

17/03/2017

Mr Christian Schaefer
Network Planning Group
Australian Energy Market Operator
GPO Box 2008
Melbourne
Victoria 3000

Lodged via email

Dear Christian,

Consultation Paper on 2017 National Transmission Network Development Plan

TransGrid welcomes the opportunity to respond to AEMO's Consultation Paper on the 2017 National Transmission Network Development Plan (NTNDP). The NTNDP provides a strategic view for the efficient development of the National Electricity Market (NEM) transmission network, which helps Transmission Network Service Providers (TNSPs) in planning respective transmission networks in the NEM.

TransGrid agrees with the material issues and the scenarios that AEMO has identified for consideration in 2017 NTNDP, and has one specific issue for consideration.

Impact of coal generation retirements and how to address emerging limitations

The AEMO generation information page (<http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Planning-and-forecasting/Generation-information>) identifies a number of coal generators that are likely to retire in the coming years; in particular Liddell generation has announced withdrawal from 2022/23. The withdrawal of the Liddell generation capacity will impact the available generation capacity in NSW, both directly and through a possible reduction in the Queensland – NSW Interconnector (QNI) transfer limits. The retirement of existing generation will also require new ancillary services to manage system stability/frequency in place of inherent synchronous inertia. TransGrid's analysis indicates that until 2030, the synchronous generation projected to remain in the NEM will provide sufficient inertia for the power system as a whole, if shared between regions through stronger interregional connections. TransGrid suggests that AEMO consider this in the NTNDP.

Further engagement

TransGrid would be pleased to work cooperatively with AEMO in the development of the NTNDP and looks forward to further engagement including the sharing of data and modelling as well as assessing how various network and non-network solutions can address the emerging limitations and challenges.

If you would like to discuss any matter raised in this submission please contact Jahan Peiris on (02) 9620 0884 or Jahan.Peiris@transgrid.com.au.

Yours sincerely,


Andrew Kingsmill
Manager/Network Planning