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Economic Regulation Authority
PO Box 8469
Perth Business Centre
PERTH WA 6849

Attention: Wana Yang
Assistant Director Markets

Email: publicsubmissions@erawa.com.au

Dear Wana

DETERMINATION OF THE VALUES FOR ANCILLARY SERVICE MARGIN_PEAK AND MARGIN_OFF-PEAK PARAMETERS - ISSUES PAPER

Thank you for the opportunity to comment on the Determination of Values for Ancillary Service Margin_Peak and Margin_Off-Peak Parameters issues paper.

The Wholesale Electricity Market Rules outline the process which the Authority must follow when determining the Margin_Peak and Margin_Off-Peak parameters. Specifically, subclause 3.13.3A(b) requires the Authority to undertake a public consultation process, including the publication of an issues paper and issue of an invitation for public submissions.

Verve Energy considers that, should the Margin_Peak and Margin_Off-Peak parameters materially change as a result of this public consultation process, it would be prudent of the Authority to either undertake a second round of public consultation or at the very least allow Verve Energy to consider and comment on the proposed changes. This is because any change to the proposed Margin_Peak and Margin_Off-Peak parameters has the ability to materially impact the payments that Verve Energy may receive for the provision of Spinning Reserve Services. Verve Energy considers that clause 3.13.3A(b) of the Market Rules outlines the minimum that the Authority must do in determining the Margin_Peak and Margin_Off-Peak parameters and that it does not preclude an additional round of consultation (formal or informal) should it be required.

Thank you again for the opportunity to comment, should you require additional information on any of the above issues, I can be contacted on (08) 9424 1917.

Yours sincerely

JACINDA PAPPS
SENIOR REGULATORY ANALYST

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