

Rule Change Panel Attn: Executive Officer C/o Economic Regulation Authority PO Box 8469 PERTH BC WA 6849

Submitted by email to support@rcpwa.com.au

18th December 2018

Wholesale Electricity Market Rule Change Proposal Submission

Rule Change RC_2018_06: Full Runway Allocation of Spinning Reserve Costs

The Australian Energy Council (AEC) welcomes the opportunity to make a submission to the Rule Change Panel on Rule Change RC_2018_06: Full Runway Allocation of Spinning Reserve Costs.

The AEC is the industry body representing 23 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC supports the rule change to allocate Spinning Reserve costs in a more granular manner, thereby better aligning to the principle of causer pays without distorting the bidding behaviour in the Balancing market.

Any questions about our submission should be addressed to Scott Davis, Policy Adviser, Western Australia by email to <u>scott.davis@energycouncil.com.au</u> or by telephone on 0457 784 119.

Yours sincerely,

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