

Wholesale Electricity Market Rule Change Proposal Submission

RC_2018_07 – Removal of Constrained Off Compensation for Outages of Network Equipment

Submitted by

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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**) appreciates the opportunity to provide this submission to the Rule Change Panel in response to the Draft Rule Change Report: Removal of Constrained Off Compensation for Outages of Network Equipment (RC_2018_07) (**Draft Rule Change Report**).

AEMO supports the intent of the Draft Rule Change Report and at this stage has not identified any issues with the proposed amending rules.

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

AEMO agrees with the assessment detailed in Section 5.4 of the Draft Rule Change Report.

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's revised cost estimate to implement this rule change is \$80,000. The increase from

the estimate provided in AEMO's first submission (\$50,000) is due to an increase in testing requirement of a number of supporting systems identified as being impacted.

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

AEMO can confirm that the proposed commencement date allows for sufficient time for AEMO to implement the necessary system and procedural changes (assuming no significant rework following consultation) required by the amending rules in the Draft Rule Change Report.

Should there be any material changes introduced in the Final Rule Change Report, AEMO will need to assess the implications and feasibility of the 1 July 2019 proposed commencement date.