

Wholesale Electricity Market Rule Change Proposal Submission

RC_2020_01

Market Participant Fee calculation manifest error

Submitted by

Name:	Dean Sharafi
Phone:	08 9469 9800
Email:	dean.sharafi@aemo.com.au
Organisation:	AEMO
Address:	GPO Box 2008, Melbourne VIC 3001
Date submitted:	14 February 2020

Submissions on Rule Change Proposals can be sent by:

Email to: support@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: Market Participant Fee calculation manifest error (RC_2020_01).

The Rule Change Proposal concerns a manifest error in the calculation of Market Participant Fees under clause 9.13.1 of the Market Rules. As noted in the Rule Change Proposal, the error was identified by AEMO. The examples provided in the Rule Change Proposal demonstrate that the formula currently specified in clause 9.13.1 may lead to undesirable outcomes where a Market Participant may not be charged an amount corresponding to the intended level of fee, or in cases could be paid fees.

AEMO agrees with the Rule Change Panel's assessment that this issue is a manifest error and contradicts the intent of the Market Participant Fee settlement calculation. AEMO supports the proposed amendments to correct the manifest error, including the progression of the amendments through the Fast Track Rule Change Process.

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

AEMO agrees with the Rule Change Panel's assessment of the Wholesale Market Objectives. Specifically, as stated in the proposal, the amendments will better achieve Wholesale Market Objective (a):

to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system.

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.

As noted in the Rule Change Proposal, AEMO currently calculates the Market Participant Fee settlement amounts in accordance with the proposed amendments. In this circumstance, AEMO does not need to make any changes to its existing processes or IT systems and there are no cost implications.

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

AEMO does not require any lead time to implement the proposed changes because it currently calculates the fees in accordance with the proposed amendments.
