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Submitted via email: wa@aemo.com.au

2018 Proposed Tolerance Range

Alinta Energy (**Alinta**) welcomes the opportunity to comment on the Australian Energy Market Operator's (**AEMO**) *Consultation Paper: Proposed Tolerance Range (Consultation Paper)*.

Alinta understands that the Wholesale Electricity Market Rules (**Market Rules**) allows AEMO to determine the Tolerance Range and Facility Tolerance Range to apply to Facilities for the purpose of its reporting of alleged breaches regarding Forced Outages and compliance with Dispatch Instructions.

Further to this, Alinta notes that historically a general tolerance has not been applied to Non-Scheduled Generators¹. During the 2017 Annual Review of Tolerance Ranges Alinta noted that given the likelihood that over the coming years Non-Scheduled Generation is likely to be increasingly dispatched to targets below their maximum capacity, Alinta recommended that AEMO²:

- revisit its position, adopted in 2011, that it is not necessary to apply a general tolerance to all Non Scheduled Generators; and
- look to amend the general Tolerance Range to include a general tolerance for both Scheduled Generators and Non-Scheduled Generators.

Alinta is pleased to see that AEMO has adopted these recommendations as part of the 2018 Annual Review of Tolerance Ranges.

Alinta has reviewed, and supports, the Tolerance Ranges AEMO has proposed in its Consultation Paper for:

- Scheduled Generators;
- Non-Scheduled Generators;
- Demand Side Programmes; and
- All other facilities.

If you would like to discuss this submission further, or require additional information, please contact me on either: 0417 065 955 or Jacinda.papps@alintaenergy.com.au.

Yours sincerely

Jacinda Papps

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¹ Noting this, the Market Rules do allow a Market Participant with a Non-Scheduled Generator to apply for a Facility Tolerance Range.

² In making these recommendations, Alinta is aware that the establishment of a general Tolerance Range for Non-Scheduled Generation facilities would not alter Market Participants' obligations under the Market Rules, and would not preclude AEMO from reporting instances of non-compliance that fall within the Tolerance Range.