

## Independent Market Operator

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**4.**

**Public Domain**

**Public Domain**

## Public Domain

economically efficient to take generating units offline for maintenance, or alternatively, when to incur start up costs.

- Efficient prices would enhance generators' ability to settle on their capital expenditure and maintenance programs at the lowest attainable long run average cost.
- Demand would be more price-responsive. Wholesale consumers would be better able to shift demand away from high price periods in direct response to actual prices, rather than assume prices based on lagged information. This would in turn reduce peak loads and thus reduce capacity requirement in the long run and expenditure on high cost fuels in the short run.

The ERA submits that barriers to entry faced by independent generators, including renewable generators, would be reduced. A more transparent wholesale market would reduce the risk that results from uncertainty over current market conditions. Prospective market

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## 5. PROPOSED AMENDING RULES

The following rule change is proposed by the ERA:

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