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11 June 2020

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted electronically

Dear Mr Pierce,

Re: Delayed implementation of five minute and global settlement - ERC0298

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to make this submission to the Australian Energy Market Commission (the Commission) on the consultation paper proposed by the Australian Energy Market Operator (AEMO) regarding the delayed implementation of five minute and global settlement.

AEMO must be commended for taking the initiative in light of COVID-19 to raise this rule change request to provide adequate time for AEMO and industry to implement the five minute and global settlements. Red and Lumo strongly support a delay of 12 months to both projects. This delay will allow us to continue focusing on supporting our customers from the broad impacts of COVID-19.

In line with the COVID-19 delay communications released by the three market bodies, many participants have already shifted their plans and redirected resources. Any decision made now to delay or not, will need to be evaluated against potential readiness issues by continuing with 2021. We note that while some jurisdictions are lifting COVID-19 restrictions, some participants (including AEMO) may continue to have readiness issues with workforces and project teams located outside Australia. Delaying five minute and global settlements will ensure that industry has enough time to re-plan, renegotiate, and re-evaluate how best to set up IT capabilities and processes in an optimum manner.



About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in South Australia, Victoria, New South Wales, Queensland and the ACT to over 1 million customers.

Red and Lumo thank the Commission for the opportunity to comment on the consultation paper. Should you wish to discuss or have any further enquiries regarding this submission, please call Christophe Bechia, Regulatory Manager on 0414 183 880.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ramy Soussou". The signature is stylized with loops and a long horizontal stroke at the end.

Ramy Soussou

General Manager, Regulatory Affairs & Stakeholder Relations

Red Energy Pty Ltd

Lumo Energy (Australia) Pty Ltd