

21 June 2024

Mr Stephen Edwell
Chair
Economic Regulation Authority
Level 4, Albert Facey House
469 Wellington Street
Perth WA 6000

Dear Mr Edwell

Approval of amendment to the Retail Market Scheme – Procedure and AEMO Specification Pack Changes related to Gas Retail Market Package 6 – 2023 WA (IN009/20W, IN002/22W, IN002/23W and IN001/24W).

Under section 11ZOL of the *Energy Coordination Act 1994* (the “Act”), the members of an approved Retail Market Scheme may prepare an amendment to their Retail Market Scheme (the “Scheme”) and submit the amendment to the Economic Regulation Authority (“ERA”) for approval.

The framework for the ERA to review and approve amendments to the Scheme is provided in section 11ZOM of the Act. The Scheme is defined to include, amongst other things, the Australian Energy Market Operator (“AEMO”), Retail Market Procedures Western Australia (“RMP WA”), AEMO Specification Pack and Full Retail Competition (FRC) Hub Operational Terms and Conditions. As the formal entity for the Scheme, AEMO is applying to the ERA on behalf of the members for four amendments to the Scheme as described in **Attachment A**.

Background

At the Gas Retail Consultative Forum (GRCF) prioritisation session held in November 2022, participants supported AEMO’s proposal of bundling of like for like initiatives for 2023. Package 6 consists of the initiatives listed below and is centred around providing further clarity to some of the RMP WA clauses and AEMO Specification Pack sections. These updates are required to better reflect current business process in relation to WA.

- i. IN009/20W - Typographical error in ‘Auditor’s deed of undertaking’;
- ii. IN002/22W - Issue with WA participant deregistration;
- iii. IN001/24W - Fix clause numbering in Appendix 2 of RMP WA; and
- iv. IN002/23W – Fix minor documentation errors in WA Technical Protocol.

The RMP WA set out the procedure change process that AEMO must follow before submitting changes to the ERA. AEMO has applied this process for the above mentioned initiatives, which assisted AEMO and relevant stakeholders in developing the amendments proposed in this application.

These amendments were finalised by AEMO on behalf of stakeholders when it published the Impact and Implementation Report (“IIR”) on 6 May 2024 for Package 6 – 2023 WA.

The consultation that underpins the procedure change process determined that the magnitude of the changes was “non-material” as these changes do not require substantial process or system changes for participants and do not materially alter consumer protection mechanisms under the RMP WA. Participants feedback that AEMO received in both the first and second round consultation stages did not oppose AEMO’s view that changes were deemed to be “non-material”.

As per clause 383(1) of the RMP WA, each participant, pipeline operator, prescribed person and interested person was invited to submit written comments to the proposed amendments for Package 6 – 2023 WA. Submissions closed on 3 June 2024, with all submissions supporting the proposed changes as described in the IIR.

AEMO has decided to submit the Package 6 - 2023 WA amendments to the ERA for approval as endorsed Procedure and AEMO Specification Pack changes. Please refer to **Attachment D** for the IIR.

Amendments to the Scheme for ERA consideration

Attachment A contains a summary of each amendment and includes a description on what artefact under the Scheme is changing; the actual change (in “track change” mode) for Package 6 – 2023 WA; and any additional relevant information that is not covered in the IIR.

Section 11ZOO (1) and (2) of the Act specifies the criteria that the ERA is to consider in determining whether to approve an amendment to the Scheme. Please refer to **Attachment B** for the rationale for the proposals’ meeting scheme change requirements under the Act.

AEMO believes that no further amendments are required based on participant feedback to the IIRs as described in **Attachment C**. Further, AEMO believes that the details contained in this application satisfy the criteria under Section 11ZOO and which will enable the ERA to consider the amendments.

In accordance with clause 383(4) of the RMP WA, AEMO must provide information to stakeholders about how to make submissions to the ERA on endorsed procedure changes, including a closing date for any ERA submissions. Devika Bhatia from the ERA has provided AEMO with this information, which includes advice that submissions to the ERA will close on

8 July 2024, conditional that the application to the ERA is received on 24 June 2024. The Governing Body is expected to make its decision around mid to late August 2024 and ERA will work to have the decision gazetted by mid to late August 2024.

Upon sending this application, AEMO will publish this material on its website and include information on how to make submissions to the ERA and the date that submissions to the ERA will close.

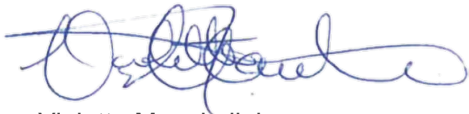
Should the ERA approve the endorsed Procedure and AEMO Specification Pack changes related to Package 6 – 2023 WA then AEMO proposes to implement the changes to take effect on 16 September 2024. AEMO

requests that ERA consider, endorse, and publish the approval for these changes in the *Gazette* by end of August 2024 with an effective date of 16 September 2024, which will enable AEMO to publish the amended Procedure and AEMO Specification Pack changes and WA Participants to implement business process changes.

Further information

If you require any further information or if you have any questions in relation to this application, please contact Nandu Datar via Nandu.datar@aemo.com.au.

Yours sincerely



Violette Mouchaileh

Executive General Manager – Reform Delivery