NATIONAL GENERATORS FORUM

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Australian Energy Market Commission
PO Box A2449
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Submitted Electronically to : www.aemc.gov.au

National Generators Forum submission in relation to ERC0091: National Electricity Amendment (Bid and Offer Validation Data) Rule 2009

The national Generators Forum (NGF) appreciates the opportunity to comment on this proposed amendment.

The broad intent and most of the detailed implementation proposed by NEMMCO is supported.

These comments are of two types –

- One aspect of the NEMMCO proposal has created a conflict with the existing Rules, and we propose a change to this aspect, and
- In two aspects the changes proposed by NEMMCO re-introduce the substance of an existing error in the Rules, and we propose that instead these errors be corrected.

These proposals are discussed in further detail below.

1. **Proposed replacement of schedule 3.1(d)**

The rules currently provide for the provision of registered bid and offer data for new units in schedule 3.1 (b), and for changes to this data in both 3.13.3 (h) and schedule 3.1 (d), in different terms.

The provisions of clause 3.13.3(h) are preferred over those of schedule 3.1(d) in that they make appropriate provision for both planned and unplanned changes.

The NEMMCO proposal includes re-drafting of schedule 3.1(d) with the result that it conflicts with 3.13.3(h). The conflict involves both different timing requirements (6 weeks compared with 4 weeks) and also in the proposed new clause failing to recognise the difference between planned and unplanned changes.

We note that NEMMCO has offered no justification for this change in the timing requirement, nor for the omission of any provision for unplanned changes.

We therefore recommend that the Commission reject the proposed changes to schedule 3.1(d) and instead make two changes to the existing provision –

- Change the name to bid and offer validation data in compliance with the NEMMCO clarification of the name, and
- Make schedule 3.1(d) subject to clause 3.13.3(h), thus making it clear that the timing requirements are applicable

2. <u>Proposed rewording of 3.8.1(b)(7)</u>

NEMMCO has proposed that 3.8.1(b)(7) be changed by replacing "registered bid and offer data" with "bid and offer validation data".

However, this provision is incorrect as it stands; registered bid and offer data is not used as a basis for constraints on dispatch, nor should it be. It is in fact dispatch bid and offer data which forms the basis of such constraints.

The registered bid and offer data is used solely to determine whether or not a particular dispatch bid or offer is accepted for inclusion in dispatch, and does not play any part in the formation of constraints.

We proposed that the erroneous wording of "registered bid and offer data" should not be relaced with the equally erroneous "bid and offer validation data", but instead with "dispatch bid and offer data".

3. <u>Proposed rewording of 3.8.1(b)(10)</u>

NEMMCO has proposed that 3.8.1(b)(10) be changed by replacing "registered bid and offer data" with "bid and offer validation data".

However, this provision is incorrect as it stands; registered bid and offer data could not be used for this purpose, as the term "tied" refers to price, and the registered bid and offer data does not include prices.

Again the correct reference here is to "dispatch bid and offer data", as this is where the relevant prices appear.

We proposed that the erroneous wording of "registered bid and offer data" should not be relaced with the equally erroneous "bid and offer validation data", but instead with "dispatch bid and offer data".

If you have any questions in relation to this submission, please call me on 03 8633 6026.

Alex Cruickshank
<u>Chair, Market Working Group</u>