

CONGESTION INFORMATION RESOURCE - DRAFT DETERMINATION REPORT

PREPARED BY: Systems Capability

VERSION NO: 1.0

ISSUE DATE: 21 May 2014

Draft

Table of Contents

NOTICE OF SECOND STAGE OF RULES CONSULTATION	II
1. BACKGROUND	6
1.1 Matter under consultation	6
1.2 The consultation and decision-making process	6
2. INTERPRETATION OF THE RULES	7
3. CONSIDERATION OF SUBMISSIONS	8
3.1 List of submissions received	8
3.2 Meetings and forums	8
4. MATERIAL ISSUES RAISED BY CONSULTED PERSONS	8
4.1 Material Issue 1: AEMO to discontinue the current Quarterly Interconnector Performance Report	8
4.1.1 Summary of issue	8
4.1.2 AEMO response	9
4.1.3 Outcome	9
4.2 Material Issue 2: Transmission line diagrams	9
4.2.1 Summary of issue	9
4.2.2 AEMO response	9
4.2.3 Outcome	10
5. DETERMINATION	10
6. GLOSSARY AND ABBREVIATIONS	11
7. REFERENCES	11
APPENDIX 1 – SUBMISSIONS RECEIVED	12
ATTACHMENT 1 – COPY THE NOTICE OF FIRST STAGE OF RULES CONSULTATION	13

NOTICE OF SECOND 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.

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 of the Rules.

Date of notice

This Notice of Second Stage of Rules Consultation was issued on 21 May 2014.

First Stage of Consultation

AEMO issued the Notice of First Stage of Rules Consultation on 13 March 2014.

One submission was received. It has been published on the AEMO website.

There were no requests for meetings.

AEMO has considered the issues raised in the submission and has now produced a Draft Determination and Report.

The Draft Determination and Report is now available to all Consulted Persons for their consideration.

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)
- To ensure that Consulted Persons are properly informed about the proposed and the final outcome.

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 its

congestion management review provide important background information relevant to this consultation. That material is available on the AEMC website¹.

On 19 February 2009, the AEMC received a Rule change proposal from the MCE in respect of the congestion information resource (CIR). The AEMC then commenced a fast tracked Rule change consultation process. Following completion of that consultation, the National Electricity Amendment (Congestion Information Resource Rule) No 16 2009 commenced operation on 1 September 2009. Full details of the Rule change consultation leading to the making of this Rule are also available on the AEMC website. It should be noted that the information published by the AEMC in conjunction with its Congestion Management Review, and with the making of this Rule is relevant background to this consultation.

AEMO established the interim CIR in October 2009 and commenced a consultation on the first CIR in December 2009. At the completion of the consultation in April 2010, the guide to the CIR was published on the AEMO website.

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

On that basis, AEMO is keen to understand what improvements to the CIR stakeholders would like AEMO to put in place through the CIR Guidelines, and the priority of those proposed improvements.

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).

¹ See AEMC website at: <http://www.aemc.gov.au/electricity.php?r=20070416.102156>

The Consultation Process

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

PROCESS	DATE
Closing date for submissions received in response to the 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	21 May 2014
Closing date for submissions received in response to the Draft Determination and Report	4 June 2014
Publication of the final Determination and Report	17 July 2014

Invitation to make Submissions

AEMO invites submissions on the Draft Determination and Report on the Congestion Information Resource Guidelines.

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

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.

You should also note that material identified as confidential may be accorded less weight in the decision-making process than material that is published.

Closing Date for Submissions

Submissions in response to this Notice of Second Stage of Rules Consultation should reach AEMO by 5:00pm EST on 4 June 2014.

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

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



Contact Details

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

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

Alternatively, you may post submissions to:

Ben Blake

Manager Congestion Modelling, Systems Capability

AEMO

P.O. Box 7326

Baulkham Hills BC NSW 2153

1. Background

1.1 Matter under consultation

The matter under consultation is identified in clause 3.7A (k) 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).

1.2 The consultation and decision-making process

The following table provides an outline of the consultation process to date:

PROCESS	DATE
Notice of First Stage of Rules Consultation issued	13 March 2014
Closing date for submissions received in response to the Notice of First Stage of Rules Consultation	22 April 2014
Publication of this Draft Determination and issue of Notice Of Second Stage of Rules Consultation inviting submissions in response to the Draft Determination	21 May 2014

AEMO issued a Notice of First Stage of Rules Consultation on 13 March 2014. A copy of the *First Stage Notice* is contained in **Attachment 1**. The First Stage Notice invited submissions by 22 April 2014. One submission was received.

The table below lists the remainder of the steps in the consultation process, together with the proposed dates for their completion. Please note that the proposed dates are subject to change by AEMO.

PROCESS	DATE
Closing date for submissions received in response to this Draft Determination	4 June 2014
Publication of the Final Determination	17 July 2014

2. Interpretation of the Rules

Clause 3.7A (k)-(m) of the National Electricity Rules (**Rules**) states:

(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).

(l) AEMO must develop and publish the first congestion information resource guidelines in accordance with the Rules consultation procedures by 1 September 2010 and there must be a set of congestion information resource guidelines available and up to date at all times after that date.

(m) AEMO must amend the congestion information resource guidelines in accordance with the Rules consultation procedures.

Further to the above, clauses 3.7A (e) and (f) provide that:

(e) Subject to paragraph (f), AEMO must update and publish the information contained in the congestion information resource (whether in whole or in part) at intervals to be determined by AEMO in accordance with the congestion information resource guidelines.

(f) The intervals determined by AEMO for updating and publishing the congestion information resource must be included in the timetable.

3. Consideration of Submissions

3.1 List of submissions received

AEMO received 1 submission in response to the *First Stage Notice*.

The following table contains a list of respondent(s):

RESPONDENT	PARTICIPANT TYPE OR OTHER ROLE
Origin Energy	Generator

The submission was published on AEMO's website.²

Section 4 considers all material issues. **Appendix 3** details, for each *Consulted Person*, each issue raised and, for issues AEMO considers to be non-material, AEMO's response.

3.2 Meetings and forums

There were no requests for meetings and no forums were held.

4. Material issues raised by Consulted Persons

Consulted Persons raised the issues detailed in the following table:

ISSUE NUMBER	ISSUE	RAISED BY
1	AEMO to discontinue the current Quarterly Interconnector Performance Report	Origin Energy
2	High voltage network diagrams	Origin Energy
3	Approved augmentations in diagrams	Origin Energy

4.1 Material Issue 1: AEMO to discontinue the current Quarterly Interconnector Performance Report

4.1.1 Summary of issue

Origin Energy:

Origin Energy (Origin) supports AEMO's proposal to discontinue publishing the Quarterly Interconnector Performance Report. The information contained in the Report is generally publically available and can be viewed through a number of software packages. Where

² Available at: http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/~/_media/Files/Other/consultations/nem/Origin%20AEMO%20Congestion%20Information%20Resource%20Guidelines%2020140422%20FINAL.ashx

AEMO is obliged under the Rules to publish information on interconnector transfer capability and the performance of interconnectors we consider there is an increased benefit in publishing information that may not be otherwise publically available, for example information on constraint binding hours.

Publishing nominal interconnector limits and constraint binding hours that impact interconnector performance in the Monthly Constraint Report and annual NEM Constraint Report could enhance and provide additional benefit to these existing valuable reports. We consider, however, that there should be a clear expectation around the constraints to be included, for example whether the constraint relates to a regional voltage stability limit or an intra-regional thermal limitation. There could also be benefit in including qualitative market information impacting the constraint relating to supply and demand balances.

4.1.2 AEMO response

AEMO will continue the proposal and update the CIR guidelines.

4.1.3 Outcome

AEMO will continue the proposal and update the CIR guidelines.

4.2 Material Issue 2: High voltage network diagrams

4.2.1 Summary of issue

Origin Energy:

Origin understands AEMO publishes single line diagrams of the national transmission network as part of the National Transmission Network Development Plan (NTNDP). Updates to the single line diagrams as part of the NTNDP process currently only occurs annually. Based on the current network diagrams some network augmentations and developments have been completed but under the current process will not be updated for up to a year after the commissioning of the augmentation.

Origin, therefore, recommends the following:

- The high voltage network diagrams are updated on commissioning of the network augmentation.

4.2.2 AEMO response

AEMO agrees that it would be beneficial to update the high voltage network diagrams on a more regular basis. However, it is not possible to update the diagrams immediately following each network augmentations. Instead AEMO is investigating updating the diagrams every 6 months.

4.2.3 Outcome

AEMO will investigate the possibility of updating the circuit breaker level diagrams every 6 months.

4.3 Material Issue 3: Approved augmentations in diagrams

4.3.1 Summary of issue

Origin Energy:

In addition to the issue in section 4.2.1, Origin also recommends the following:

- Approved augmentations be included in the diagrams.

We consider these incremental changes may only impose minimal additional costs on AEMO, if any, and are more likely to relate to a reallocation of resources as updates to the network diagrams are already required.

Having knowledge of when network augmentations have been commissioned would be of benefit to participants. Network augmentations can significantly enhance the capability and performance of the network based on constraint formulation guidelines and therefore have a consequential market impact. We consider a benefit could be provided where this information is provided in a centralised location while acknowledging information on the commissioning of network augmentations is provided in existing periodic reports.

4.3.2 AEMO response

AEMO has investigated the possibility of including approved augmentations in the diagrams and this is a significant amount of work – not just in updating the diagrams, there is also work in gathering information on augmentations such as timing and staging.

Instead of updating the diagrams AEMO is investigating providing information on key augmentations and their timing in a separate document.

4.3.3 Outcome

AEMO will investigate the possibility of providing information on key augmentations separately to the diagrams.

5. Determination

AEMO determines the Guide to the Congestion Information Resource in accordance with clause 3.7 A of the Rules. The draft version of this Guide has been published along with this draft determination (Congestion Information Resource Guidelines – Version 5, Systems Capability, May 2014). Refer - <http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/2014-Congestion-Information-Resource-consultation>

6. Glossary and abbreviations

Following is a glossary of terms and a description of the abbreviations, including acronyms, used in this document.

Note that italicised terms in this document have their meaning as defined in Chapter 10 of the Rules. Capitalised terms bear the meaning given in the table below:

ABBREVIATION OR TERM	DEFINITION
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
CIR	Congestion Information Resource
Guideline to the CIR	A document developed by AEMO to provide users of the CIR with a reference that will assist them to identify what information is available, interpret the information and understand how the information has been derived.
MCE	Ministerial Council on Energy
Rules	National Electricity Rules
TNSP	Transmission Network Service Provider

7. References

- 2011 CIR Guidelines consultation: <http://www.aemo.com.au/Consultations/National-Electricity-Market/Closed/Congestion-Information-Resource-Guidelines-Consultation>
- 2012 CIR Guidelines consultation: <http://www.aemo.com.au/Consultations/National-Electricity-Market/Closed/2012-Congestion-Information-Resource-Guidelines-Consultation>
- 2013 CIR Guidelines consultation: <http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/Congestion-Information-Resource-Guidelines-Consultation-2013>

Appendix 1 – Submissions received

[Private Generators]

ISSUE	TOPIC	ISSUE	AEMO RESPONSE	OUTCOME
Material Issue 1	AEMO to discontinue the current Quarterly Interconnector Performance Report	See section 4.1.1	See section 4.1.2	See section 4.1.3
Material Issue 2	High voltage network diagrams	See section 4.2.1	See section 4.2.2	See section 4.2.3
Material Issue 3	Approved augmentations in diagrams	See section 4.3.1	See section 4.3.2	See section 4.3.3

Attachment 1 – Copy the Notice of First Stage of Rules Consultation

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.

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 of the Rules.

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 website³.

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.

³ Available at: <http://www.aemc.gov.au/Markets-Reviews-Advice/Congestion-Management-Review>

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.

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 and may be subject to change by AEMO.

PROCESS	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	21 May 2014
Closing date for submissions received in response to the Draft Determination and Report	4 June 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:
 - o 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.
 - o 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.
 - o 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 5.2 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 decision-making 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 5:00pm EST on 22 April 2014.

AEMO has discretion to consider late submissions. Any late submission 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 current⁴ and draft of the CIR Guidelines is included on the CIR consultation page on AEMO's website.⁵

Contact Details

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

P.O. Box 7326

Baulkham Hills BC NSW 2153

⁴ Available at: http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/~/_media/Files/Other/congestion_information_resource/SC_CM_02%20Guide%20to%20the%20CIR.pdf.ashx

⁵ Available at: <http://www.aemo.com.au/Consultations/National-Electricity-Market/Open/2014-Congestion-Information-Resource-consultation>