

**Wholesale Electricity Market Rule Change Proposal Submission
RC_2013_21
Limit to Early Entry Capacity Payments**

Submitted by

Name:	Martin Maticka
Phone:	0434 605 360
Email:	martin.maticka@aemo.com.au
Organisation:	<i>Australian Energy Market Operator</i>
Address:	Level 17,197 St Georges Terrace
Date submitted:	16/08/2017

Submissions on Rule Change Proposals can be sent by:

Email to: rcp.secretariat@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.

AEMO supports the Rule Change Proposal: Limit to Early Entry Capacity Payments as this will restrict capacity payments and reduce unnecessary costs for Market Customers.

AEMO has identified a minor issue with the drafting of Clause 4.20.5A(b).

4.20.5A. AEMO must:

- (a) assign a quantity of Capacity Credits to each Facility, where the quantity is determined in accordance with clause 4.20.5B, clause 4.20.5C or clause 4.20.5D, as applicable to the relevant Facility; and
- (aA) determine whether the Reserve Capacity Requirement has been met or exceeded with the Capacity Credits assigned for Year 3 for which no Reserve Capacity Security was required to be provided under section 4.13; and

~~(b) publish the quantity of Capacity Credits assigned to each Facility and specify the Facility Class:~~

(b) publish AEMO's determination under clause 4.20.5A(aA) and, for each Facility assigned Capacity Credits under clause 4.20.5A(a), publish the quantity of Capacity Credits assigned and the Facility Class:

- (i) if a Reserve Capacity Auction is cancelled under clause 4.15.1 – by the date and time specified in clause 4.1.16; and
- (ii) if a Reserve Capacity Auction is not cancelled under clause 4.15.1 – by the date and time specified in clause 4.1.21A.

The inclusion of the text "and the Facility Class" is unnecessary with no added benefit to Market Participants, as Facility Class information is available on AEMO's Market Date Web Site¹.

AEMO proposes the alternative drafting below:

(b) publish AEMO's determination under clause 4.20.5A(aA) and, for each Facility assigned Capacity Credits under clause 4.20.5A(a), the quantity of Capacity Credits assigned and the Facility Class:

- (i) if a Reserve Capacity Auction is cancelled under clause 4.15.1 – by the date and time specified in clause 4.1.16; and
- (ii) if a Reserve Capacity Auction is not cancelled under clause 4.15.1 – by the date and time specified in clause 4.1.21A.

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

AEMO agrees the Rule Change Proposal will better achieve Wholesale Market Objectives (a) and (d) and is consistent with the remaining Wholesale Market Objectives.

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 does not expect any significant costs associated with implementing this Rule Change Proposal.

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

AEMO does not require any time to implement the broad Rule Change Proposal.

¹ Available at <http://data.wa.aemo.com.au/>