



7 August 2024

Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

By E-mail – ContractMarketMonitoring@aer.gov.au

Wholesale Market Monitoring and Reporting Guideline – Draft Guideline for consultation

Alinta Energy welcomes the opportunity to respond to Australian Energy Regulator’s draft Wholesale Market Monitoring and Reporting Guideline. We are an active investor in energy markets across Australia with an owned and contracted generation portfolio of over 3,300MW and more than one million electricity and gas customers.

General comments

The AER has attempted to balance the policy intent of improving transparency in market monitoring and minimising the compliance burden placed on market participants. We appreciate the additional steps the AER intends to engage in to minimise participant burden, including additional and extended consultation on the draft instruments and the use of a signed pro forma for certification purposes rather than a statutory declaration. While the objectives and principles of the draft guideline demonstrates a commitment by the AER to minimise the burden of regulatory oversight, it does not set out specific details of information collection format, frequency and form of provision, which we acknowledge will form the next stage of consultation on the AER’s enhanced wholesale market monitoring and reporting functions.

The design of the information collection instruments and consultation on these are a critical next step following finalisation of the guideline. While the guideline sets out the policy objectives, purpose of information collection, broad information requirements, collection frequencies and confidentiality, use and disclosure of information, the extent of the cost of complying with the guideline can only be established once the collection instrument design is finalised.

Information collection roadmap

The information collection roadmap set out on page 10 of the draft guideline explanatory statement suggests that the development of collection instruments will occur in the second half of 2024. Alinta Energy would support industry consultation on the design and detail of the collection instruments to begin as soon as possible. This would enable market participants to assess the most efficient way of providing information requested by the AER and to estimate implementation and ongoing costs of compliance. Early development and engagement will support the timeframes suggested in the AER’s roadmap.

Notwithstanding this, we understand that the AER has begun the process of instrument design as described on page 12 of the explanatory statement.

Overlap between AER and ACCC gas market data collection

We note that the AER intends to address overlap between its gas wholesale market monitoring functions with the ACCC's own inquiry activities into the gas market (and that the AER is undertaking a review to identify gaps and overlapping reporting functions). However, we continue to strongly encourage the AER and ACCC to resolve overlapping reporting and data requests and streamline their processes to the extent possible to minimise the regulatory burden on gas market participants.

Implementation issues

Further to the AER's information collection roadmap discussed above, timely consultation and finalisation of information collection templates, their frequency, format and method of data exchange would provide greater certainty for market participants to plan and design processes and systems to meet the first collection period. The roadmap suggests a six-month period between collection template finalisation and the first reporting period from the AER.

In absence of having finalised detailed design and specification of the templates, it is not possible to assess if this timeframe is reasonable. Alinta Energy would support close consultation between market participants and the AER on achievable and realistic timelines for reporting in addition to the design of information templates.

Market participants require as much information as early as possible to support internal resource planning. As the AER will appreciate, there are several projects triggered by regulatory reforms that are either in implementation or post-implementation phase. We welcome industry engagement on template and other information collection design (while the AER continues to explore alternative sources of data for its wholesale market monitoring functions where feasible) as soon as possible.

Alinta Energy would welcome further discussion of this response with the AER. Please contact David Calder (David.Calder@Alintaenergy.com.au) in the first instance.

Yours sincerely



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