

28 August 2020



Audrey Zibelman  
Managing Director and Chief Executive Officer  
Australian Energy Market Operator  
GPO Box 2008  
Melbourne VIC 3001

Submitted via email: [stakeholderrelations@aemo.com.au](mailto:stakeholderrelations@aemo.com.au)

Dear Ms Zibelman,

**Australian Energy Market Operator: *Renewing AEMO's Engagement Model***

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comment to the Australian Energy Market Operator (AEMO) in response to its *Renewing AEMO's Engagement Model Proposal Paper* (the Proposal Paper).

This submission is provided by Energy Queensland, on behalf of its related entities, including:

- Distribution network service providers, Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy Network);
- Retailer, Ergon Energy Queensland Pty Ltd (Ergon Energy Retail); and
- Affiliated contestable business, Yurika Pty Ltd including its subsidiary, Metering Dynamics Pty Ltd.

Energex and Ergon Energy Network are both members of Energy Networks Australia (ENA), the national industry body representing businesses operating Australia's electricity transmission and distribution, and gas distribution networks. The ENA has prepared a response to the Proposal Paper and Energy Queensland is supportive of the positions presented in their submission.

Similarly, Ergon Energy Retail is a member of the Australian Energy Council (AEC) which represents major electricity and downstream natural gas businesses operating in competitive wholesale and retail energy markets. Energy Queensland is aware the AEC has made a submission to AEMO in response to the Proposal Paper, and we equally support the content of that submission.

In addition to our support for the ENA and AEC submissions, Energy Queensland takes this opportunity to make the following specific comments on behalf of its related entities:

- In a rapidly changing and dynamic energy market environment, we consider that a clearly articulated strategic direction, objectives and scope would help to clarify market responses to AEMO consultations.
- Energy Queensland supports transparent, accountable and responsible decision making by working groups which are empowered via clear strategic direction and defined terms of reference that identify energy market goals and objectives. We also believe that AEMO should not impose any constraints or

vetting upon nominees from relevant organisations from participating in engagement forums. In our view, membership of industry organisations, such as the ENA or the AEC, allows for greater dissemination of information to industry, and for a broader industry view to be communicated to working groups. As such, there may be times when it is appropriate for industry organisations to be represented on AEMO working groups.

- Energy Queensland supports a change to current engagement practices through a structure such as Option 3 (with caveats), or Option 2 as our second preference. Energy Queensland is of the view that the proposal for a Chief Executive Officer (CEO) Roundtable as suggested in Option 3 of the Consultation may be more appropriately administered by the Australian Energy Market Commission as the policy arm of the regulatory tripartite, or the Energy Security Board. However, should AEMO progress a CEO Roundtable, then composition should be via expression of interest, or alternatively, and as recommended by the AEC, open invitation or peer selection.
- Energy Queensland does not support merging of the electricity and gas markets within functional working groups as this is not in the best interests of the electricity market, power networks and our customers given the specialised knowledge and experience, and different market regulation, required for each fuel type. We support collaboration and sharing information between two working groups and believe it is important that the business of working groups is sufficiently focussed on matters relevant to participants to ensure engagement.
- Energy Queensland suggests there are opportunities for AEMO to further enhance existing consultation processes, particularly with respect to the notification of planned and current consultations. We suggest following the IAP2 framework or a methodology similar to that of the AEMC for consultations, whereby the object, methodology and timeliness of the consultation is clearly stated. For example, the recent Renewable Integration Study was not defined as a consultation or a market assessment and seemed to be presented as a report rather than a consultation seeking feedback. Improving the intent of documents and any timelines would help improve responses from industry. Specifically, AEMO might also consider the timing of consultations and the length of time consultations are available for comment, given that in our experience customer advocate stakeholders have previously expressed that meeting consultation timeframes is challenging. Furthermore, we consider that engagement could also be improved by articulating how stakeholder feedback is considered in consultation outcomes and final decisions.
- Finally, we consider there are also opportunities to further improve the information summarising engagement activities and consultations such as website navigation and search functions to enable participants to more quickly navigate to matters of interest. Additionally, there may be opportunities to better utilise existing working groups to allow for timely dissemination of consultations relevant to specific groups such as DNSPs, transmission network service providers and retailers.

Should you require additional information or wish to discuss any aspect of this submission, please call Laura Males on 0429 954 346 or myself on 0467 782 350.

Yours sincerely



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