
**Wholesale Electricity Market
Rule Change Proposal Submission Form**

RC_2009_40 Provision of Load Following Ancillary Service

Submitted by

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Date submitted:	15 January 2010

Submission

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

Background

The current Market Rules only allow Scheduled Generators to provide the ancillary service of load following.

Change Proposal

System Management has proposed to amend the Market Rules to allow a Scheduled Generator, Non-Scheduled Generator, Dispatchable Load or a Curtailable Load to provide the ancillary service of load following.

Perth Energy's Views

Perth Energy considers that ancillary services should be procured on a competitive basis whenever possible. Perth Energy therefore supports System Management's proposal to increase the potential pool of service providers for the ancillary service of load following.

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

Perth Energy considers the change would better facilitate the achievement of all of the Market Objectives¹ except Market Objective (e). Allowing more competition for the provision of this ancillary service should promote the efficient supply of electricity, encourage competition and avoid discrimination against demand based energy solutions. By increasing competition in the provision of this ancillary service, the proposal should also lower the long term cost of electricity supplied to customers.

Perth Energy does not consider the change proposal impacts on the achievement of Market Objective (e).

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.

There will be no impact for Perth Energy.

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

Perth Energy does not require any lead time to implement the change.

¹ The objectives of the market are:

- (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.