

2 October 2009

Dr John Tamblyn
Chairman
Australian Energy Market Commission
PO Box A4229
SYDNEY SOUTH NSW 1235

Level 12
15 William Street
Melbourne VIC 3000
Postal Address:
GPO Box 2008
Melbourne VIC 3001
T 03 9648 8777
F 03 9648 8778

AEMC reference: ERC0093

Dear John

Re | Early Implementation of Market Impact Parameters

Thank you for the opportunity to comment on Grid Australia's Rule change proposal regarding the Early Implementation of Market Impact Parameters.

AEMO collects and publishes the data necessary to calculate the market impact parameter (**parameter**) for the Service Target Performance Incentive Scheme. The production of the data for the calculation of the parameter for TransGrid, the first of the TNSPs for which the scheme has become effective, will be available on schedule by the end of 2009. The data required to calculate the parameter for other TNSPs is largely the same as that used to calculate TransGrid's parameter. Therefore, AEMO considers that no additional burdens should arise for AEMO, from a data provision perspective, from the early implementation of this parameter for all TNSPs.

As you would be aware, the AER is responsible for classifying outages and constraints and AEMO has not attempted to quantify the additional effort required by the proposed Rule to bring this work forward

If you wish to discuss further, please contact Elizabeth O'Brien on (03) 8664 6597.

Yours sincerely



Terry Grimwade
Executive General Manager, Market Development
Australian Energy Market Operator Ltd