
Wholesale Electricity Market Rule Change Proposal Submission Form

RC_2007_28 SWIS Reliability Planning Criteria

Submitted by

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| Date submitted: | 10 January 2008 |

Submission

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

The IMO has proposed to amend the Market Rules to change the minimum reserve margin on top of the generation required to meet forecast peak system demand. The minimum reserve margin is one of the Planning Criteria as set out in clause 4.5.9 of the Market Rules.

The change would include a requirement for the minimum reserve margin to be the greater of 8.2% of the forecast peak demand or maximum generation capacity of the largest generating unit (at 41 degrees Celsius).

The IMO believes that costs resulting from higher system reserve requirements will be offset by savings from lower risk of involuntary interruptions to customer supply.

Synergy views IMO's proposal as having some technical merit and does not foresee any material adverse impacts on Synergy's operations. As such, Synergy supports the proposal at this stage.

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

Synergy accepts the IMO's view that the proposed rule change would support the Market Objective "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 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 believes that implementation of this rule change proposal would not take a protracted period of time to implement.
