



6 February 2020

Mr P Calais
Adviser
Australian Energy Market Commission

Submitted via website: www.aemc.gov.au/contact-us/lodge-submission

Dear Mr Calais

Short Term Forward Market (ERC0259)

Stanwell Corporation Limited (Stanwell) appreciates the opportunity to provide feedback on the Australian Energy Market Commission's (Commission's) draft rule determination on a Short Term Forward Market (STFM).

Please note, this submission contains the views of Stanwell in relation to the STFM information provided to date and should not be construed as being indicative of Queensland Government Policy.

Stanwell supports the Commission's decision to not make a draft rule concerning the introduction of a STFM.

Stanwell agrees with the Commission's analysis that there is little demand for short term hedge products and there are no material barriers to trading short term contracts that a STFM would address. As such, the introduction of a STFM would impose establishment and on-going costs (ultimately borne by consumers) without commensurate benefits to consumers.

Stanwell maintains that in the event that sufficient demand for short term hedge contracts or material barriers to trading short term contracts emerge, it is the role of the private sector, rather than the market operator, to provide financial markets for market participants and other financial players.

Stanwell welcomes the opportunity to further discuss this submission. Please contact Evan Jones on (07) 3228 4536.

Yours sincerely

Luke Van Boeckel
General Manager Modelling, Analytics and Regulatory Strategy