

Noel Schubert

19 September 2018

Attn: Matthew Martin  
Director, Wholesale Energy Markets  
Public Utilities Office  
Department of Treasury  
David Malcolm Justice Centre  
28 Barrack Street  
Perth 6000

**Submission re: Draft Recommendations Report - Improving Reserve Capacity pricing signals**

Dear Matthew,

Thank you for the opportunity to comment in response to the above report.

Having been involved in the stakeholder consultations that were part of evaluating alternative approaches and developing the recommendations in this report, I support the recommended approach.

Given the many, often competing or conflicting, aspects that needed to be taken into account in developing a reasonable approach to improving reserve capacity pricing for the Wholesale Electricity Market in WA, I consider that the proposed approach is a balanced, practical and fit-for-purpose approach to improving capacity pricing signals at reasonable cost compared to the other approaches that were reviewed.

I also support the Public Utilities Office recommendation that implementation occur as soon as possible - in time for the 2019 Reserve Capacity Cycle - in order to provide earlier market benefits resulting from improved capacity pricing arrangements and to reduce the level of market uncertainty as to design of the Reserve Capacity Mechanism arrangements.

Thank you for the opportunity to comment.

Yours sincerely,

Noel Schubert