



Ms Maianh Diesendorf
Electricity Market Performance
AEMO
Level 22, Norwich House
6-10 O'Connell Street
Sydney NSW 2000

Dear Ms Diesendorf

The NGF supports AEMO's proposal to streamline the constraint relaxation documentation and change process.

We understand this will occur by creating the following three documents:

- (1) Constraint relaxation procedure
- (2) Schedule of Constraint Violation Penalty Factors
- (3) Over-constrained dispatch rerun process document

Under these proposals only document (1), (which is a high level procedure replacing existing documents "Dispatch constraint violation penalty factor" and "Over-constrained dispatch rerun process"), will be subject to formal consultation under NER clause 3.8.1(c).

The new documents (2) and (3) specify the CVP factors and OCD rerun process. It is sensible to relegate these documents so they are not subject to such formal consultation. We believe consultation with the Dispatch Pricing Reference Group (DPRG), with consultation more broadly as required, is satisfactory in this instance.

Please note the NGF's support in this instance should not be construed as implicit acceptance for AEMO to consider the DPRG as substitute for formal consultation on possible changes to dispatch (or providing the market with information on actual changes).

We have a minor comment on the example in the relaxation procedure. The example is confusing and is not helped by the use of a footnote discussing the calculation of the regional price. The example appears to fail in the last instance as after relaxing one equation a further one may prevent the solution being achieved.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Roberts', is positioned above the printed name.

Malcolm Roberts
Executive Director