



# Notice

12 March 2021

## **Determination of margin values and Cost\_LR parameters for 2021/22**

### **Addendum to issues paper**

The Wholesale Electricity Market Rules require the Economic Regulation Authority to determine the parameters used to compensate Synergy for providing three ancillary services that are used to maintain system security and to restore the electricity system when there is a blackout. The ERA must make its determination on the values to apply in 2021/22 by 31 March 2021.

On 9 February 2021, the ERA published an issues paper including AEMO's proposed values for the three ancillary services along with the ERA's preliminary forecast costs for two of the ancillary services, spinning reserve and load rejection reserve, and invited public submissions.

Since publishing the issues paper, the ERA has received additional information indicating that the market is changing more quickly and more markedly than the ERA had expected. These changes have significantly increased the forecast spinning reserve costs from the level indicated in the issues paper.

The ERA is publishing this addendum to share its latest observations on changes in the market and their effects on cost forecasts for spinning reserve and load rejection reserve.

The ERA encourages stakeholders to consider the information in the [addendum](#) to the issues paper when making submissions.

### **Invitation for submissions**

The ERA invites interested parties to make submissions on the Issues paper and addendum to the issues paper.

Submissions close 4:00 pm (WST) Tuesday, 23 March 2021.

Submissions should be lodged online using the form on our website [www.erawa.com.au/consultation](http://www.erawa.com.au/consultation).



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## Further information

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