



# PUBLICATION

## Revised values for Ancillary Service Cost\_LR parameter

### DETERMINATION

The Economic Regulation Authority has determined that the value of the Ancillary Service Cost\_LR parameter to be \$40,933 per month in the 2011/12 financial year, and \$41,583 per month in the 2012/13 financial year.

The Cost\_LR parameter covers the costs for providing the Load Rejection Reserve and System Restart Ancillary Services, and Dispatch Support Ancillary Services except those provided under clause 3.11.8B of the *Wholesale Electricity Market Amending Rules*.

Pursuant to clause 3.13.3C of the Market Rules, the Authority is required to determine the revised values of the Cost\_LR parameter proposed by System Management by taking into account:

- the Wholesale Market Objectives;
- whether the revised values are sufficient to cover the costs for providing the relevant ancillary services; and
- any issues raised through a public consultation process if it has been undertaken.

On 24 December 2010, the Authority published an Issues Paper and a Notice, inviting public submissions on the proposed values of the Cost\_LR parameter submitted by System Management. One submission was received by the Authority.

The Authority's decision explaining the reasons for the determination of the revised values of the Cost\_LR parameter and the submission mentioned above are available on the Authority's [website](#).

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