

4 November 2025

Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

Electronic Submission

Wholesale Market Monitoring and Reporting – Draft Order MMIO-ELEC-2025-02

Snowy Hydro takes this opportunity to comment on the Wholesale Market Monitoring and Reporting – Draft Order MMIO-ELEC-2025-02 (“Draft Order”).

Snowy Hydro welcomes the AER's decision not to proceed with MMIO-ELEC-2025-01. In particular, we commend the AER for taking on board stakeholder feedback in relation to the compliance burden which that order would have imposed on market participants.

Now more than ever, there is a wealth of data held by participants and market bodies, covering almost all aspects of the industry. The data collected by the AER and analysed in its reporting is very useful to stakeholders, supporting transparency, competition and generally contributing to a level playing field. However, the cumulative resourcing burden of regulatory reporting requirements is not insignificant. Information disclosure requirements must be balanced against the costs imposed on market participants.

In Snowy Hydro's view, from a system-wide perspective, the key task is to obtain such information in the least-cost, least disruptive manner possible. This includes adopting standardised reporting at reasonable frequencies (preferably annually) and, where possible, utilising publicly available data, where such data serves as a reasonable (even if not perfect) proxy for privately-held information. For example, over-the-counter (OTC) pricing for standardised contract types closely follows that of exchanged-traded products, which may limit the need to collect some OTC data.¹ For these reasons, Snowy Hydro would prefer greater reliance on futures rather than OTC data, and that such data be obtained directly from the relevant exchange, rather than require every disclosure by every counterparty.

Nevertheless, the scope of the proposed data collection in MMIO-ELEC-2025-02 represents a significant improvement over that encompassed by MMIO-ELEC-2025-01. The resourcing burden, in particular, will be significantly lower. Snowy Hydro has reviewed the contents of the draft order and is confident that it can furnish the information required.

¹ The reason for this is, of course, that pricing differences between the two markets are rapidly arbitrated.

- **Timing**

As we stated in our response to the previous consultation, it is important that a flexible approach to timeframes is adopted, allowing Class Members to seek extensions to reporting deadlines, where reasonably necessary, and for such extensions to be able to be granted by the AER with a minimum of administrative barriers. It is inevitable that new types of contracts will be entered into, and that contracts will contain new provisions which do not fit neatly into the reporting template. In these circumstances the application of the order should be such as to allow additional time to respond, where reasonably required.

- **Security**

Finally, Snowy Hydro supports the security arrangements proposed for the data to be supplied pursuant to the order. Needless to say, the information required is commercially sensitive. Robust measures to protect confidentiality and information security will be critical for maintaining stakeholder confidence in the data collection regime. Furthermore, the AER should consider measures to limit the access of individuals within the AER to participant-level data, beyond those with a need-to-know the information.

Snowy Hydro appreciates the opportunity to respond to the AER in relation to the Draft Order.

About Snowy Hydro

Snowy Hydro Limited is a producer, supplier, trader and retailer of energy in the National Electricity Market and a leading provider of risk management financial hedge contracts. We are an integrated energy company with more than 5,500MW of on-demand generation capacity. We are one of Australia's largest renewable generators, the third largest generator by capacity and the fourth largest retailer in the NEM through our award-winning retail energy companies - Red Energy and Lumo Energy. We are one of the NEM's largest investors in wind and solar power purchase agreements, helping to underwrite more than 2GW of new variable renewable energy capacity.