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## Wholesale Electricity Market

Explanation provided by the Market Day in its

## Rule Change Proposal

RC\_2009\_15 would amend Market Rule 2.16.9F to retain an obligation on the ERA to publish the results of its investigations, but would remove the requirement for this to occur within 20 Business Days.

It is argued that RC\_2009\_15 is desirable as:

- every investigation will be unique and will have its own complexities that affect the time needed to undertake and complete the investigation;
- the existence of a time constraint could have negative impacts if the matter is not able to be properly investigated within the specified timeframe; and
- there is no incentive for the ERA to delay or stall an investigation.

The rule change proposal notes that the Australian Energy Regulator (AER) and the Market Surveillance Administrator (Alberta, Canada), which perform a similar regulatory role to the ERA, do not have prescribed time limits for the conclusion of investigations with respect to the interactions of market participants and key stakeholders.

Further, RC\_2009\_15 notes that an examination of five electricity investigations published by the AER on its web site revealed that the average time taken to complete an investigation (from event occurrence to report or notice publication) was approximately 200 business days.

### Alinta's views

Alinta is prepared to support RC\_2009\_15.

Alinta notes that the IMO has also advised that if the ERA were to conclude that prices in the Portfolio Supply Curve under investigation were not consistent with reasonable expectations of the short run marginal cost, remedial action would be limited to seeking a civil penalty for a breach of Market Rule 6.6.3. While the amount of the civil penalty would be distributed amongst Market Customers in accordance to their market fees, any potential civic penalty does not amount to compensation for additional costs that may be incurred by individual Market Customers.

It is also possible that market behaviour, which was subsequently found to be in breach of

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**2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives.**

Market Rule 2.4.2 states that the IMO must not make Amending Rules unless it is satisfied that the Market Rules, as proposed to be amended or