

Enhancement compliance plan notice

Published 15 October 2021

As prescribed in the Hydro Tasmania ESI Enhancements Compliance Plan:

- Principle 3.2, Hydro Tasmania can only instruct Basslink Pty Ltd (BPL) to submit a positive bid which applies to southward flows across Basslink in appropriate circumstances, including where Hydro Tasmania believes it is reasonably necessary to avoid thermal overloading of the HVDC cable; and
- Principle 3.3, Hydro Tasmania must publicly disclose when it has instructed BPL to make a positive bid in a southward direction and the reason for doing so.

Details:

- Basslink is currently bid available at 478 MW by its owner and operator BPL.
- In October 2019 Hydro Tasmania commencing instructing BPL to modify its dispatch offers to the market operator, AEMO due to receipt of engineering analysis from its cable experts recommending flows were limited to below 500MW on a continuous basis due to the Basslink cable being at risk of exceeding its temperature design limits if operated continuously at 500MW. Details are contained in Hydro Tasmania's previously published ESI compliance plan notices.
- Hydro Tasmania has recently received revised analysis from its cable experts taking into account final survey information for the full cable route and the findings of the Arbitrations between BPL and Hydro Tasmania. That revised analysis necessitates some small revisions to the previously recommended flow levels¹.
- In light of the updated recommendations, effective 04:00 market time on 15 October 2021, Hydro Tasmania updated the instructions it is issuing to BPL to modify its dispatch offers to the market operator, AEMO, to reflect the revised flow levels and periods.
- Hydro Tasmania has provided BPL (the asset owner) with the revised analysis from its cable experts and Hydro Tasmania will continue to review its position as new information comes to hand. BPL does not agree with the recommendations. Hydro Tasmania is using its contractual right to issue these bidding instructions because there is continued disagreement between Hydro Tasmania and BPL about the risk that Hydro Tasmania is seeking to address.
- The modification of dispatch offers is to place a price (the Market Price Cap) on the capacity above:
 - 454 MW - 1 August to 31 December (inclusive); and
 - 439 MW - 1 January to 31 July (inclusive);
- This will apply to both northward and southward Basslink flows from 04:00 market time on 15 October 2021 and this measure will remain in place until further notice.

All MW values in this notification are stated at the receiving end consistent with the way bids are submitted.

¹ changes of between 5 and 7MW depending on the period.