be confidential, and provide the reasons why you wish that information to be treated as confidential. AEMO reserves the right to publish material that it does not consider to be confidential, despite your submission as to its confidentiality.

Note that material identified as confidential may be accorded less weight in the decisionmaking process than material that is published.

Closing Date for Submissions

Submissions in response to this Notice of First Stage of Rules Consultation should reach AEMO by 5:00 pm EST on 22 April 2014.

AEMO has discretion to consider late submissions. Any late submissions should explain:

- 1. The reason for the lateness.
- 2. The detriment to you if AEMO fails to consider your submission.

Meetings

In your submission, you may request a meeting and specify the reasons why you consider such a meeting is necessary or desirable.

Please note that details of matters discussed at a meeting may be made available to other Consulted Persons.

Further Information

The current² and draft of the CIR Guidelines is included on the CIR consultation page on AEMO's website.³

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² Available at: <u>http://www.aemo.com.au/Consultations/National-Electricity-</u>

Market/Open/~/media/Files/Other/congestion_information_resource/SC_CM_02%20_Guide%20to%2 0the%20CIR.pdf.ashx

³ Available at: <u>http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/2014-Congestion-Information-Resource-consultation</u>.



Contact Details

AEMO prefers that submissions be forwarded in electronic format (both PDF and Word) as they will be published on AEMO's website.

Please send all e-mail submissions to Ben Blake at ben.blake@aemo.com.au.

Alternatively, post submissions to:

Ben Blake

Manager Congestion Modelling, Systems Capability

AEMO

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