

20 June 19

Charles Popple  
Chair, Reliability Panel  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Dear Mr Popple

**Submission on Reliability Panel Review of the RERT Guidelines 2019**

The Energy Users Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing and materials processing industries including food processing and building products. Combined our members employ over 1 million Australians, pay billions in energy bills every year and need to see all parts of the energy supply chain making their contribution to achieving the National Electricity Objective.

The EUAA welcomes the opportunity to make a submission on the changes to the RERT Guidelines following the recent very comprehensive AEMC RERT review. The EUAA has been a strong supporter of the AEMC's final rule determination on RERT. In particular we support the explicit linking of the RERT procurement trigger and volume to the reliability standard and the greater transparency on the procurement and use of emergency reserves and its impact on electricity bills.

In this submission we would support the two issues raised by ERM Power Ltd in its submission:

- Given that Clause 4.8.4 of the national electricity Rules state that AEMO "may" declare a low reserve condition rather than "may only" and that the RERT Guidelines refer extensively to Clause 4.8.4, we encourage the Reliability Panel to ensure that the intention of the AEMC's final rule change on the Enhancement of RERT is incorporated into the RERT Guidelines. That RERT procurement activities should not commence without a forecast that the reliability standard is actually expected to be exceeded.
- Given the extension of long notice RERT to 12 months, the AEMC should consider extending medium notice RERT from 10 to 13 weeks. This would better allow forecast unserved energy to be addressed within a timeframe commensurate with when it is projected to occur. We do not think it is consistent with the NEO to have AEMO procuring long notice RERT to manage a near-term risk that is best managed with medium or short notice RERT. We agree with the proposed changes to Section A.4.1 and A.8.1 as proposed by ERM.

Yours sincerely



Andrew Richards  
Chief Executive Officer