

# WHOLESALE ELECTRICITY MARKET

## Submission to Procedure Change Proposal

### AEPC\_2018\_01: AEMO Monitoring and Reporting Protocol

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<b>Date submitted:</b>	10 January 2019

### 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 or the Rule Change Panel) 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**

Alinta Energy (**Alinta**) welcomes the opportunity to provide a submission to the Australian Energy Market Operator (**AEMO**) on its updated call for submissions on the *Procedure Change Proposal: AEMO Monitoring and Reporting Protocol (Procedure Change Proposal)*.

Alinta broadly supports the amendments AEMO has made in response to the issues Alinta raised in its first submission dated 26 February 2018.

In reviewing the updated call for submissions on the Procedure Change Proposal, Alinta has identified the following issues for further consideration by AEMO:

- **Steps 2.2.5 and 3.1.8:** AEMO's proposed steps 2.2.5 and 3.1.8 assume that an investigation under clause 2.13.12 or 2.13.13 of the Wholesale Electricity Market Rules (**Market Rules**) could require AEMO to provide the ERA with information about itself or another participant.

Alinta notes that clause 2.13.13 of the Market Rules only requires that Rule Participants (including AEMO) must "co-operate" with an investigation into an alleged breach of the Market Rules - including providing the ERA with information and records relating to the alleged breach.

In Alinta's view, the reference to "co-operating" does not extend to requiring AEMO to disclose a third party's confidential or commercial information to the ERA (for example a fuel contract). If confidential information is provided by the AEMO to the ERA under this process, there is no opportunity afforded to the affected party to raise concerns regarding the disclosure of that information. This may raise concerns regarding procedural fairness and also discourage Market Participants from voluntarily providing information to the AEMO over and above what is strictly required by the Market Rules.

Alinta considers that, if the ERA wishes to obtain such confidential or commercial information, it should compel the provision of it from the Rule Participant itself, using its statutory powers under the Economic Regulation Authority Act 2003 (WA). Confidential and/or commercial information that the ERA compels in this way is appropriately offered some statutory protections.

The draft protocol is currently silent on how AEMO will treat Rule Participant's confidential or commercial information under a clause 2.13.13 request. It is Alinta's strong preference for this issue to be expressly covered in the protocol.

Further to this, Alinta notes that there are essentially two types of information relating to the WEM and appropriate arrangements need to be in place for each of these:

1. Information primarily captured/produced or exchanged by the Market Rules or Market Procedures; and
2. Information that is related to the market but has no defined status under the Market Rules, i.e. this would cover information volunteered by a participant to AEMO.

In addition to Alinta's concerns about commercial and or confidential information transfer outlined above, Alinta is also of the view that the information to be provided by the AEMO to the ERA should not extend beyond the records required to be kept by the AEMO under the Market Rules and Market Procedures and the protocol should reflect this.

- **Step 3.1.3 (f):** AEMO's proposed step 3.1.3 sets out the information that AEMO must provide the ERA in an alleged breach report. This includes (f) any other information that AEMO considers relevant.

As noted above, the protocol should outline how AEMO will treat Rule Participant's confidential or commercial information and any information provided under step 3.1.3(f) by the AEMO to the ERA should not extend beyond the records required to be kept by the AEMO under the Market Rules and Market Procedures.