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Wind Energy Policy Group  
c/-Office of Energy Planning and Conservation  
GPO Box 936  
HOBART TAS 7001

Dear Sir or Madam

**Re: Integrating Wind Farms into the National Electricity Market**

The Australian Gas Light Company (AGL) supports the pragmatic recommendations contained in the report of the Wind Energy Technical Advisory Group (WETAG) to the Wind Energy Policy Working Group (WEPG).

AGL considers that the approach of the WEPG, namely the use of an industry working group to develop proposals, is a sensible method of ensuring workable solutions are found to any problems in the National Electricity Market (NEM). This approach recognises the complexities of the NEM and the valuable expertise of industry participants. AGL would particularly like to see this approach used during the remainder of the MCE reform process, particularly in the remainder of the WEPG work and the transfer of distribution and retail to a national framework.

AGL notes that NEMMCO has commenced work on reviewing the technical standards for connection, again using a participant reference group. This process is supported by AGL and AGL is confident that this approach should result in timely changes to the National Electricity Rules (the Rules).

AGL supports all generators of significant size paying regulation ancillary services. To facilitate this, we support the recommendation that appropriate metering be installed. AGL would suggest, however, that NEMMCO be given some flexibility to vary the exact size of units that are considered significant, like the approach taken to the definition of scheduled generators.

AGL considers that it is essential that work also commence on Rule or procedural changes to implement the remaining three recommendations of the WETAG. These areas; managing wind farm output, improved modelling of wind farm output and disclosure of appropriate information are essential changes to the NEM.

While not strictly a WETAG recommendation, the development of appropriate wind energy forecasting tools is also an essential step to allow increased levels of wind generation in the NEM. AGL notes that the Australian Greenhouse Office (AGO) has been funded to develop such tools but we are concerned that the appropriate level of urgency has not been assigned to this project. AGL therefore recommends that the WEPG monitors the AGO project to ensure that it is delivered in a timely fashion.

If you have any queries, please contact Alex Cruickshank, Manager NEM Development, on (03) 9201 7694.

Yours sincerely

Dr Robert Wiles  
General Manager Regulation and Policy