



26 August 2021

Merryn York  
Acting Chair  
Australian Energy Market Commission

Lodged online: [www.aemc.gov.au](http://www.aemc.gov.au)

Dear Ms York,

**AEMC: SETTLEMENT UNDER LOW OPERATIONAL DEMAND – DISCUSSION PAPER**

Origin Energy Limited (Origin) welcomes the opportunity to provide feedback to the AEMC on the discussion paper for the settlement under low operational demand rule change.

Origin supports AEMO implementing flooring for customer energy. Flooring will address the potential for inefficient market outcomes by removing the transfer of wealth to net generators from the remaining market customers that currently occurs under certain low net regional demand conditions. This will ensure fair and equitable market practices occur in the NEM.

As a result, the AEMC should clarify, in the rules, that AEMO is required to floor market customer energy at all times (i.e., no trigger or materiality threshold required).

The final rule should require AEMO to implement flooring as soon as practicable to avoid complexity in billing and settlements, with the precise date informed by any trials that may be needed. AEMO should ensure that any implementation or testing of flooring should allow for the five-minute settlement (5MS) market trial and go live to proceed as planned.

Origin does not anticipate any implementation issues or significant system change costs and does not consider that any delay is justified from a market customer point of view. Any delay, including deferring implementation with retrospective repayment of funds, will unfairly penalise retailers and C&I customers.

Should you have any questions or wish to discuss this submission further, please contact Sarah-Jane Derby at [Sarah-Jane.Derby@originenergy.com.au](mailto:Sarah-Jane.Derby@originenergy.com.au) or by phone, on (02) 8345 5101.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Steve Reid".

Steve Reid  
Group Manager, Regulatory Policy