

Submitter: Vivienne Court Trading Pty Ltd

Question	Response
Q1. Impacts of market-making policies	We agree with the Authority's assessment. The tightening of exemption rules has improved participation, resulting in price availability across most trading sessions and fewer days without market-maker activity. These changes have enhanced overall liquidity and price efficiency.
Q2. Has the CMM achieved its objectives?	Yes. The CMM has strengthened independent price formation by operating independently of generation interests. It has improved liquidity along the forward curve, delivering more competitive pricing and tighter spreads. Subject to reasonable cost, appointing an additional CMM would further enhance market depth, resilience during stressed periods, and independent price discovery.
Q3. Value for money of the CMM	Yes. In the absence of CMMs, pricing would rely primarily on vertically integrated regulated market makers, limiting pricing independence. The costs of the CMM are proportionate to the risks assumed in providing liquidity in energy futures markets.
Q4. Support for the hybrid model	Subject to our comments on a potential second CMM, we support the continuation of the hybrid model. It appropriately balances generator participation and independent market making, supporting robust pricing outcomes while maintaining independence.
Q5. Market making super-peak contracts	No comment.
Q6. Super-peak product specifications	No comment.
Q7. Super-peak market-making settings	No comment.
Q8. Platform establishment approach	No comment.
Q9. OTC platform market settings	No comment.
Q10. Extend baseload futures horizon to five years	While not opposed, we consider liquidity should be the priority to ensure additional tenors are genuinely tradable and valuable. Without sufficient liquidity, extending the curve risks diluting price discovery and increasing obligations on market makers without commensurate benefits. Extending the horizon would also have material operational and financial implications for a CMM. If introduced, strong participation and on-screen depth will be critical.
Q11. Use of longer-dated futures	No. As a CMM, we do not use forward contracts to hedge generation or retail customer risk.
Q12. Use of OTC longer-dated contracts for forward trends	We support this approach, provided it is accompanied by improved OTC transparency and continued efforts to strengthen listed market liquidity. Greater OTC transparency would improve confidence in long-dated price formation, but on-exchange

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	liquidity remains essential to anchor fair value, support price discovery, and ensure competitive access to long-term hedging. Improved alignment between OTC and ASX pricing is also important.
Q13. Reduced baseload volume requirements	Yes, we agree with the proposed reduction in volume requirements.
Q14. Sufficiency of 8 MW baseload volume	No. We consider a 10 MW quoting requirement more appropriate. This provides a balanced distribution across five market makers, supports meaningful liquidity and orderly price discovery, and maintains manageable exposure. An 8 MW requirement would be insufficient.
Q15. Modify compliance framework for quoting time	Yes. The proposal is proportionate and practical, reflecting the operational realities of market making. It appropriately reserves exemptions for genuine market stress while maintaining strong incentives for continuous compliance.
Q16. Modify clause 13.236N(1)(a)(ii)	Yes. Clarifying that market makers must take all reasonable steps to continue quoting before relying on a legal-risk exemption supports continuous liquidity, provides clearer expectations, and strengthens the integrity of the market-making framework.
Q17. Objectives of the proposed amendment	Yes. Improved price discovery depends on stronger liquidity in the ASX-listed futures market. While OTC contracts may reference the ASX curve, this only delivers robust outcomes if on-exchange liquidity is sufficient to anchor fair value.
Q18. Benefits vs costs	Yes. Mandatory market making for super-peak contracts will improve price visibility during high-risk periods. Reducing baseload volume requirements lowers unnecessary costs while preserving price discovery, and clearer exemption settings support stability. Overall, the benefits outweigh the costs.
Q19. Preference over alternative options	(b) Mandatory vs voluntary: We support mandatory participation to deliver consistent liquidity and reliable price discovery. (c) Baseload volume: A 10 MW requirement is appropriate and aligned with market scale. Overall, these proposals support transparency, liquidity, and the Authority's statutory objectives.
Q20. Compliance with section 32(1) of the Act	Yes. Increased liquidity in the ASX-listed futures market supports competition through contestable price signals, efficiency through better planning and capital allocation, and reliability through stronger long-term investment signals. The amendment can meet section 32(1) requirements.
Q21. Drafting comments	No comment.