WHOLESALE ELECTRICITY MARKET

Submission to Procedure Change Proposal

EEPC_2023_03 ERA Triggering the SESSM

Submitted by	
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Submission

Clause 2.10.7 of the Wholesale Electricity Market Rules provides that any person may make a submission for a Procedure Change Proposal (including proposals developed by AEMO, the Economic Regulation Authority, the Coordinator of Energy or a Network Operator) by completing this Procedure Change Submission form.

Submissions should be provided by email to the nominated contact in the call for submissions published with the Procedure Change Proposal.

Please provide your views on the Procedure Change Proposal, including any objections or suggested revisions

Specification of Process:

AEMO notes that the Procedure would benefit from additional detail to support the information specified in the WEM Rules (for example, paragraph 8.7 does not provide further detail beyond that contained in the WEM Rules on how the pricing/cost comparisons or analyses listed might be undertaken).

Additional specification around these processes and how the proposed indicators of inefficient Real-Time Market outcomes might be used would provide more certainty and transparency for the market regarding the inputs and timing of any decision by the ERA to trigger the SESSM.

Furthermore, AEMO recommends that the ERA consider increasing operational coordination with AEMO through the Procedure. For example, this could involve provisions whereby:

- the ERA would consult with AEMO prior to triggering the SESSM, with specification around the nature and timing of such interactions; and
- AEMO may request that ERA investigate the need for triggering SESSM.

Lastly, as currently drafted, paragraph 8.8 refers to a 'market test', which may refer to a 'call for expressions of interest' under section 3.15B. If this is the case, AEMO recommends changing the wording from 'collected by AEMO under the market test' to 'provided to the ERA by AEMO under clause 3.15B.8'.

Please provide an assessment whether the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Rules.

AEMO has not identified any inconsistencies with the Market Objectives or the WEM Rules other than as mentioned in this submission.

Please indicate if the Procedure Change Proposal will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

Uncertainty regarding processes that might lead to the ERA triggering the SESSM (for example, details of analyses, timing and cross-entity involvement) may have resource implications for AEMO, and greater clarification would help AEMO assess its resourcing needs.

Please indicate the time required for your organisation to implement the changes, should they be accepted as proposed.

N/A