



31 January 2022

Office of General Counsel  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

By email: [regulatorypolicy@asx.com.au](mailto:regulatorypolicy@asx.com.au)

Dear Mr Sweeney

**ASX 24 Cancellation Ranges: Proposals for Change to Energy Products and QCR process - ASX Consultation Paper**

The Australian Financial Markets Association (AFMA) welcomes the opportunity to respond to the ASX on *ASX 24 Proposals for Change to Energy Products and QCR process*. Our membership represents a wide range of market participants, including those participating in the electricity market.

AFMA welcomes ASX conducting regular reviews of the cancellation ranges and related processes, to ensure that the operating rules are fit for purpose and efficient. As such, we welcome the proposals in the consultation paper and provide the below comments in response.

**Responses to consultation questions**

Change the ETR range for Base Cap electricity products

1. Should ASX amend the Extreme Trade Range for the Base Load Electricity Cap products so that the range is >15% or \$1 DP (whichever is higher)?

AFMA is supportive of the proposed ETR amendment for the Base Load Electricity Cap products. We agree that valid market transactions should not unintentionally fall in to the ETR cancellation range when the price for Australian Electricity Base Load Cap futures is low. This would also support efficient and liquid markets. Additionally, we do not see any risks associated with this amendment.

**Australian Financial Markets Association**

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3. If the ASX proceeds with this proposal, is a 6-week notice period sufficient from the implementations date?

Based on member feedback, AFMA confirms that a 6-week notice period is sufficient from the implementation date as the required systems changes will be limited.

Change the QCR consent time from 5 minutes to 10 minutes

4. Should ASX amend the time given to consent to a cancellation that has been identified as being in the QCR from 5 minutes to 10 minutes?

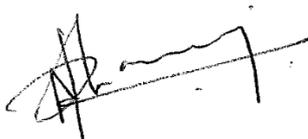
AFMA supports the proposed increase in the time to provide consent to a cancellation in the QCR to 10 minutes. This proposal is consistent with the feedback we have received from our members as it allows participants enough time to communicate and confirm with clients about their intentions when an error is claimed. We note that this timeframe adds to market efficiency by reducing inaccurate outcomes for both participants and clients.

6. If the ASX proceeds with this proposal, is a 6-week notice period sufficient from the implementations date?

Based on member feedback, AFMA confirms that a 6-week notice period is sufficient from the implementation date as the required systems changes will be limited.

AFMA welcomes further engagement with the ASX around the reviews of ASX 24 operating rules in support of well-functioning markets. Please reach out to us via AFMA Secretariat for more information regarding this letter.

Sincerely



**Nikita Dhanraj**  
**Policy Manager**