

Wholesale Electricity Market Rule Change Proposal Submission

RC_2017_10 Correction of Gazettal Errors

Submitted by

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Submissions on Rule Change Proposals can be sent by:

Email to: rcp.secretariat@rcpwa.com.au

Post to: Rule Change Panel
Attn: Executive Officer
C/o Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

1. Please provide your views on the proposal, including any objections or suggested revisions.

The Australian Energy Market Operator (AEMO) welcomes the opportunity to provide a submission to the Rule Change Panel on the Rule Change Proposal: Correction of Gazettal Errors (RC_2017_10).

AEMO supports the Rule Change Proposal on the grounds that this will correct manifest errors in the Market Rules and will better reflect the intent of the previous Minister's rule amendments.

AEMO has identified one issue with the drafting of clause 2.24.2.

2.24.2. Before 30 June each year, ~~AEMO~~~~the IMO~~ must determine and publish the level of the Market Fee rate, System Management Fee rate and Regulator Fee rate, and the level of each of the Application Fees, and the level of the Reassessment Fee to apply over the year starting 1 July in accordance with the IMO's approved budget and information provided by the Economic Regulation Authority under clause 2.24.6 (if any). Where:

- (a) the Minister has not approved the IMO's budget proposal, AEMO will determine and publish the expected level of Market Fee rate for AEMO based on the most

recent approved budget (and based on AEMO's own budget published under clause 2.22A.4); and

...

Sub-clause (a) applies where the Minister has not approved the IMO's budget proposal and, in that specific context, the sub-clause requires AEMO to consider its own budget when setting the Market Fee rate. However, by contrast, the first sentence of clause 2.24.2 does not impose a general requirement on AEMO to consider its own budget when setting the Market Fee rate. AEMO considers this omission to be a manifest error.

AEMO proposes a further amendment to address this error:

2.24.2. Before 30 June each year, ~~AEMO~~^{the IMO} must determine and publish the level of the Market Fee rate, System Management Fee rate and Regulator Fee rate, and the level of each of the Application Fees, and the level of the Reassessment Fee to apply over the year starting 1 July in accordance with AEMO's budget published under clause 2.22A.4, the IMO's approved budget and information provided by the Economic Regulation Authority under clause 2.24.6 (if any). Where:

...

2. Please provide an assessment whether the change will better facilitate the achievement of the Wholesale Market Objectives.

AEMO agrees that the proposal will improve the integrity of the Market Rules, thereby contributing to the achievement of the Wholesale Market Objectives.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

AEMO has not identified any system or process changes resulting from the proposed amendments.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

See above
