

Wholesale Electricity Market Rule Change Proposal Submission

RC_2014_06 Removal of Resource Plans and Dispatchable Loads

Submitted by

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Submissions on Rule Change Proposals can be sent by:

Email to: <u>rcp.secretariat@rcpwa.com.au</u>

Post to: Rule Change Panel Attn: Executive Officer C/o Economic Regulation Authority PO Box 8469 PERTH BC WA 6849

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

Perth Energy reiterates its views that the proposed amendments, including those made subsequent to the initial rule change proposal should be implemented as soon as possible as they will improve the operation of the market and reduce participants' costs. The removal of inefficient and unnecessary processes, in particular to remove resource plans, has meant that Market Participants have continued to incur costs during the two-year delay in progressing the proposal.

We note, however, that the Australian Energy Market Operator (AEMO) has not yet provided a cost estimate, or any discussion of the timeframe in which the rule change proposal can be implemented to the Rule Change Panel.

Perth Energy does not expect the implementation to be overly costly, or time consuming. However, we request that the Rule Change Panel consider AEMO's assessment of the cost and timeliness of the implementation to ensure that the implementation is not overly expensive, or delayed due to the implementation of other, less time critical changes, including:

• the move of System Management IT systems from Western Power to AEMO;

- the amendments to the prudential regime; and
- the deferral of the Reserve Capacity Cycle to allow Generator Interim Access participants to apply.

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

Perth Energy considers that, subject to the comments above, the proposed amending WEM Rules would better achieve the Wholesale Market Objectives.

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.

Perth Energy will need to make minor changes to internal procedures and IT systems as a result of the proposed amending WEM Rules.

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

Perth Energy expects that the necessary changes can be made relatively quickly once the amending WEM Rules have been confirmed.