



INDICATIVE EXTRAPOLATION INPUT DATA FOR 2016-17 MARGINAL LOSS FACTORS

FOR THE NATIONAL ELECTRICITY MARKET

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IMPORTANT NOTICE

Purpose

This document provides a projection of potential generation used by the Marginal Loss Factor (MLF) calculation for the 2016-17 financial year, under the assumption of unchanged historical generation dispatch data being used as an input to the MLF calculation process. This information may assist Generators to identify historical generation data for their plant that may produce unrepresentative MLFs for the 2016-17 financial year.

AEMO publishes this document in accordance with clause 5.5.6 of the Methodology for Calculating Forward Looking Marginal Loss Factors (version 6.0). This publication is based on information available to AEMO at the time of publication.

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1. INTRODUCTION

The National Electricity Rules (NER) require AEMO to calculate inter-regional loss equations and intra-regional loss factors each year, and publish the results by 1 April. This is done in accordance with the Methodology for Calculating Forward Looking Transmission Loss Factors (Methodology).

Historical generation dispatch data and forecast demand data are used as inputs into the loss factor calculation, which uses the minimal extrapolation process to produce forecast generation dispatch data by balancing supply and demand.

As such, historical generation data might not accurately represent anticipated generation patterns and could have the potential to distort MLFs. The summarised information of historical and extrapolated generation dispatch data is provided so that Generators can identify forecast generation dispatch that is not physically possible.

Clause 5.5.6 of the Methodology¹ details the requirements for submitting an adjusted generation profile to be used in lieu of an historical generation profile for the 2016-17 MLF calculation.

2. ASSUMPTIONS

The indicative extrapolation study is an approximate study to identify historical generation data that might not accurately represent anticipated generation patterns. This study has not been done to the same level of rigour as the normal MLF calculation.

This study incorporates the following simplifying assumptions:

- Load forecasts have been approximated but accord with the 2015 NEFR² operational annual energy (medium scenario) forecasts, published on 26 June 2015.
- New loads considered are limited to transmission connected loads greater than 50 MW.
- Load reductions considered are limited to transmission connected loads greater than 50 MW.
- Generator capacities accord with those on the Generation Information Page³ published on 26 October 2015.
- New generation considered is limited to large generating systems.
- New transmission augmentations are not considered, except for the augmentations related to the upgrade of the Heywood interconnector.

This has resulted in the following major changes being incorporated in this study:

- Decommissioning of the Point Henry smelter load.
- Inclusion of forecast major Liquefied Natural Gas (LNG) loads in Queensland.
- Removal of generators at Northern Power Station (PS), Torrens Island A PS, Redbank PS, Morwell/Energy Brix PS and Anglesea PS.
- Inclusion of Nyngan, Moree and Broken Hill solar farms in New South Wales.

¹ <http://aemo.com.au/Electricity/Market-Operations/Loss-Factors-and-Regional-Boundaries/Methodology-for-Calculating-ForwardLooking-Transmission-Loss-Factors>

² <http://aemo.com.au/Electricity/Planning/Forecasting/National-Electricity-Forecasting-Report>

³ <http://aemo.com.au/Electricity/Planning/Related-Information/Generation-Information>



3. RESULTS

The results of this study are provided as a separate document on AEMO's website with this report.

The results provide the following information in relation to scheduled generating units:

- Historical generation, as monthly energy for each Transmission Node Identifier (TNI) from the 2014-15 year.
- Forecast generation, as monthly energy for each TNI for the 2016-17 year based on AEMO's indicative extrapolation study.

Information on wind farms is not included, in line with clause 5.5.2 of the Methodology, and the output of transmission connected wind farms are not adjusted.

Basslink flows have been modelled at the historical figure of approximately 1382 GWh flowing from Victoria to Tasmania. The flow on Basslink is closely related to generation in Tasmania.

It is important to note that the forecast generation outcomes are approximate and subject to change for many reasons including, but not limited to the following:

- A Generator provides revised generation profiles in accordance with the Methodology, which are accepted by AEMO.
- Updated information may be used for the final 2016-17 MLF calculation.

4. SUBMISSION DUE DATES

Participants may submit adjusted generation profiles to mlf.process@aemo.com.au to be used in lieu of an historical generation profile for the 2016-17 MLF calculation in line with clause 5.5.6 of the Methodology. The due date for submission has been extended to **4 December 2015**.