

30/03/2023

Mr James Tyrrell  
Project Sponsor, Australian Energy Market Commission  
GPO Box 2603, Sydney  
2001 NSW

Dear Mr Tyrrell,

### **Implementing Integrated Energy Storage Systems Rule Consultation**

Thank you for the opportunity to participate in the Australian Energy Market Commission (AEMC)'s Consultation on Implementation of the Integrating Energy Storage Systems Rule.

SA Water is South Australia's leading provider of water and sewage services, providing regulated water and wastewater services to more than 1.7 million people throughout the state. Wholly owned by the Government of South Australia, we have been working to ensure a reliable supply of safe, clean water and a dependable sewerage system for more than 160 years.

SA Water strongly supports the third proposed amendment to move the start date for new non-energy cost recovery calculations from Monday 3 June 2024 to align with the commencement of the NEM billing week on Sunday 2 June 2024.

The commencement of 5-minute settlement occurred with a go-live on the 1<sup>st</sup> October 2021, in the middle of a billing week. This commencement date resulted in the need for both AEMO and SA Water to handle a 'transition week' in which both the old and new methodology needed to be applied. This resulted in significant additional complexity in the solution we had to deliver our 5 Minute Settlement capability.

Additionally, we note that the consultation paper identifies that AEMO have estimated the cost of a transition week implementation in their systems at \$260,000, a cost to the market that can be avoided by making this rule change.

A solution in which the old and new calculations are completely segregated greatly reduces the administrative burden on participants, simplifying, not only cutover and development activities but also testing. As such, SA Water's preference is that the changes for non-energy cost recovery commence at the transition of a settlement week as proposed by AEMO in the rule change request.

If you have any queries about this submission, please contact Mr Andrew Wilkins, Energy Lead at [andrew.wilkins@sawater.com.au](mailto:andrew.wilkins@sawater.com.au) or (08) 7424 1877.

Kind regards,



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