



EnergyAustralia

5 February 2014

Mr John Pierce
Mr Neville Henderson
Dr Brian Spalding
Australian Energy Market Commission

EnergyAustralia Pty Ltd
ABN 99 086 014 968

Level 33
385 Bourke Street
Melbourne Victoria 3000

Lodged electronically REF: ERC0160

Phone +61 3 8628 1000
Facsimile +61 3 8628 1050

enq@energyaustralia.com.au
energyaustralia.com.au

Dear Commissioners

Governance Arrangements and Implementation of the Reliability Standard and Settings, Draft Rule Determination

EnergyAustralia welcomes the opportunity to make a submission on the Governance Arrangements and Implementation of the Reliability Standard and Settings draft determination.

EnergyAustralia is one of the country's leading retailers, providing gas and electricity to more than 2.6 million customers. We own and operate a range of generation and storage facilities, including coal, gas and wind assets, in NSW, Victoria and South Australia.

We endorse changes outlined in the draft more preferable rule. The reliability panel, and its review of the reliability standards and settings, is instrumental in ensuring reliability in the NEM. The draft more preferable rule will see the panel retain this responsibility as well as incorporating the reliability standard into the rules along with the reliability settings. The Panel will be able to initiate a rule change and put forward recommendations after their review. These changes and the Reliability Guidelines that will be developed will increase transparency and ensure a consistent process.

The draft more preferable rule will remove the prescriptions in the rules on how AEMO implements the reliability standard. Granting AEMO the flexibility to adjust how the standard is implemented in a changing environment is important. The Reliability Standard Implementation Guidelines should allow for this flexibility but also transparency in its operations.

We look forward to involvement in the development of the Reliability Guidelines and the Reliability Standard Implementation Guidelines. Please contact me on (03) 8628 4518 or at Ben.Hayward@EnergyAustralia.com.au for further details if required.

Regards

Ben Hayward

Wholesale Regulation