

## **NOTICE OF EXTENSION: CONSULTATION FOR PROCEDURE CHANGE PROPOSAL AEPC\_2018\_01**

Wholesale Electricity Market Rules – Clause 2.10

---

### **Background**

Date of Notice: 10 December 2018

The publication of this notice of extension and accompanying updated call for submissions extends the consultation for the Procedure Change Process conducted by AEMO to consider a proposed revised Market Procedure: Monitoring and Reporting Protocol under the Wholesale Electricity Market Rules (WEM Rules).

On 1 July 2016 the Minister revised AEMO's obligations in terms of monitoring compliance with the WEM Rules. Previously, System Management was responsible for monitoring compliance and alleging breaches to the Independent Market Operator. The new obligations see AEMO supporting the ERA to monitor compliance. The new rules introduced the requirement for AEMO to develop a Monitoring and Reporting Protocol, which is a Market Procedure, but for which approval from the ERA must also be sought. The rules also specified alternate arrangements prior to the development of the Monitoring and Reporting Protocol.

AEMO will be obtaining the ERA's approval of the Procedure as required by clause 2.15.6A of the WEM Rules.

Clauses 2.15.6A and 2.15.6B of the WEM Rules require AEMO to detail AEMO's processes for supporting the Economic Regulation Authority in monitoring Rule Participant compliance with the WEM Rules and Market Procedures. These clauses provide that:

*2.15.6A. AEMO must develop and implement a Monitoring and Reporting Protocol and seek the approval of the Economic Regulation Authority for that Monitoring and Reporting Protocol.*

*2.15.6B. The purpose of AEMO's Monitoring and Reporting Protocol is to state how AEMO (including in its capacity as System Management) will implement its obligations under these Market Rules to support the Economic Regulation Authority's monitoring of Rule Participants' behaviour for compliance with the Market Rules in accordance with clauses 2.13.9A and 2.13.6, and with Market Procedures (including the Power System Operation Procedures) developed by AEMO.*

### **Procedure change process**

Extension of Consultation

AEMO is extending the consultation period in accordance with clause 2.10.17 of the WEM Rules.

Following the initial consultation period, matters were raised resulting in amendments to the Procedure. Further engagement with the ERA has also been undertaken since this time. AEMO considers it prudent to allow stakeholders to review and comment on the amended Procedure before formally requesting approval from the ERA.

To extend the consultation period, clause 2.10.18 of the WEM Rules requires that AEMO publish a notice of an extension and update any information already published in a call for submissions under clause 2.10.7. Clause 2.10.19 requires that the notice of extension include:

- a) the reasons for the proposed extension;
- b) the views of any Rule Participant consulted on the extension, which are detailed in section;
- c) the proposed length of any extension, which is detailed in section; and
- d) the proposed work program.

These details are outlined below.

#### Details of extension

AEMO has extended the original consultation period by 20 Business Days. The indicative timeline and proposed work program for this extended consultation is outlined in the table below. Dates for publication of the Procedure Change Report and commencement of the revised Market Procedure may be adjusted depending on the number and complexity of issues raised in submissions and any meetings with stakeholders.

PROCESS STAGE	INDICATIVE DATE
Procedure Change Proposal published	29 January 2018
Initial close of submissions on Procedure Change Proposal	26 February 2018
Submissions due on Procedure Change Proposal following this extension	10 January 2019
AEMO to seek formal approval from the ERA	1 March 2019
ERA to approve the Procedure	TBA
Proposed commencement of revised Market Procedure and publication of the Procedure Change Report	TBA

## Proposed procedure change

### Proposed drafting

This notice of extension, the original Procedure Change Proposal and the proposed Market Procedure itself, are available at: [http://www.aemo.com.au/Stakeholder-Consultation/Consultations/AEPC\\_2018\\_01](http://www.aemo.com.au/Stakeholder-Consultation/Consultations/AEPC_2018_01).

AEMO has provided a marked-up version of the Procedure that shows changes from the version published with the Procedure Change Proposal. In addition, AEMO has also provided a marked-up version of the revised Procedure compared to the existing version.

Consultation concerning the extension

AEMO invites written submissions on this Procedure Change Proposal, including any alternatives or additional proposals you consider that may improve the Procedure or better meet the Wholesale Market Objectives in section 122(2) of the Electricity Industry Act 2004 (and clause 1.2.1 of the WEM Rules).

Please identify any parts of your submission that you wish to remain confidential, and explain why. AEMO may still publish that information if it does not consider it to be confidential, but will consult with you before doing so.

Consistency with WEM Rules, Electricity Industry Act and WEM Regulations

AEMO considers that the steps outlined in the revised Market Procedure are drafted in a way that does not change the objectives of the WEM Rules. As a result, AEMO considers that the revised Procedure, as a whole, is consistent with the Wholesale Market Objectives.

### **Consultation process**

AEMO invites stakeholders to suggest alternative options or drafting where they consider that these would improve the procedure or better meet the Wholesale Market Objectives in section 122(2) of the Electricity Industry Act (and clause 1.2.1 of the WEM Rules).

Stakeholders are invited to submit written responses on the proposed Procedure by 5.00 pm (AWST) on 10 January 2019, in accordance with the call for submissions published with this notice of extension.

Stakeholders with questions in relation to the proposed Market Procedure or this Procedure Change Proposal can contact AEMO via email at [wa@aemo.com.au](mailto:wa@aemo.com.au).

All correspondence in relation to this Procedure Change Proposal must be entitled "AEPC\_2018\_01 Monitoring and Reporting Protocol - [Name of the submitting company or individual]".