



CONSULTATION

Determination of values for Ancillary Service Margin_Peak and Margin_Off-Peak parameters

ISSUES PAPER

The Economic Regulation Authority has received submissions from the Independent Market Operator (**IMO**) proposing the values of the Ancillary Service Margin_Peak and Margin_Off-Peak parameters for the period from 1 July 2012 to 30 June 2013 under the current and amended *Wholesale Electricity Market Rules* (**Market Rules**).

Under the Market Rules, the determined values for these Ancillary Service parameters are used in market settlement payment calculations for the provision of Spinning Reserve and Load Following Ancillary Services in the Wholesale Electricity Market.

Recent amendments to the Market Rules, which are expected to take effect on 1 July 2012, require the Authority to make a determination on the values for these Ancillary Service parameters by the commencement day of the new Competitive Balancing and Load Following Market. The Authority invites public submissions on the relevant matters raised in the IMO's submissions. The IMO's submissions are available on the Authority's <u>website</u>.

The Authority has prepared an <u>issues paper</u> to assist interested parties wishing to make submissions. The issues paper outlines the scope of the Authority's role under the current and amended Market Rules, and sets out the matters that it will take into account when assessing the submissions against the criteria in the current and amended Market Rules. The issues paper is available on the Authority's <u>website</u>.

Interested parties are invited to make submissions on the Determination of values for Ancillary Service Margin_Peak and Margin_Off-Peak parameters Issues Paper by **4:00 pm (WST) on Friday, 18 May 2012**.

Submissions should be marked to the attention of Wana Yang, Assistant Director Markets.

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Confidentiality

In general, all submissions from interested parties will be treated as being in the public domain and placed on the Authority's website. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which confidentiality is claimed, and specify in reasonable detail the basis for the claim. Any claim of confidentiality will be considered in accordance with the provisions of section 55 of the *Economic Regulation Authority Act 2003*.

The publication of a submission on the Authority's website shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular

submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority.

For further information contact:

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LYNDON ROWE CHAIRMAN 19 April 2012