Wholesale Electricity Market – Rule Change Proposal Submission Form

<RC_2007_03> <Treatment of DSM in Outage Planning>

Submitted by

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Submission

1. Please provide your views on the proposal, including any objections or suggested revisions

System Management submits in this proposal that it is not practical to adhere to the requirements currently mandated within the Market Rules (clauses 3.18 and 3.19) that DSM capacity must be taken into consideration when formulating the PASA. Synergy supports the position put forward by System Management that there should be some discretion in the inclusion of DSM as it is Synergy's opinion that DSM programs are generally not appropriate for providing capacity during generator outages especially in the non-summer season. On this basis, Synergy supports the approach taken in this rule change proposal to provide this discretion.

2. Please provide an assessment, whether the change will better facilitate the achievement of the Market Objectives

The objectives of the WEM are clearly enunciated as:

- a. to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system;
- b. to encourage competition among generators and retailers in the South West interconnected system, including by facilitating efficient entry of new competitors;

- c. to avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions;
- d. to minimise the long-term cost of electricity supplied to customers from the South West interconnected system; and
- e. to encourage the taking of measures to manage the amount of electricity used and when it is used.

Synergy sees this proposal as being consistent with the WEM objectives, by facilitating a. (above) – to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system.

3. Please indicate if the proposed change will have any implications for your organisation, (for example changes to your IT or business systems) and any costs involved

Synergy does not anticipate that this change will require any modifications to existing Synergy systems and processes.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed

Nil

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