

Cold comfort for summer power

Duncan Hughes

Peak electricity forecasts for this summer have been reduced by more than 5 per cent even though winter demand surges have repeatedly broken records for generation and prices during the cold season, analyses by state regulators show.

But industry experts warned that overall demand for energy remained at record-breaking highs from cold winters and hot summers, more household appliances and population increases.

According to the National Electricity Market, a reassessment of the highest possible summer peak — based upon maximum demand over recent summers and new methodologies — has resulted in a 4.3 per

KEY POINTS

- Forecasts are being revised after close monitoring.
- Cold winters and hot summers will keep total demand at record levels.
- Further cold snaps might require a large increase in capacity.

cent, or 447 megawatt, reduction in the rate of growth for Victoria, and 0.7 per cent, or 100 MW, for NSW. The biggest reduction in the forecasts was for 5.6 per cent, or 195 MW, in South Australia, followed by Tasmania's 5.5 per cent, or 81 MW.

"In recent years, state-based authorities have closely monitored big summer demand and reviewed

forecasts," a NEM spokesman said. "In two states, supply was close to 1000 MW higher than summer maximums for extreme temperature conditions."

During the past month, demand for electricity has set three successive winter records and exceeded the 2006-07 summer peak, forcing up wholesale prices to levels that have forced two second-tier retailers from the market.

Last Tuesday, demand broke 33,000 MW for the first time, with the previous record demand recorded on Monday July 9. The third-highest demand occurred on June 21 at 32,600 MW. The peak over summer 2006-07 was 31,800 MW.

Retailers were cautious about NEM's prediction that the rate of

increase in demand would slow. Victorian opposition energy spokesman Robert Clark said the outlook remained volatile, with successive demand spikes during the winter threatening to continue during summer, particularly in late January when holidays ended.

The managing director of energy market monitor Global-Roam, Paul McArdle, said: "If demand was to continue to grow at the winter rates, this would have big implications on the amount of new capacity that would need to be constructed each year, just to keep up with growing demand, over and above any replacement of plant required under an emissions trading."

Money for the trees, page 6 ■

Laverton fires up after noise compromise

Mathew Dunckley

A key Victorian peak-load power station will resume full operation today after resolving a noise dispute with its neighbour.

In May, the Victorian Civil and Administrative Tribunal placed a temporary ban on the Laverton North station, owned by Snowy Hydro, operating between the hours of 8am and 5pm.

The ban followed complaints from neighbouring building materials company Metroll, which said that the 320 megawatt gas-fired plant caused excessive noise and vibration triggering headaches, earaches and noises for its 70 staff and