

5 February 2015

Matthew Lady  
Australian Energy Markets Commission  
PO Box A2449  
Sydney South NSW 1235  
Submitted via AEMC website – ERC0160

Dear Matthew,

**RE: Draft decision on Governance Arrangements and Implementation of the Reliability Standard and Settings**

Stanwell welcomes the opportunity to provide additional comment in relation to the Australian Energy Markets Commission's (Commission) draft decision on the Governance Arrangements and Implementation of the Reliability Standard and Settings. While we do not consider that there has been a material deficiency in the current arrangements, Stanwell supports the Commission's proposed More Preferable Rule Change.

We consider that incorporating both the Standard and Settings into the National Electricity Rules, and continuing to have these subject to review by the Reliability Panel and rule change processes provides clarity and confidence to the market.

We support the proposal for the Reliability Panel to develop guidelines prior to the next review, and for AEMO to develop and publish guidelines for their operational processes.

While not specifically related to the draft decision, we note that the Cumulative Price Threshold referenced in Table 1.1 is no longer 15 times the Market Price Cap. It appears that this has occurred due to the CPI adjustment and rounding processes of these two parameters. While the difference is minor at present, we encourage the Commission and Reliability Panel to ensure that increments to these parameters do not unintentionally alter the intended risk profile of the market.

Thank you for your consideration of Stanwell's response to the draft decision. If you would like to discuss any aspect of this submission, please contact me on 07 3228 4529.

Regards



**Luke Van Boeckel**  
**Manager Regulatory Strategy**  
**Energy Trading and Commercial Strategy**