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www.aer.gov.au

John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

Dear Mr Pierce,

**Submission on the Review Frequency for the Template
for Generator Compliance Programs**

The AER welcomes the opportunity to comment on the proposed Rule change request made by the Reliability Panel to amend the frequency of reviews of the Template for Generator Compliance Programs.

The following is our response to each of the questions set out in section 1.4 of the relevant Consultation Paper published on 29 October 2015:

Question 1 - Are there any objections to proceeding with the rule change through the expedited process?

No. The AER does not consider the Reliability Panel's rule change request to be controversial and, therefore, has no objection in this regard.

Question 2 - Are there any stakeholders who would be disadvantaged as a result of the proposed rule?

The AER is not aware of any stakeholders who would be disadvantaged. Whilst the frequency of reviews is changing from at least 3 years to at least 5 years, the AER notes and supports the safety-net provided by the AEMC being able to trigger an earlier review, where necessary. We also anticipate stakeholders would approach the AEMC directly to request an earlier review where it was required.

Question 3 - Is every five years an appropriate minimum frequency for reviews of the generator compliance template?

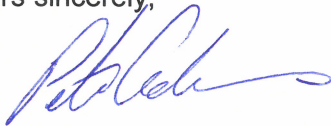
Yes, in light of the above safety-net.

Question 4 - Are there any issues with this rule change that we have not considered?

No. As stated above, in addition to the AER considering this Rule change request to be uncontroversial, we are also of the view that the consultation process associated with the originating Review of the Template for Generator Compliance Program by the Reliability Panel this year, has already contributed to all relevant issues being considered.

If you would like to discuss any aspect of this submission please contact me on (03) 9290 1465 or Joanna Gall on (08) 8213 3461.

Yours sincerely,



Peter Adams
General Manager | Wholesale Markets
Australian Energy Regulator