

MINUTES

MEETING: AEMO Procedure Change Working Group
 DATE: Monday, 21 October 2019
 TIME: 10.05 – 10.15am
 LOCATION: AEMO Perth Office, Level 45, Central Park, 152 – 158 St Georges Terrace, PERTH

ATTENDEES:

NAME	COMPANY / DEPARTMENT
Greg Ruthven	AEMO - Chair
Stuart Featham	AEMO
Mark Katsikandarakis	AEMO
Javier Acitores	AEMO
Martin Maticka	AEMO
Michelle Kenworthy-Groen	AEMO
Dimitri Lorenzo	Bluewaters
Quang Tran	Perth Energy
Erin Stone	Point

APOLOGIES:

NAME	COMPANY / DEPARTMENT
Kaye Anderson	AEMO

Welcome and Introduction

Greg Ruthven (AEMO) thanked everyone for their attendance and explained that it was a standard process to present prospective amendments to AEMO's mandatory Market Procedures to the working group before commencing the formal consultation process.

Market Procedure: Prudential Requirements

Javier Acitores explained the proposed amendment to step 2.2.2, which specifies the calculation of the anticipated maximum exposure (AME) that is used for setting the Credit Limit. The need to amend the formula for the Non-STEM component was identified during the usual six-monthly review of Credit Limits, as the current practice is misaligned with the market procedure.

Mark Katsikandarakis noted that a previous version of the Market Procedure included the formula that is currently in use, but that the misalignment emerged due to a procedure amendment. In response to a question from Quang Tran (Perth Energy), Mr Katsikandarakis confirmed that the current formula being used was as per the proposed procedure amendment. Martin Maticka explained that if this misalignment was not addressed in the procedure, AEMO would need to amend and recertify its processes and there may be a minor Credit Limit impact for Market Participants.

Mr Katsikandarakis also noted that this Market Procedure would be reviewed again in the near future, with more substantial amendments to be proposed as part of phase two of the Reduction of Prudential Exposure (RoPE) project, which aims to implement a more dynamic Outstanding Amount calculation.

Mr Ruthven explained that the rest of the proposed amendments to the Market Procedure were grammatical. No further queries or comments were raised.

Closing

Mr Ruthven advised that the next step was for AEMO to publish the proposed amendments, accompanied by a formal notice and a procedure change proposal document, and initiate the formal consultation process. This will take place within the next couple of weeks.

Mr Ruthven thanked everyone for their attendance and noted that the next meeting had not yet been scheduled.