

4 July 2016

Jean-Philippe Montandon 530 Collins St Melbourne Vic 3000

By email: Jean-Philippe.Montandon@aemo.com.au

Dear Jean- Philippe,

Consultation on Energy Adequacy Assessment Projection (EAAP) Guidelines

Hydro Tasmania supports the general approach which has been adopted in the proposed changes to the EAAP Guidelines. The discretionary approach adopted in the guideline is the most effective way to manage additional EAAP runs. In the past we have tried to parameterise the triggers for energy adequacy triggers and found this a very problematic approach.

We provide below responses to the specific consultation questions.

Questions for Consultation

- Are the timeframes reasonable? **Response**: Agreed
- Is November a good month to publish the annual EAAP report?
 Response: November is a suitable month for Tasmanian issues as there will be a good indication of the spring and winter inflows. A month later would be better for Tasmania.
- Should *GELF parameters* be updated in every instance where additional *EAAP* reporting is undertaken?
 Response: No. We support the discretion which AEMO is proposing.

AEMO have proposed that they consider, without limitation, the following factors in determining whether it has an obligation to publish an additional *EAAP*:

- Hydro storage levels.
- A major transmission limitation.
- A prolonged interconnection outage that results in islanding of one or more

regions within the National Electricity Market.

- A prolonged power station outage or fuel supply interruption that results in a material energy constraint.
- Consideration to activation of the Reliability and Emergency Reserve Trader contract.
- Any other events or emerging events that may impact reliability by way of energy limitations.

Questions for Consultation

- Are these factors appropriate in determining whether additional EAAP reporting is warranted?
 - Response: Agreed
- Are the factors too narrowly defined? If so, please suggest other factors for consideration.

Response: Hydro Tasmania agrees with these factors.

Please contact the undersigned at david.bowker@hydro.com.au if you require any further information.

Yours sincerely,

D. Bowker.

David Bowker Regulation Manager