

24 July 2019

Mr John Pierce Chairman Australian Energy Market Commission PO Box A2449 Sydney South NSW 1235

Dear Mr Pierce

Draft Rule Determination – National Electricity Amendment (Market Making Arrangements in the National Electricity Market) Rule 2019

Ergon Energy Queensland Limited (Ergon Energy Retail) welcomes the opportunity to provide comment to the Australian Energy Market Commission (AEMC) on its *Draft Rule Determination* – *National Electricity Amendment (Market Making Arrangments in the National Electricity Market (NEM)) Rule 2019.*

Ergon Energy Retail strongly supports the AEMC in its decision not to make a draft rule in relation to the operation of a tender for the provision of market making services in the NEM.

As per our submission dated 7 February 2019 responding to the AEMC's initial consultation paper on the rule change proposal, we consider liquidity in the Queensland wholesale market to be generally acceptable, and expect this liquidity to increase as new renewable generators continue to enter the market driven by the State's renewable energy target. This pipeline of renewable generation projects, together with the commencement of the Retailer Reliability Obligaton and associated Market Liquiditiy Obligation on 1 July 2019, should, in our view, alleviate any need for additional market interevention.

Should you require additional information or wish to discuss any aspect of this submission, please do not hesitate to contact myself or Andrea Wold on (07) 3664 4970.

Yours sincerely

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