

Community Electricity

Submission in Response to ERA Public Consultation

Determination of the Ancillary Service Cost_LR parameters

Standing

Community Electricity (“Community”) is a member of the IMO’s Market Advisory Committee (MAC) and the ERA’s Technical Rules Committee.

Community has no commercial interest in the Authority’s determination.

Load Rejection Reserve

Community notes that the Load Rejection Reserve Component has been set at zero since market start and that this practice is proposed to continue throughout the three years of the next (third) review period. The zero value has arisen because System Management has not been provided with information demonstrating that the service provider (Verve Energy) incurs a cost by providing the service.

Community supports this proposal on the grounds that it is low cost and a continuation of traditional practice. That said, we would have sympathy with a claim from the service provider for reimbursement of costs incurred, as one would intuitively expect that there would be, at a minimum, an efficiency cost associated with turn-down of plant.

System Restart Reserve

Community notes that expressions of interest for System Restart Reserve are requested annually through the Statement of Opportunities process, and that none have been received. The service is currently provided by Verve Energy at Pinjar and Kwinana, and by Western Energy at Kwinana. System Management proposes to extend these arrangements and estimates the contract costs at a little over \$500,000 in each of the three years. This equates to an infinitesimal average c/kWh when spread across the system load.

Community supports this proposal on the grounds of continuity within an esoteric and subjective context.

Contact

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