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## Wholesale Electricity Market Rule Change Proposal Submission Form

### RC\_2010\_23 Consequential Outage - Relief from capacity refund and unauthorised deviation penalties

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#### Submitted by

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<b>Date submitted:</b>	14 October 2010

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#### Submission

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

In September 2010, Synergy provided to the IMO its submission in support of Rule Change Proposal RC\_2010\_23, which acts to ensure that a Facility that suffers a Consequential Outage due to another Rule Participant's equipment suffering a Forced Outage is relieved from capacity refunds and from penalties for unauthorised deviations. This further submission is in response to the release by the IMO of an addendum to the Rule Change Notice.

Despite its support, Synergy noted in its original submission that the Rule Change Proposal as drafted would allow a generator producing below its Consequential Outage to correct its Dispatch Schedule to avoid refunds for that difference. Synergy considered that this loophole needed to be removed before final assessment of the Rule Change Proposal.

To this end, Synergy supports the addendum released by the IMO, which proposes alternative drafting of the Market Rules to ensure that a Facility's Dispatch Schedule is adjusted for the relevant Trading Intervals to account for the Consequential Outage. Synergy considers that the alternative drafting should be included in the IMO's Draft Rule Change Report for further consideration by Rule Participants.

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

Synergy believes that the proposed changes will better facilitate the achievement of Market Objectives (a), (b) and (d):

- (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;*
- (d) *to minimise the long-term cost of electricity supplied to customers from the South West interconnected system.*

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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 in implementing these changes.**

Synergy would not require any changes to IT or business systems, nor incur any organisational costs as a consequence of adopting the proposed change.

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

Synergy would be able to implement this rule change immediately.

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