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Chairman
Australian Energy Market Commission
PO Box H166
Australia Square, NSW 1215

by email to: submissions@aemc.gov.au

Dear Dr Tamblyn,

RE: NEMMCO proposed changes to the Rules in relation to registration

The National Generators Forum (NGF) supports the changes proposed by NEMMCO to streamline and simplify relevant sections of the registration processes in the NEM in relation to Traders and Reallocators. We believe that they are not controversial and should be implemented as soon as possible.

While we support the changes proposed by NEMMCO for the transfer of registration for existing plants, we have some comments in relation to the drafting of the Rule.

Firstly, while NEMMCO have always assumed that a new plant requires a complete registration process, it is not clear that this is a Rule requirement. What is not clearly laid out, and needs to be, is that there are three distinct processes in the Rules:

- *Registration*, where a party demonstrates that they can comply with the obligations of chapter 3, specifically can operate a generator in the market, meet prudential obligations and settle accounts.
- *Connection*, where a plant is technically assessed and then physically connected to the grid, including modeling, physical connection, metering, performance standards and commissioning; and
- *Classification*, where a connected plant is assigned in NEMMCO systems to a registered participant.

For a completely new plant and a completely new party, the three processes are merged. This is the process that was used at the start of the market (when it was necessary) and continues to be used (although it does not always apply).

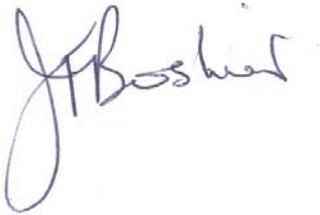
NEMMCO, in their Rule change proposal, has attempted to separate the second step from the first and third, which is a good interim step. It would, however, be preferable to fully identify the three processes so that a cleaner and clearer process can be adopted for registration that avoids duplication of both stages one and two.

Secondly, the simplified process proposed by NEMMCO appears to falter when an intermediary is involved. Clause 2.9A.2(a)(6) appears to only allow transfer of exemptions from the obligation to register not the transfer of the registration between intermediaries. This would appear to lessen the value of the rule change since usually the registered entity changes as well after a sale.

The NGF is keen for this Rule change to proceed with some dispatch. We therefore ask that the AEMC, NGF and NEMMCO jointly consider how to address our issues in the drafting of the final Rule.

If you have any questions in relation to this proposal, please call Alex Cruickshank on 03 8633 6026 or 0402 060 881.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'J Boshier', with a large loop at the end of the first name.

John Boshier
Executive Director