

From: Trevor St Baker [tstbaker@ermgroup.com.au]
Sent: Monday, 2 January 2006 11:33 AM
To: Submissions
Cc: [REDACTED]
Subject: Proposal to remove NEMMCO's obligation to publish SOO Updates mid year

ERM Group and Wambo Power Ventures Pty Ltd regard this proposal as very controversial and of serious implications to power generation developers.

ERM is presently the most prolific contemporary power generation developer in the NEM and also in WA also.

In financing and final project commitments to new generation investments great reliance is placed on NEMMCO's power & energy projections and on the status of existing and committed new generation developments by financiers and independent specialists engaged by lenders and investors to advise on new development proposals for considerations by investment risk analysts prior to financing approvals being able to be obtained. Regardless of the voracity of NEMMCO's projections of generation adequacy, which have been shallow and sub-standard to date, NEMMCO is the responsible authority and relied upon especially by investors and agencies which are not mainstream active participants in the electricity market. Given the relatively short lead-times for construction and commissioning of peaking generation plant, in particular, annual updates of electricity load growth projections and generation adequacy projections is far too long, and the mid-year updates essential for new generation developers.

It should in fact be of some concern that NEMMCO should consider such a change and to consider it non controversial. It will be irrelevant to many not involved in peaking generation planning and development, and to GOC's which are not subject to the financing approval disciplines which private sector developers are subject to. NEMMCO should be more cognizant of the importance of its generation adequacy prognostications to the realization of new generation developments by private sector



Trevor St Baker
ERM Group Chairman
tstbaker@ermgroup.com.au
www.ermgroup.com.au
Ph: 3871 4103
Mb: 0407 146 278



in development

Metro West Centre
6/620 Moggill Road
Chapel Hill 4069
PO Box 98
Kenmore QLD 4069

Ph 07 3871 4100
Fx 07 3878 2055

www.ermgroup.com.au

The information contained in this email is intended only for the use of the person(s) to whom it is addressed and may be confidential, proprietary or otherwise subject to legal protection. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. Please notify the sender immediately by e-mail if you have received this e-mail by mistake and delete this e-mail from your system. If you are not the named addressee you should not disseminate, distribute or copy this e-mail. If you are the named addressee and you are not sure of the content of this e-mail you should contact the sender. Please do not use the information contained in this e-mail for advertising or promotional purposes, for creating new confidential information or for any other unauthorized use.