

Mr. Benn Barr
Chief Executive, AEMC
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19 October 2023

By email to AEMC: submissions@aemc.gov.au

Project code: CRP0128

Reference: Sunset Power International Pty Ltd (trading as Delta Electricity) Claim for compensation under clause 3.14.6 of the NER.

Sunset Power International Pty Ltd (trading as Delta Electricity) “Delta” hereby provides additional information in support of its claim for Compensation under NER Clause 3.14.6. This document should be read in conjunction with Delta’s letter to the Australian Energy Market Commission (AEMC) of 6 December 2022, submitted in response to the AEMC’s Request for information, following Delta’s initial notices of claim. Delta submitted two notices of claim for compensation between 13 June and 23 June (“the June event”).

Delta acknowledges that the AEMC is able to provide all information given to it by the claimant to any experts engaged by the AEMC, as the AEMC considers appropriate.

Draft Opportunity Cost Methodologies consultation paper

The AEMC’s consultation paper ‘Draft Opportunity Cost Methodologies’, (“the Paper”) raises two issues for consideration:

- eligibility of claimants to receive opportunity cost compensation; and
- how to value the amount of this compensation.

In relation to eligibility, the Commission has raised reservations as to whether Delta was commercially or technically limited during or after the APP in June 2022. Delta has since provided additional information to the AEMC that it considers should address these reservations and demonstrate that Delta was coal constrained and commercially and/or technically limited at the time, thus making Delta eligible for opportunity cost compensation.

This information is commercially sensitive and has been provided as confidential attachments to the AEMC. A list of these attachments is provided below.

In response to the AEMC’s proposed valuation methodology, Delta generally supports the Commission’s proposed approach.

Delta provides the following commercial in confidence attachments:

- Attachment 1 – Provides a response to the Commissions’ reservations. This information quantifies and demonstrates Delta’s constrained position.



- Attachment 2 – Extracts from Executive Strategy meeting minutes, and March 2022 Stockpile adjustment recommendation report.
- Attachment 3 – Coal delivery and stockpile in June 2022: Forecast and actuals.
- Attachment 4 – Train delivery schedule, showing coal delivery rail line outages.
- Attachments 5a & 5b – Delta financial reports on spot purchases in June 2022. These reports show the volume and price paid for spot purchases in June.

If you have any further questions regarding Delta's claim. Please contact Joel Aulbury, Delta's Regulation and Strategy Manager at joel.aulbury@de.com.au.

Yours sincerely


Tony Callan
Executive Manager Marketing