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Mr David Reynolds
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

2 May 2019

Dear David,

ERC0252 Intervention compensation and settlement processes

AGL Energy (AGL) welcomes the opportunity to comment on the Australian Energy Market Commission Consultation Paper on intervention compensation and settlement processes. AGL wholly supports the rule change proposal put forward by the Australian Energy Market Operator (AEMO) to:

1. increase the deadline for additional compensation claims from seven business days to 15 business days;
2. specify a 15-business day limit for claims for additional compensation by directed participants, consistent with affected participant and market customer compensation;
3. align the intervention compensation and settlement timetable with reference to the 20- and 30-week routine revised statements; and
4. extend the intervention settlement provisions of the National Electricity Rules (NER) to rules to fully incorporate Reliability and Emergency Reserve Trader (RERT) interventions and RERT recovery amounts, making this consistent with other kinds of interventions.

We anticipate minimal internal costs for AGL and other participants in giving effect to these changes. Some amendments to internal procedures would be required to take account of the revised compensation timetable changing to align with the settlements timetable.

AGL acknowledges the efforts of AEMO and the members of the Intervention Pricing Working Group who have workshopped potential improvements to the NER interventions scheme over the last few years.

If you have any queries about this submission, please contact Liz Gharghori on (03) 8633 6723 or lgharghori@agl.com.au.

Yours sincerely,

Chris Streets
Senior Manager Wholesale Markets Regulation