

20 September 2016

Ms Nicola Cusworth  
Chairperson  
Economic Regulation Authority  
PO Box 8469  
PERTH BC WA 6849

FROM THE OFFICE OF THE  
CHIEF EXECUTIVE OFFICER

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By email: nicola.cusworth@erawa.com.au

Dear Ms Cusworth

### **Western Australian Gas Retail Market Scheme ("Scheme")**

I refer to the application by Retail Energy Market Company Limited (REMCo) to the Economic Regulation Authority (ERA) for approval of three proposed amendments to the Scheme.

Proposed amendment C02/16C in REMCo's application concerns the proposed transfer of REMCo's functions as operator of the Western Australian gas retail market to Australian Energy Operator Limited (AEMO), with effect from 31 October 2016.

AEMO was provided an opportunity to review drafts of the following documents before REMCo lodged them with the ERA:

- Application for amendment of the Scheme (including amendments C01-16R, C02-16C and C02-16R)
- Retail Market Procedures (formerly the Retail Market Rules) as amended, together with the Specification Pack and the FRC Hub Operational Terms and Conditions.
- Western Australian Gas Retail Market Agreement.

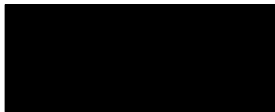
AEMO fully supports and consents to REMCo's application, and consents to the ERA's publication of this letter if required.

AEMO confirms REMCo's request that the ERA's approval of Rule Change C02/16C be conditional upon a notice from both AEMO and REMCo that all the conditions precedent agreed between AEMO and REMCo for the transition have been satisfied or waived. AEMO will continue to work with REMCo on the conditions precedent and, together with REMCo, will provide notice to the Authority when all conditions precedent have been satisfied or waived.

We look forward to assuming the role of the formal entity that will operate the Western Australian gas retail market in accordance with the purposes set out in section 11ZOB of the *Energy Coordination Act 2004*.

Any questions about AEMO's proposed role in relation to the Scheme or about the other markets AEMO operates can be directed to Brett Hausler, Company Secretary and General Counsel, on 03 9609 8707 or [brett.hausler@aemo.com.au](mailto:brett.hausler@aemo.com.au).

Yours sincerely



Karen Olesnicky

**Acting Chief Executive Officer**

Cc: Mr Stephen Eliot – REMCo: [stephen.eliot@remco.net.au](mailto:stephen.eliot@remco.net.au)

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