

## Wholesale Electricity Market Submission to Rule Change Proposal

RC\_2012\_03
Assignment of Capacity Credits to Network Control Service Facilities

## Submitted by

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## the achievement of the Market Objectives.

Western Power agrees that the rule change will better meet Market Objectives (a) and (c) as detailed in the rule change, as it will:

encourage Market Participants to enter into Network Control Service Contracts and locate in areas that assist the operation of the network. This will achieve Wholesale Market Objective (a) by promoting the economically efficient and reliable production and supply of electricity and electricity related services in the SWIS.

ensure that the long-term cost of electricity supplied is minimised by reducing the overall cost of the combined network and energy costs through appropriate compensation and incentives for new Facilities locating in a particular region, and thereby avoiding higher alternative network augmentation costs (Wholesale Market Objective (c)).

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.

The changes will have implications for Western Power, but is not expected to increase costs. In particular the changes will remove uncertainty surrounding network control services.

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

Western Power will be able to implement the changes immediately.