



Your Ref: <https://aemo.com.au/consultations/current-and-closed-consultations/qld-to-nsw-interconnector-qni-upgrade>

4 February 2022

Australian Energy Market Operator  
**Submitted via email to: [internetwork.testing@aemo.com.au](mailto:internetwork.testing@aemo.com.au)**

Dear Sir/Madam

**Submission: QLD to NSW Interconnector (QNI) Upgrade – Program for Inter-  
Network Tests Market Consultation Draft Document**

CS Energy welcomes the opportunity to provide a submission to the Australian Energy Market Operator's (AEMO's) *QLD to NSW Interconnector (QNI) upgrade - program for inter-network test document Market Consultation Draft Document (Draft Document)*.

CS Energy commends AEMO on the comprehensive, detailed and informative Draft Document.

**About CS Energy**

CS Energy is a Queensland energy company that generates and sells electricity in the National Electricity Market (NEM). CS Energy owns and operates the Kogan Creek and Callide B coal-fired power stations and has a 50% share in the Callide C station (which it also operates). CS Energy sells electricity into the NEM from these power stations, as well as electricity generated by other power stations that CS Energy holds the trading rights to.

CS Energy also operates a retail business, offering retail contracts to large commercial and industrial users in Queensland, and is part of the South-East Queensland retail market through our joint venture with Alinta Energy.

CS Energy is 100 percent owned by the Queensland government.

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## Key recommendations

CS Energy recognises the imperative for the proposed Inter-Network Tests as detailed in the Draft Document<sup>1</sup>. Successful completion of the tests will release additional QNI capability that will provide overall benefit to the NEM including consumers.

CS Energy notes an incorrect reference to the commencement of the Inter-network testing in February 2022 on page 10 while the reference to the commencement of the tests in May 2022 on page 17 has been confirmed as the correct date at this stage.

The proposed inter-network tests will have an impact on the NEM that is unavoidable but manageable provided AEMO follows the protocols and processes outlined in the Draft Document.

A critical success factor will be AEMO's communication with the NEM and the Registered Participants including but not necessarily limited to AEMO Communications, market notices, the AEMO Network Outage Scheduler (NOS), limits advice and constraint equation updates. As indicated in the Draft Document, the test schedule is expected to extend over a significant period and will also be impacted by the availability of favourable test conditions and the requirement to extend or repeat tests. Communication of short notice changes will be important to enable Participants to identify and assess any risk arising from the change.

CS Energy is strongly supportive of the Rules 5.7.7(r) Principles 1 to 4 (Principles) on page 11 of the Draft Document. AEMO has adhered to the requirements of the Principles as demonstrated in the detail provided in the Draft Document.

CS Energy notes that AEMO expects that the required system conditions will be delivered by normal operation of the NEM and market conditions. We also note and recognise the need for potential utilisation of test facilitation services in the event the required test power transfer conditions are not obtained within a reasonable time.

The magnitude of the increment in power transfer between the test hold points set out in the test procedure in Section 16 are appropriate and represent good operating practice.

The expected duration of the test program and the release of the increased QNI capability represents good operating practice and manages the challenge of performing the tests and the required due diligence in assessing the test results.

## Key questions

CS Energy would like to raise two key questions about the Draft Document:

- It is noted that there will be on occasions a requirement for the removal from service of one of the two parallel AC circuits connecting NSW and Queensland albeit for short period of time of around 60 seconds to conduct scheduled tests. Will AEMO treat the short outage of one of the two parallel AC circuits as a potential separation event and invoke the relevant separation constraints (energy and FCAS) or will it accept the risk for the short time of the outage?
- Does AEMO anticipate the occurrence of counter price flows occurring during the tests and what would AEMO's response be in this case?

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<sup>1</sup> [https://aemo.com.au/-/media/files/stakeholder\\_consultation/consultations/nem-consultations/2022/qld-to-nsw-interconnector-qni-upgrade/draft-inter-network-test-program-document.pdf?a=en](https://aemo.com.au/-/media/files/stakeholder_consultation/consultations/nem-consultations/2022/qld-to-nsw-interconnector-qni-upgrade/draft-inter-network-test-program-document.pdf?a=en)

## Conclusion

CS Energy commends AEMO on its work, both preparing the Draft Document and engaging with stakeholders.

If you would like to discuss this submission, please contact Henry Gorniak (Market and Power System Specialist) on (07) 3854 7364 or [hgorniak@csenergy.com.au](mailto:hgorniak@csenergy.com.au).

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Demaria', with a long horizontal flourish extending to the right.

**Dr Alison Demaria**  
Head of Policy and Regulation (Acting)