Wholesale Electricity Market Rule Change Proposal Submission Form

<RC_2008_29> <Change to Curtailable Load De-registration Timeframe>

Submitted by

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Submission

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

On 11 September 2008 the Independent Market Operator (IMO) submitted a Rule Change Proposal regarding changes to clause 2.33.4(d) of the Wholesale Electricity Market Rules (Market Rules).

This rule change allows for a curtailable load, which is associated with a DSM Program, to be deregistered in the period after one month from the date of application. Synergy supports this rule change as providing some level of protection for Market Customers from having to retain the Reserve Capacity Obligations of churned loads for a period of six months (as is currently the case) without being able to satisfy the associated obligations. The proposed change will enable the deregistration of the churned load within one month of application and will allow Market Customers to bring on other loads to meet their outstanding Reserve Capacity Obligations.

Synergy supports the IMO's view that this rule change is urgent since the current rules result in considerable unnecessary risk to Market customers.

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 supports the operation of the Market Objectives. Specifically, Synergy views that the proposal supports market objective (a) by

promoting the economically efficient supply of electricity in the South West Interconnected System. This proposal will have the effect of ensuring that Market Customers can effectively fulfil their Reserve Capacity Obligations by drawing on other available loads in place of churned curtailable loads. Synergy also views that the proposal supports Objective (e) in that it encourages the participation of DSM Programs within the marketplace.

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.

Synergy does not identify any substantial cost implications in implementing this rule change.

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

Synergy does not anticipate that this rule change proposal will take a protracted period of time to implement.