

Wholesale Electricity Market Rule Change Proposal Submission

RC_2018_04

Manifest Error in the Deferral of Dates for the 2018 Reserve Capacity Cycle

Submitted by

Name:	Zaeen Khan
Phone:	(08) 6551 1000
Email:	Zaeen.Khan@treasury.wa.gov.au
Organisation:	Public Utilities Office, Department of Treasury
Address:	Locked Bag 11 Cloisters Square WA 6850
Date submitted:	4 September 2018

Submissions on Rule Change Proposals can be sent by:

Email to: rcp.secretariat@rcpwa.com.au

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.

The Public Utilities Office welcomes the opportunity to provide a response to this Rule Change Proposal intended to correct errors introduced by the Wholesale Electricity Market Rules Amending Rules 2018 (No.2), published in the Government Gazette on 27 June 2018.

The Public Utilities Office supports use of the fast track Rule Change process for this proposal, as it corrects a manifest error made in drafting the form of Amending Rules made by the Minister for Energy to extend the remaining dates of the 2018 Reserve Capacity Cycle. This error related to changes to clauses 1.27.1(i) and 1.27.1(j) of the Wholesale Electricity Market Rules.

The intended form of Amending Rules was as set out in the draft rule amendments that was published by the Public Utilities Office for stakeholder consultation on 18 June 2018.

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

The Public Utilities Office considers that the Rule Change Proposal will better facilitate achievement of the following Wholesale Market Objective:

- (a) promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the SWIS;

This objective will be achieved through the correction of manifest errors that potentially interfere with the efficient operation of the 2018 Reserve Capacity Cycle. The proposed rule amendments will remove ambiguity in respect of the obligations placed on the Australian Energy Market Operator to administer the Reserve Capacity Mechanism arrangements.

The Public Utilities Office considers that the proposed rule amendments will have no effect on the remaining Wholesale Market Objectives listed below:

- (b) encourage competition among generators and retailers in the SWIS, including by facilitating efficient entry of new competitors;
- (c) avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions; and
- (d) to minimise the long-term cost of electricity supplied to customers from the SWIS

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.

Not applicable.

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

Not applicable.
