
Wholesale Electricity Market – Rule Change Proposal Submission Form

RC_2007_08 Calculation of Reserve Capacity Refund

Submitted by

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Submission

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

As noted in the Draft Market Rule Change Report (section 3.2), the Office of Energy (“OOE”) lodged a previous submission on 31 July 2007 expressing support for this proposed Rule Change. The OOE continues to hold this view.

This support is expressed on the basis that the current Rule Change proposal has been subject to extensive consultation, with the proposed refund calculations being developed and submitted to the Independent Market Operator (“IMO”) by the Reserve Capacity Refund Mechanism Working Group (“Working Group”). It is noted that the Working Group considered several alternatives in developing the proposed Rule Change, and that it agreed that the current proposal best reflected the agreed intent of the Reserve Capacity Refund Mechanism (“Refund Mechanism”).

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

The OOE supports the statements made by the IMO (in the Draft Market Rule Change Report), regarding the intent of the Rule Change in clarifying the operation of the Wholesale Electricity Market Rules and implementing an evolutionary improvement in the operation of the Refund Mechanism. The OOE also agrees with the IMO’s assessment that the Rule Change is consistent with the Wholesale Electricity Market Objectives.

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- 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**

Not applicable.

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

Not applicable.
