
Wholesale Electricity Market Rule Change Proposal Submission Form

RC_2007_19 Non Temperature Dependant Load Timelines

Submitted by

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Submission

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

Premier Power proposes to amend the Market Rules to change the timelines related to consideration of Non Temperature Dependant Load (NTDL).

Under the Market Rules, the IMO determines and publishes an initial Individual Reserve Capacity Requirement (IRCR) for each Market Customer on the last Business Day falling on or before 10 September of each year. To assist the IMO in determining these initial IRCRs, Market Customers, by the last Business Day falling on or before 20 August, provide to the IMO:

- a list of interval meters associated with that Market Customer that the Market Customer wants the IMO to treat as NTDLs;
- details of any Demand Side Management (DSM) measures that the Market Customer has implemented since the previous Hot Season, including the expected MW reduction in peak consumption resulting from those measures; and
- nominations of capacity requirements for Intermittent Loads.

Once the initial IRCR's are determined and published, every month between 1 October and 30 September of the Reserve Capacity year, the IMO updates the values of each Market Participant's IRCR. However, the current rules do not provide Market Customers with the ability to nominate NTDLs or DSM measures for the purpose of these monthly IRCR updates. Premier Power proposes, therefore, to amend the rules to provide

Market Customers with the ability to nominate NTDLs or DSM measures for the purpose of the monthly IRCR updates during a Reserve Capacity year.

Synergy views Premier Power's proposal as having some merit. In particular Synergy supports the changing of the Market Rules to enable NTDLs to be re-assessed during any month rather than the current restriction of only applying this recalculation to the next capacity year. We note that the adoption of this rule change proposal will necessitate the IMO recalculating IRCRs when customers churn and that this may result in a substantial impost on the IMO.

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

This rule change will encourage competition in the WEM and has the potential to create further economic efficiencies within the market. However, Synergy views it as important that the IMO closely monitor requests for IRCR recalculation to ensure that an excess of these requests does not create an inefficient administrative burden to be funded by all market participants.

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 in implementing these changes.

At this stage Synergy identifies no significant cost increases in implementing this rule change proposal.

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

At this stage Synergy identifies no significant cost process changes which would require a protracted period in which to implement this rule change proposal.
