

# electricity week Far South

ewn publishing



## Energy firms gain 17pc return

opinion

**E**d Willett, Commissioner has told Victorian South Australian and Tasmanian energy corporations to call off their spin-meisters and stop complaining they are in the poor house. Australia has had the best run of economic growth in history, Willett said "An extraordinary level of investment across all these regulated industries invested large sums of money ... and the ... Index has generated a compound annual return of 17.4pc, well in excess of the compound annual return of regulated companies. Since 1996, the Utilities Accumulation ASX200 accumulation Index average was 11.1pc. Prices for electricity transmission increased in all states, rising by an average of 15pc over the last regulatory period. The doomsayers should be making a poor return on their investments. In fact, the opposite was the case -

both gas and electricity transmission are recording unprecedented levels of capital expenditure.

Willett said a campaign by vested interests in the gas and electricity sectors to create the impression Australia is on the verge of a collapse in infrastructure. This collapse, the critics argued, is due to the failure of the Australian Competition and Consumer Commission to allow them to earn a reasonable income out of their monopoly pipelines and transmission lines, leading to an investment drought and almost sending them to the poor house. Don't change the rules, he said "Monopoly prices in gas and electricity could reduce Australia's GDP by around \$11 billion over the next 15 years. This would be a disastrous outcome for the Australian economy".

1

Did you know you can get free daily email headlines and click through to read three FREE news or price reports, data, or tenders, daily at <http://www.erisk.net>

[www.erisk.net](http://www.erisk.net)

SUPER-USERS: Please consider: Get super-data: SUBSCRIBE TO THE CORE ARCHIVE at [www.erisk.net](http://www.erisk.net) Data started 1996 and gets updated every 15 minutes.

100 NEW NEWS ABSTRACTS AND RESEARCH STORIES each day, PLUS 100,000's of NEW DATA points DAILY every 15 min for all units. PLUS! Unit revenues and CO2e daily.

news

ewn publishing



### 14 March SA blackout fallout: report expected within a week

The general manager of South Australian power distributor NRG Flinders, Mark Williamson, has said the company accepted high voltage line operator ElectraNet SA's explanation that the reduction in power

from the Northern Power Station near Port Augusta was the cause of the interconnector overload and shutdown that triggered Monday's blackout, reported *The Advertiser* (16/3/2005, p. 4). He said that a sudden loss of demand for power, caused by the flashover, had triggered the generator protection devices and cut production.

**NEMMCO constraints:** Williamson said the constraints imposed by the National Electricity Market Management Company (NEMMCO) would eventually cost his company financially, although he did not specify the extent. NEMMCO managing director Les Hosking said the constraints had been imposed so that if Northern Power again suddenly reduced output in response to a transmission fault, the interconnector would not become overloaded and would keep operating.

**Preliminary report:** A preliminary report into the cause of Monday's blackout was expected to be provided to Energy Minister, Patrick Conlon, within a week.

### Energy Minister does not care if NRG Flinders loses money from NEMMCO cut back order: system security at stake

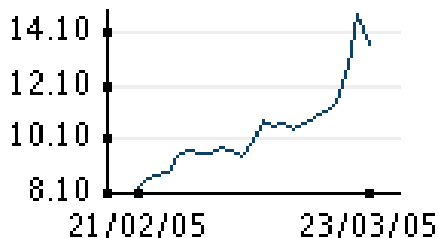
Energy Minister Patrick Conlon said he did not care if NRG lost money, reported *The Advertiser* (19/3/2005, p.1).

**NEMMCO makes sure system secure:** He said: "I understand that a constraint imposed by NEMMCO will make sure that the system isn't threatened again. "If that is difficult for NRG Flinders as a cost of money then so be it. They frankly appear to have brought this on themselves by ignoring the requirements of the market operator for system security."

### NEMMCO CEO blames weather; ElectraNet CEO blames insulator "pollution"

The weather - that was the official explanation from the national energy regulator for South Australia's 14 March

2



**Global Green Markets this week:** Rush for Kyoto CDM applications as EU-ETS Kyoto credit price surges.

**25 Feb: Short players continue support:** European allowances continued to receive support from naturally short players in the market, with power companies reportedly underpinning the new euro9-9.50 price range in early morning trade.

**South Africa financial services gear up for carbon trading:** Financial services firm Sterling Waterford was putting its innovative carbon credit note, a promise to

deliver a clean development mechanism (CDM) Certified Emission Reduction (CER), through the Johannesburg Stock Exchange's (JSE) listing procedures.

Global Green Markets: weekly \$1320 pa

To subscribe, email: [subs@erisk.net](mailto:subs@erisk.net)

See sample copy at <http://www.erisk.net/samples>

power blackouts. However, it still had no idea why the interconnector which supplies electricity to South Australia from Victoria suddenly shut down, reported *The Advertiser* (15/3/2005 p.4).

**Too early to tell:** "Nothing has come to light yet - it's a bit early," the managing-director of the National Electricity Market Management Company, Les Hosking, told *The Advertiser*. However, Hosking promised an "extensive investigation" to find the answer.

**A possible sequence of events:** The blackouts followed the failure of an insulator at ElectraNet SA's Playford switching station near Port Augusta. The malfunction caused a short-circuit which triggered "protective" mechanisms at the nearby NRG Flinders power stations, automatically cutting its output. Industry sources believed the sudden loss of generation was the most likely reason the interconnector shut down, together with power stations at Pelican Point and Ladbroke Grove, in the Southeast. Likewise, Hosking said the national electricity grid was "designed to be much more robust than to have an interconnector trip on the basis of an incident at Playford. "But that is the exact purpose of the investigation, to find out the cause and sequence of events."

**Weather conditions could be to blame:** NEMMCO believed weather conditions were to blame for the insulator failure. "You get dust and grit and grime that accumulates in the infrastructure - this morning's fog and mist

causes the power to go through all of that muck, and you get a trip - it's a weather factor," he said. "There are automatic protection mechanisms on all lines and on all generators that trip, according to standards that have been set if there is any danger. We will need to see if any of this equipment tripped prematurely, or not according to design."

**ElectraNet cites "pollution":** Meanwhile, ElectraNet chief executive, Ian Stirling, said flashovers were "fairly routine event~ and the short-circuit should not have caused major blackouts. The owner-operator of the state's high-voltage electricity transmission system said it has about 500 disturbances a year, but "the whole network is designed so it can take those sort of things". Stirling believed "pollution" was probably to blame for the failure of one of its insulators, which coincidentally had been earmarked for regular cleaning yesterday.

## SA: electricity authorities at loss to explain why routine fault at Pt Augusta triggers blackouts for the 4th time

**E**lectricity authorities are struggling to explain how a routine fault at Port Augusta triggered widespread blackouts on 14 March - for the fourth time, reported *The Advertiser* (17/3/2005, p.1).

### Most of Adelaide, big parts of eastern SA:

Almost all of Adelaide and big parts of eastern South Australia (SA) were blacked out after a chain reaction shut down 650MW of power - about 40 per cent of the state's consumption. The cascade of electricity failures started with a flashover, or violent short-circuit, at a switching station near Port Augusta.

**No guarantee of repeat flashover:** Authorities cannot guarantee it would not happen again. The flashover was believed to have been caused by a dirty insulator which, ironically, was due for cleaning two days after the blackout. Arcing then caused segments of the insulator to crack. ETSA utilities contractors were working to replace the insulator - which is within ElectraNet SA's Playford substation near Port Augusta.

## 14 March: Adelaide blackout disrupts traffic and infuriates minister: third since late 1999 on Port Augusta - Adelaide line

**I**t is the fourth time in a decade - and the third since late 1999 - that a fault in the Port Augusta to Adelaide high-voltage line has resulted in major blackouts, reported *The Advertiser* (17/3/2005, p.1).

**60pc of people out for 50 minutes:** About 450,000 of the state's 760,000 electricity users - or about 60 per cent - were affected, with power going out at 7.09am and the last users

brought back on-line about 9.30am. Most were blacked out for about 50 minutes. Peak-hour traffic was severely disrupted when about 80 per cent of the city's traffic lights blacked out.

**Energy Minister angry:** An angry Energy Minister, Patrick Conlon, later threatened electricity companies with fines of up to \$1 million if they were found to be negligent.

**Minister wants good explanation:** "It's simply not acceptable for them to come back with some other lame excuse like fog or possums or deceased estates or something - it's just out of the question," he said. "I don't think the public accept that on a perfectly normal Monday morning, with no stress on the system, that the system could close down without somebody having done something wrong." Conlon said there was "no excuse" for the "major part of the system" shutting down after the fault.

**Port Augusta source of problem again:** "What makes me very angry is that it isn't the first time we've had trouble on this line (from Port Augusta)," he said. "It looks suspicious when all of those factors are taken into account and it happens again out of the same place - it's very worrying."

## 4 14 March: blackout's peak leaves 80pc of Adelaide's traffic lights out of action

**A**round 80 per cent of Adelaide's 600 sets of traffic lights were rendered inoperative at the peak of 14 March's

blackout, with police directing traffic at 211 major intersections, reported *The Advertiser* (15/3/2005, p. 5).

**Traffic lights out:** With traffic on the eastern and southeastern edges of the city already heavy because of Clipsal 500 road closures, police were directing traffic at 211 major intersections. The first lights lost power at 7.09am, and all were back on-line by 9am.

**Back-up generators:** A spokesperson for Transport SA said a back-up generator at the Heysen Tunnels had been activated to power safety lights. Fail-safe generators also had been activated at train and tram crossings.

**Minor sewage leaks:** A spokesperson for United Water said there were 11 minor sewage leaks at Reynella, Blackwood and Flagstaff Hill when power to pumping stations failed. The spills had been cleaned up and the Environment Protection Agency notified.

## SA: power companies could face fines up to \$1m if held responsible for system failure cutting electricity on 14 March

**P**ower companies in South Australia (SA) could face fines of up to \$1 million if they were found responsible for a system failure which cut electricity to 40 per cent of the state on 14 March 2005 and severed a key supply link to Victoria.

## ElectraNet denies initial fault caused loss:

However, transmission company ElectraNet denied the initial fault near Port Augusta - 300km north of Adelaide - could have caused the wider loss of supply through the interconnector with Victoria. Energy Minister, Patrick Conlon, warned the State Government's patience was running out, reported *The Australian* (15/3/2005, p. 8). "We're extremely unhappy about what happened this morning," he said. "Straight out of the blue, weather conditions fine, no great demand, (the) power system goes down. Completely unacceptable."

## SA: blackout leaves up to half state without electricity as Vic and SA separate, import lost

**A** blackout which left up to half of South Australia without electricity on 15 March 2005 sparked an urgent State Government investigation and highlighted fears of shortfalls in the nation's power market, reported *The Australian Financial Review* (15/3/2005, p. 5).

**Disturbance in high-voltage network:** A disturbance in the high-voltage network north of Adelaide disconnected the main transmission from Victoria into South Australia, plunging businesses and commuters into chaos. The state's Energy Minister, Patrick Conlon, said the government would not accept excuses from power companies, and that if "cutting corners" had caused the outage, the utilities should expect people to sue over the

incident. About 600MW of demand - about half the state's load at that time of the morning - was temporarily axed.

## SA Government and NEMMCO move to start inquiries into the 2005 SA system failure

Both the government and the National Electricity Market Management Company have moved to start inquiries into the system failure, but final reports could take some weeks, reported *The Australian* (15/3/2005, p.8). NEMMCO managing director Leslie Hosking said the investigation would show whether there was any link between the blackout and the events of March 8 last year, when bushfires caused a system failure that cut supply from the interconnector, resulting in similar power losses. ElectraNet chief executive Ian Stirling said the type of outage at the Playford station was a reasonably common occurrence, and that the system was designed to cope with them.

## National Electricity Code Authority's state manager refuses to apportion blame for South Australian blackout

The National Electricity Code Authority's state manager, John Eastham, refused to pass judgement on who was to blame

for the South Australian blackout, reported *The Advertiser* (15/3/2005, p. 5).

**Consumer complaints:** SA's Electricity Ombudsman Nick Hakof has already taken calls from consumers complaining about the loss of power. However, he said the negligence issue was "still an open question".

**Compensation:** Hakof has no jurisdiction over faults caused by generators, but if it is found to be a transmission failure, can award compensation of up to \$20,000 for losses and damage to small consumers.

## Blackout involved cascade of electricity failures, started by flashover near Port Augusta

A National Electricity Market Management Company report recommended changes to settings on the protection equipment, which was designed to stop the turbo generators from speeding up and breaking if the demand for electricity suddenly dropped, reported *The Advertiser* (16/3/2005, p. 4).

**Incorrect adjustment results in damage:** This could happen when steam kept pouring into the generator, driving a turbine, even though the demand for its output had dramatically dropped. NRG Flinders acting managing director Mark Williamson said incorrectly adjusting the protection equipment settings could result in "catastrophic damage",

shutting down for some months the power station which provided more than 30 per cent of the state's power.

**Blackout involved cascade of failures:** "This has obvious serious implications for the safety of personnel and the long-term reliable supply of electricity to the state," he said. The blackout on 14 March 2005, which left much of the state without power, involved a cascade of electricity failures, started by a flashover, or violent short-circuit, at a switching station near Port Augusta.

## Monday 21 March: more blackout warnings issued for trouble-prone South Australia

Blackout warnings were issued as NEMMCO forecast a lack of reserve level two (LOR2) in South Australia between 0530EST to an estimated 1630EST on Monday, 21 March. In a market notice at 2036EST on Sunday, NEMMCO said it was due to planned network outages in Victoria that it was possible a credible contingency event might result in South Australia separating from the rest of the National Electricity Market (NEM) and load being shed automatically below frequency in South Australia.

**Sufficient reserves:** NEMMCO said there were sufficient capacity reserves in South Australia but it was the technical characteristics of the capacity reserves that

impacted on its response. Actual LOR2 conditions would be advised at dispatch. This follows LOR2 applying in South Australia for 11 hours 40 minutes on Sunday.

**Murraylink unavailable for 12 hours:** The Murraylink interconnection between Victoria and South Australia would be unavailable from 0800-2000EST on Monday, 21 March due to a short notice outage, NEMMCO advised in a market notice at 2111EST on Sunday, 20 March. NEMMCO said it had invoked constraint set I-ML\_ZERO from 0800-2000EST on Monday.

## Sunday, 20 March: prices up 26pc in SA: SA blackout risk from outage of Moorabool-Sydenham No 2 500kV Vic line

Average prices rose 26 per cent in South Australia Sunday, 20 March, which had a lack of reserve level 2 (LOR2) declared for 11 hours 40 minutes (see following report) and edged up 5 cents in Queensland, and fell 2-7 per cent in NSW and Victoria to an overall \$15.74-\$27.41/MWh range, on system-wide maximum demand down 216MW (1.0 per cent) to 21,705MW.

**Top price:** Top price of the day was the \$33.00/MWh in South Australia for the 30-minute trading interval ended 1930EST. South Australia was average price leader. Top

temperatures in the four NEM capitals were Brisbane 29 degrees, Melbourne 28, Adelaide 27 and Sydney 23.

**LOR2 in SA for 11 hours 40 minutes:** NEMMCO declared a lack of reserve level two (LOR2) in South Australia from 0805EST to 1630EST (estimated) on Sunday, 20 March. The LOR2 results from a planned network outage on the Moorabool-Sydenham No 2 500kV line in Victoria from 0530-1630EST on Sunday on the Victoria to South Australia Heywood interconnection. NEMMCO said this might result in a credible contingency event in South Australia and the region separating from the NEM. Some load might be shed automatically by low frequency in South Australia.

**Sufficient reserves:** NEMMCO said there were sufficient capacity reserves in South Australia, but it was the technical characteristics of the capacity reserve plant that impacted on its response. In an update at 1659EST, NEMMCO extended the LOR2 from 1630EST to an estimated 1830EST.

**Further update:** In another update market notice at 1959EST, NEMMCO said that with the return of the Moorabool-Sydenham No 2 500kV line, the LOR2 was cancelled from 1945EST, meaning it applied for a total of 11 hours 40 minutes.

## New low reserve period listed for Victoria in 2006: NEMMCO

One change was signalled in the medium term projected assessment of system adequacy (MT PASA) report updated by NEMMCO at 1340EST on Tuesday, 15 March to that issued on Tuesday, 8 March 2005. The change signalled is the inclusion of Victoria for a low reserve condition (LRC) for January 2006.

**Flagged LRC conditions:** In the 15 March MT PASA, NEMMCO flagged the following LRC conditions for a number of week days in the following months:

- 2005: Queensland: November;
- 2006: South Australia: January, February and March; and Victoria: January; and
- 2007: South Australia: January and March. Victoria: March; and NSW: March.

**Modelling of DSP:** NEMMCO said demand side participation (DSP) was modelled as an injection of supply in each region as follows:

- NSW: 14MW;
- Queensland: 157MW;
- South Australia: 74MW (previously 54MW); and
- Victoria: 129MW (previously 109MW).

**Market response sought:** NEMMCO said it was seeking a market response to the reserve

shortfalls. It said the results for Victoria included 84MW of reserve services for the period 31/01/2005-04/03/2005.

**Summary graphs available:** NEMMCO said that for summary graphs of the MT PASA results, refer to <http://www.nemmco.com.au/data/mtoutlook.htm>

## New "smart meters" for Vic electricity users starts 2006 for largest 40pc of consumers, 2008 for all other consumers

The rollout of new "smart meters" for Victorian electricity users is on track, the Minister for Energy Industries, Theo Theophanous, said.

### **New meters will help save electricity:**

Theophanous said the new meters will start being rolled out in 2006, and will help consumers to save money on their power bills. "Interval meters have the potential to make consumers more aware of their level and pattern of energy use, leading to the more efficient use of our energy supplies," Theophanous said.

**Timetable:** The timetable, devised by the Essential Services Commission (ESC), will commence in 2006 for the largest 40 per cent of consumers and 2008 for all other consumers:

- largest electricity consumers (above 160 megawatt hours (MWh) per annum) will have an interval meter by 2008;
- those using below 160MWh per annum but above 20MWh per annum will have an interval meter by 2011;
- the 1.3 million consumers who do not have dedicated off-peak metering will begin to receive interval meters on a 'new and replacement' basis from 2008; and
- remaining customers with dedicated off-peak metering will have an interval meter by 2013. The cost of the interval meter rollout will be built into network charges paid by electricity retailers.

**Reference: Minister for Energy Industries and Resources, 15 March 2005. Media contact: Rebecca Armstrong, on 9651 5799 or 0407 837 272, <http://www.vic.gov.au>**

## ACCC reviews Victorian metering services with possible review of retail licence and Code obligations

The ACCC will review metering procedures in Victoria after an application from the National Electricity Code Administrator (NECA), according to a ACCC statement (2/3/2005, p. 3).

**NECA applies for derogations:** NECA applied for authorisation of derogations from

the Code on behalf of the Victorian Minister for Energy Industries and Resources (Victoria). The stated purpose of the applications for authorisation is to extend the existing Victorian derogations contained in Chapter 9 of the Code, until 31 December 2006.

**Meter types 5-7:** The existing derogations relate to metering arrangements in Chapter 7 of the Code, and grant exclusivity for the provision of metering services for metering installation types 5-7 for smaller customers by distribution businesses in Victoria. Type 5 meters are manually read interval meters capable of reading and storing half-hourly electricity consumption. Type 6 meters are accumulation meters, which do not provide interval metering data (but may provide time-of-use information), and are read manually. Type 7 'meters' relate to unmetered supply.

**Greater changes ahead:** The proposed amendments will also make minor changes to the Code in the nature of a statute law revision. The ACCC granted interim authorisation of the derogations on 16 June 2004.

**Consultation process:** The ACCC received Victoria's application for authorisation on 6 April 2004. Notification of the application and a request for submissions was placed on the ACCC's website. The ACCC received eight written submissions from interested parties, which were also placed on the ACCC's website. The ACCC released a draft determination on 2 December 2004 outlining its views on the application for authorisation.

**PDC last January:** The applicant and interested parties were provided an opportunity to call a predetermination conference (PDC) in relation to the draft determination. Following a request by Intermoco Solutions Pty Ltd, a PDC was held on 13 January 2005, and a further eight written submissions were received. The minutes of the PDC and the submissions are available on the ACCC's website.

**Proposed condition of authorization:** The draft determination concluded that there would be a net public benefit from authorising Victoria's application, subject to a condition of authorisation. The proposed condition specified that any remotely read interval meters would not be captured by the derogation, regardless of the frequency with which they are read, and irrespective of whether they meet the existing requirements for type 4 metering installations, thereby enabling innovations for small retail customers to materialise.

**ACCC's considerations:** The ACCC considers it could be expected that, given the choice, a rational retailer would tend to pursue metering solutions that are efficient and beneficial to its business.

8

**Two main options:** Firstly, retailers might elect to become the Responsible Person and seek innovative or cost-advantageous metering services. Alternatively, retailers may choose to retain distribution businesses as the Responsible Persons where this is perceived to be efficient.

#### **Retail licence and code amendments:**

Furthermore, some of the perceived problems associated with metering competition as identified in Victoria's application, including meter churn and barriers to switching, could be addressed through amendment of retail licensing and Code obligations, rather than by maintaining a monopoly on metering services.

**Possible public benefit losses:** However, there are several public benefits that would be lost if the derogations were not extended until 31 December 2006. These include the facilitation of the commencement of the Essential Services Commission's (ESC) mandated rollout of manually read interval meters in Victoria, and consistency of regulatory arrangements, until Code changes to respond to the Joint Jurisdictional Regulators' (JJR) Review of Metrology Procedures are finalised.

**Mandated interval meter rollout:** The ACCC recognises that the implementation of metering contestability for small customers may create additional logistical complexity for the interval meter rollout, and recognises that it may lead to accelerated recovery of the rollout costs. The ESC's calculation of benefits anticipated from the rollout, including establishing a digital platform for remote reading innovation, are predicated on the continuation of distributor exclusivity for type 5 meters.

#### **Extended derogations provide certainty:**

The ACCC considers that the extension of the derogations will provide more certainty regarding the necessary logistical processes

and the timeliness with which the anticipated benefits of the rollout will be delivered, than if the rollout were to occur under competitive conditions.

#### **Joint Jurisdictional Regulators' Review:**

The ACCC considers that a key public benefit provided by the extension of the derogations until 31 December 2006 is to provide sufficient time for a comprehensive response to the recommendations of the JJR Review. This will ensure sufficient time for NECA or the Australian Energy Market Commission (AEMC) to complete a process of consultation and analysis of metering issues, including the inclusion of first tier metering rules in the Code, and more relevantly, the recommendation to make distributors permanently responsible for metering services for small customers.

**Impact on innovation:** As noted above, the ACCC considered that some anti-competitive effects of the derogation could be addressed through a condition of authorisation that would ensure that any remotely read interval meters would not be captured by the derogation, regardless of the frequency with which they are read, and irrespective of whether they meet the existing requirements for type 4 metering installations. The draft determination therefore proposed a condition to this effect. The ACCC considers that it is still appropriate to impose the condition of authorisation as specified in the draft determination.

**Stranded asset risk:** TXU, United Energy Distribution (UED), and Intermoco Solutions submitted that the ACCC's draft determination

would introduce stranded asset risk. The ACCC recognises that a potential consequence of enabling contestability in the provision of remotely read metering services is that distributors' metering assets could become stranded if they are replaced by retailers before the existing asset has been fully depreciated.

**Distributors will recover costs:** However, the ACCC noted that the cost recovery framework proposed by the Essential Services Commission of Victoria (ESC) for the Victorian Distribution Pricing Review 2005-2010, ensures that distributors can recover the costs of standard interval meter offerings in circumstances where these are replaced following a customer or retailer request.

**Condition of authorisation will be imposed:** The ACCC considers that, taking into account the key public benefits and anticompetitive detriment associated with metering exclusivity, it is necessary to impose a condition of authorisation to ensure that the derogations meet the statutory test. Therefore, this determination imposes a condition of authorisation to ensure that any interval meter that incorporates remote reading capabilities, irrespective of how frequently the interval meter is remotely read, will not be subject to the derogation.

**For further information contact: Infocentre 1300-302-502 <http://www.accc.gov.au>**

## Hydro Tasmania to lose due to Basslink delay, says CEO

**H**ydro Tasmania said it is very disappointed with the news that the Basslink project will be delayed until April 2006, according to a statement from the company (23/2/2005).

**Disappointing delay:** "For three years we have been gearing our planning and preparation towards the commencement of Basslink in November this year," Hydro Tasmania's CEO Geoff Willis said. "It's disappointing for us and for our partners in this project, as they are working hard to deliver one of the most demanding infrastructure projects ever undertaken in Australia.

**World's longest undersea electricity cable:** "Basslink is the world's longest undersea electricity cable and while we always expected some challenges to arise in the construction phase, it's unfortunate that damage to a key element of the project has happened during sea transit of the 200-tonne transformers.

**No commercial obligations until complete:** "It is important to understand that our commercial obligations to Basslink Pty Ltd only commence when commissioning of Basslink is completed," Willis said. "So our facility fee payments will be put on hold for five months. We are examining all contractual implications of the delay. We will obviously miss the opportunity of trading electricity during the 2005/2006 summer.

**Entry into NEM on track:** "As we do now, we will continue to have Bell Bay Power Station as backup to the hydro system until Basslink comes on line. We have ready taken the necessary actions to ensure this is the case," Willis said. Hydro Tasmania's program for National Electricity Market entry remained on track.

## 132kV line problems between Mt Gambier and the South East substation in SA creates havoc in South Australia

**T**he loss of the 132kV transmission line between Mt Gambier and the South East substation in South Australia for the second week in a row resulted in four directions being issued to a local generator on 7, 9 and 10 March to maintain power system security, said a report on the directions.

**Four directions the previous week:** The loss of this transmission line was the same reason causing the directions issued to the participant generator on 28 February, 1 and 3 March.

**One direction lasted nearly five hours:** The report, prepared by the National Electricity Market Management Company (NEMMCO) Market Operations Performance, showed these four directions lasted for a total of 8 hours 25 minutes, with one being four minutes short of five hours.

**Fear of line exceeding short-term rating:** It said that on the 7, 9 and twice on 10 March contingency, analysis and power flow studies indicated loss of the 132kV transmission line between Mt Gambier and South East substation would result in the Keith to Snuggery 132kV transmission line exceeding its short term (15 minute) rating.

**Direction to provide network support:** To overcome the post contingent overload and maintain the power system in a secure state, NEMMCO issued directions on all four occasions to a participant with suitable fast start generating units to provide network support.

**When directions issued and cancelled:** A table produced with the report showed the four directions lasted a total of 505 minutes compared to 471 minutes for the four directions of the previous week. The table showed the following details of the four directions:

- direction issued at 0737EST on 7 March and cancelled at 0850EST that day, a total of 73 minutes;
- direction issued at 0105EST on 9 March and cancelled at 0156EST that day, a total of 51 minutes;
- direction issued at 0005EST on 10 March and cancelled at 0230EST that day, a total of 85 minutes; and
- direction issued at 0704EST on 10 March and cancelled at 1200EST that day, a total of 296 minutes.

**Reference:** Report prepared by Market Operations Performance of National Electricity Market Management Company (NEMMCO) on report directions in South Australia on 7, 9, and 10 March 2005. Report dated 16 March, posted on NEMMCO website 17 March. Address: Level 12, 15 William Street, Melbourne. Vic. 3000. Phone: (03) 9648 8777. Fax: (03) 9648 8778. <http://www.nemmco.com.au>

# not a subscriber? subscribe today!

ewn publishing

Yes! I wish to subscribe to: (tick appropriate boxes)

## Weekly Publications

- Electricity Week* (inc. MR & Green Pages) \$1,320.00 p.a.  
 *Gas Week* \$1,320.00 p.a.  
 *Green Markets* \$1,320.00 p.a.  
 *Global Green Markets* NEW!!! \$1,320.00 p.a.  
 *Energy Risk Weekly* \$1,204.50 p.a.  
 *Electricity Week Queensland* \$1,320.00 p.a.  
 *The Water Report* \$1,320.00 p.a.  
 *Water Markets Week* \$660.00 p.a.

## Daily Publications

- Energy Daily* (includes data and graphs) \$1,754.50 p.a.  
 *Water Daily* (includes data and graphs) \$1,754.50 p.a.

## Websites

- www.erisk.net (Subscribers only \$2,035\*) \$4,070.00 p.a.  
 eWeather website (Subscribers only \$2,035\*) \$4,070.00 p.a.

\* Discounted subscriber rate only applies in conjunction with newsletter subscription for same registered user.

All prices quoted are GST inclusive. A surcharge will be added if paid by credit card. These rates are for Single User Licences for use in Australia only and are subject to compliance with our Terms and Conditions of Subscription (see <http://www.erisk.net/terms>). For Multi User or International subscription rates, email [subs@erisk.net](mailto:subs@erisk.net)

## Subscriber details

Name of Recipient: \_\_\_\_\_  
Title/Postition: \_\_\_\_\_  
Company: \_\_\_\_\_  
Email address: \_\_\_\_\_@\_\_\_\_\_  
Phone: ( \_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_ ) \_\_\_\_\_  
Invoicing Address: \_\_\_\_\_  
\_\_\_\_\_

## Payment details

**Pay later.** Please send me an invoice. I realize I will not receive my first edition until payment is received.

**Pay now to ensure immediate start.** Please bill my credit card. I am aware of the surcharge that will be added to the amount (in brackets).

Mastercard (1.53%)  Visa (1.53%)  Amex (2.83%)

Card name: \_\_\_\_\_

Card no:

Exp date:   /   Signature: \_\_\_\_\_

Fax form to:

Email [subs@erisk.net](mailto:subs@erisk.net) or call (02) 9818 8877 for further information.

**02 9818 8473**