

RC_2012_7: Loss Factor Determination

Submitted by

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Submission

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

Community Electricity supports the Rule Change Proposal on the grounds that it properly integrates and harmonises the Market Rules, the Market Procedure for Determining Loss Factors and current practice. We note that this proposal has been developed in consultation with Western Power.

In particular we support the principles that:

- i) the Market Rules should be clarified where necessary;
- ii) the purpose of the regulations is to serve the market, rather than the other way around. In this case, the Market Rules should be revised to reflect current practice, which is more efficient than the prescription contained in the Market Rules;
- iii) in line with current practice the minimum peak consumption level for which a specific Loss Factor is calculated should be increased from 1000 kVA to 7000 kVA;
- iv) the requirement for all Loads under 1000 kVA to have the same Loss Factor should be removed;
- v) Connection points should be assigned to Transmission and Distribution Loss Factor Classes according to a system (prescribed in the Market Procedure) based on expected indicative characteristics;

Community is also a Member of the IMO's Market Procedure Change Working Group, and supports that group's deliberations in reviewing the associated Market Procedure for Determining Loss Factors.

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

Community considers that the Rule Change improves the integrity of the Market Rules by improving their clarity and harmonising them with both existing practice and the associated Market Procedure. We consider the proposal to be consistent with all the 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

The proposal has no implications for Community.

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

Not applicable