

Rule Change Extension Notice: Reduced Frequency of the Review of the Energy Price Limits and the Maximum Reserve Capacity Price (RC_2014_05)

This notice of extension is given under clause 2.5.12 of the Market Rules.

Submitter: Kate Ryan, IMO

Date submitted: 2 December 2014

Date of extension: 17 December 2018

In accordance with clause 2.5.10 of the Market Rules, the Rule Change Panel has further extended the timeframe for the publication of the Draft Rule Change Report for the Rule Change Proposal titled “Reduced Frequency of the Review of the Energy Price Limits and the Maximum Reserve Capacity Price” (RC_2014_05) until **5:00 PM on Tuesday 31 December 2019**.

Dates for subsequent steps of the rule change process have been adjusted accordingly.

Reason for the Extension

Under the Market Rules, the Economic Regulation Authority (ERA) reviews the methodology for setting the Energy Price Limits (EPL) and Benchmark Reserve Capacity Price (BRCP) at least once every five years.¹ The ERA’s review is expected to commence in early 2019. The Rule Change Panel considers that the outcome of the ERA’s review is an important input for the assessment of the proposed changes.

The Rule Change Panel has therefore extended the timeframe for the publication of the Draft Rule Change Report until 31 December 2019 to allow the Rule Change Panel to take into account the outcome of the ERA’s review of the EPLs and the BRCP when progressing the proposal.

Further details relating to the Rule Change Proposal are available at https://www.erawa.com.au/rule-change-panel/market-rule-changes/rule-change-rc_2014_05.

Proposed Work Program

- The ERA undertakes its five-yearly review of the methodology for setting the EPL and BRCP.
- The ERA publishes its outcome of its five-yearly review.
- The Rule Change Panel publishes a call for further submissions.
- The further submission period is held.

¹ The Maximum Reserve Capacity Price has been renamed to Benchmark Reserve Capacity Price since the submission of the Rule Change Proposal.

- The Rule Change Panel presents its draft decision in the Draft Rule Change Report.
- The second submission period is held.
- The Rule Change Panel presents its final decision in the Final Rule Change Report.

If the Rule Change Panel’s decision is to approve the Rule Change Proposal, the following steps will also apply:

- The Minister considers the Rule Change Proposal and makes a decision regarding the proposed Amending Rules.
- If approved, the Amending Rules commence.

Extended Timeline

The projected timeline for processing this proposal, including the extension, is:

