

21 June 2019

Reliability Panel Australian Energy Market Commission PO Box A2449 Sydney South NSW 1235

Submitted online: <u>www.aemc.gov.au</u>

## **Review of the RERT Guidelines – Draft Report**

Origin Energy Limited (Origin) welcomes the opportunity to provide comments on the Reliability Panel's Review of the Reliability and Emergency Reserve Trader (RERT) Guidelines Draft Report.

Origin considers the proposed amendments are broadly consistent with the Australian Energy Market Commission's (AEMC's) Enhancement to the RERT rule. However, we have suggested the following amendments to Section A.5.1 to better reflect the requirements specified in the rule.

## A.5.1 Actions to have the least distortionary effect on the operation of the market

"When AEMO seeks reserve providers it must comply with the out-of-market provisions set out in clauses 3.30.33.20.3(g)-(I) of the NER. These provisions serve to minimise the distortionary effect of the RERT on the market. Under these provisions:

- Scheduled reserves cannot participate in RERT if they have been in the wholesale market for the past 12 months, and for the duration of the contract. Scheduled reserves cannot participate in RERT if they have been in the wholesale market in the preceding 12 months. Scheduled reserves also cannot participate in the wholesale market for the duration of a RERT contract.
- Unscheduled reserves cannot be both in the wholesale market and in RERT for the trading intervals to which the contract relates. Unscheduled reserves cannot participate in the wholesale market during the trading intervals to which their contract relates."

If you wish to discuss any aspect of this submission further, please contact Shaun Cole at <u>shaun.cole@originenergy.com.au</u> or on 03 8665 7366.

Yours Sincerely,

Steve Reid Group Manager, Regulatory Policy