

Agenda item 5b: Appendix 3

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 Independent Market Operator (IMO) will chair and provide administrative support for the group.
- Full members of the Working Group are:

Troy Forward (Chair)	- IMO
Ken Brown	- System Management
Brendan Clarke	- System Management
Peter Mattner	- Western Power
Tom Percy	- Western Power
Shane Cremin	- Industry Representative, Griffin Energy
Kristian Myhre	- Industry Representative, Alinta
Bill Truscott	- Industry Representative, Alinta
Steve Gould	- Industry Representative, Landfill Gas & Power
Brad Huppatz	Verve Energy Representative
Jenni Conroy	- Synergy Representative
John Rhodes	- Synergy Representative
Mark Headland	- Investec
Ian McCullough	- IMO, Secretariat

- Observer members of the Working Group are:

Bill Bower - RPV Developments

- The Office of Energy may appoint a representative to attend the meetings of the Working Group as an observer.
- Additional observers may attend the Working Group, at the approval of the Chair.
- 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.