

Draft Terms of Reference

The Renewable Energy Generation Working Group

SCOPE

The Working Group will consider and assess system and market issues arising from the increase in the national Mandatory Renewable Energy Target (MRET) to 20%. This will include an examination of the current Wholesale Electricity Market Rules to determine whether the integrity of the Wholesale Electricity Market Objectives can be maintained.

In particular, the Working Group will focus on the treatment of renewable energy generation in the Reserve Capacity Mechanism, allocation of ancillary service charges and low-load compensation mechanisms.

In order to complete its scope of work, the Working Group is requested to:

- identify priority issues arising, or that could arise, from increasing penetration of intermittent renewable energy generation in the South West Interconnected System;
- determine the appropriate framework for analysis of issues and options for resolving them against the Market Objectives; and
- submit its assessment, analysis and conclusions in a report to the Market Advisory Committee (MAC).

TERMS OF REFERENCE

- Members of the Working Group are appointed by the MAC, with a focus on issues associated with the expansion of large-scale wind generation.
- The Office of Energy (OOE) will chair and provide administrative support for the group.
- The members of the Working Group are:

Jason Banks (Chair)	-	OOE
Dora Guzeleva	-	Independent Market Operator
Ken Brown	-	System Management
Peter Mattner	-	Western Power
Shane Cremin	-	Industry Representative, Griffin Energy
Kristian Myhre	-	Industry Representative, Alinta
Steve Gould	-	Industry Representative, Landfill Gas and Power
Tony Perrin	-	Synergy Representative
Andrew Everett	-	Verve Energy

- The Working Group will provide a report identifying priority issues and proposed directions for resolution of these issues to the MAC in May 2008.
- The Working Group will refer any other issues that emerge back to the MAC for further consideration as required.
- Members are expected to attend as many Working Group meetings as practicable.
- The MAC may review, amend and extend these terms of reference, as necessary.