
Wholesale Electricity Market – Rule Change Proposal Submission Form

RC_2007_06 STEM TIMELINE FLEXIBILITY

Submitted by

Name:	Jenni Conroy
Phone:	62121661
Fax:	62121035
Email:	Jenni.conroy@synergyenergy.com.au
Organisation:	Synergy
Address:	228 Adelaide Terrace Perth
Date submitted:	31 July 2007

Submission

- Please provide your views on the proposal, including any objections or suggested revisions**

Background

The IMO is concerned that the rigid timeframes within the Market Rules applying to the STEM processes can lead to market suspension even where this is not necessary for operational purposes. The IMO proposes introducing some flexibility into the STEM timelines in Chapter 6 of the Market Rules in the event of an IMO system issue, with the purpose of minimizing the possibility of a STEM suspension only due to the rigid timelines, in cases where some flexibility in the opening and closing windows would enable STEM to be cleared instead of suspended.

Synergy Position

Synergy supports the IMO's proposal that if systems issues occur, at any point during the process, the IMO ought to have the discretion to delay all remaining processes for up to two hours before the STEM is suspended – provided there is an undertaking that such delays to the relevant timelines would only be introduced if the systems issues relate to IMO solely and specifically to IMO systems. Synergy sees clear benefits that, under these circumstances, Participants are able to submit STEM submissions for the relevant trading day, instead of the IMO having to suspend the STEM.

Synergy supports the communications arrangements being proposed by the IMO - namely that the IMO immediately advise all Participants if a system issue is likely to lead to a delay in any of the STEM timelines. Further, there is a clear rationale for the alignment of Balancing Data Submissions and Resource Plan Submissions. Synergy agrees that these submissions are made in accordance with the same timeframes and that system issues will therefore impact similarly on both of these processes.

On this basis, Synergy supports this Rule Change Proposal.

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

The objectives of the WEM are clearly enunciated as:

- a. to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system;
- b. to encourage competition among generators and retailers in the South West interconnected system, including by facilitating efficient entry of new competitors;
- c. to 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;
- d. to minimise the long-term cost of electricity supplied to customers from the South West interconnected system; and
- e. to encourage the taking of measures to manage the amount of electricity used and when it is used.

Synergy sees the intent behind this proposal as being consistent with the WEM objectives, by facilitating a. (above) – to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system.

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

Synergy does not anticipate that this change will require any modifications to existing Synergy systems and processes.

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

Nil