

## Wholesale Electricity Market Rule Change Proposal Submission

### RC\_2015\_01 Removal of Market Operation Market Procedures

#### Submitted by

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Submissions on Rule Change Proposals can be sent by:

Email to: [rcp.secretariat@rcpwa.com.au](mailto: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

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#### 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 Call for Further Submissions: Removal of Market Operation Market Procedures (**RC\_2015\_01**).

AEMO supports the proposed changes in RC\_2015\_01 and considers that the proposal will enable AEMO to improve the existing documentation of various obligations, processes and methodologies under the WEM Rules. Through the improved transparency or information in the market, AEMO anticipates there will be a reduction to the risk of:

- (a) non-compliance with the WEM Rules;
- (b) making inconsistent operational decisions;
- (c) increased administrative burden, service delivery and loss of productivity; and
- (d) increased compliance costs.

AEMO is supportive of the proposal to ensure that Market Procedures and Power System Operation Procedures are referred to in the WEM Rules as 'a/the Market Procedure' and 'a/the Power System Operation Procedure', with reference to the head of power clause under which

they are created. As outlined in the proposal, AEMO's view is that the inclusion of Market Procedure names in the WEM Rules creates unnecessary administrative prescription and has resulted in the inefficient creation and maintenance of Market Procedures.

AEMO agrees that the current referencing of Procedures in the WEM Rules is inconsistent and that it would be most efficient and cost effective to address the referencing of all Procedures in this Rule Change Proposal.

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

AEMO agrees with the Wholesale Market Objective assessment set out in in the original 2015 proposal.<sup>i</sup>

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**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.**

As a result of this proposal, AEMO will have the opportunity to assess the structure of its Market Procedures and PSOPs. This may reduce administrative effort associated with the ongoing maintenance of procedures. AEMO will make these assessments and any changes as part of our business-as-usual procedure change processes. Therefore, no direct costs are expected with regard to implementing the proposed amendments as part of this proposal.

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

As the proposed amendments to the WEM Rules are administrative in nature, AEMO is supportive of indicative timeframes to be determined by the Rule Change Panel.

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<sup>i</sup> Independent Market Operator, 2015, Rule Change Proposal [Removal of Market Operation Procedures], pages 8-9, <https://www.erawa.com.au/cproot/17572/2/Rule%20Change%20Notice%20and%20Proposal.pdf>.

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