

**OFFICE of the
TASMANIAN
ECONOMIC
REGULATOR**



Notice to conduct a pricing investigation in relation to the Wholesale Contract Regulatory Instrument

The Tasmanian Economic Regulator (Regulator) is responsible, for regulating some of Hydro Tasmania's wholesale contract activities. The Regulator carries out this function by making approvals that are contained within the Wholesale Contract Regulatory Instrument (Instrument).

The change in the National Electricity Rules to a 5-minute settlement period in the electricity spot market from 1 July 2021 means the approvals made by the Regulator were no longer consistent with the settlement arrangements in the National Electricity Market.

The Regulator is required by law to conduct an investigation before revoking or making approvals.

The Regulator conducted a pricing investigation in late June 2019 and made new approvals which provided an interim solution to this issue. A further investigation is now required to identify and implement a longer-term solution.

The objective of the upcoming investigation is to determine whether to revoke the existing approvals and whether to make new approvals that address the change in the settlement period.

The Regulator's proposals for a longer-term solution to address the change in settlement period are set out in a [consultation paper](#) available on the Regulator's website:

The Regulator invites submissions from interested parties on the proposals set out in the consultation paper. Submissions must be in writing and must be made by close of business on 16 September 2019.

The Regulator's final report in relation to the investigation will be published by 30 September 2019.

For further information regarding this notice please contact:

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