

24 July 2017

John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

By online submission

Dear Mr Pierce

Classification of Loads as Ancillary Service Loads Rule Change Consultation (ERC0221)

Hydro Tasmania welcomes the opportunity to provide a submission on the AEMC's non-controversial rule change regarding the Classification of Loads as Ancillary Service Loads.

Hydro Tasmania is supportive of the Ancillary Service Unbundling rule change which came into effect on 1 July 2017. This rule change defines a new market participant classification of Market Ancillary Service Provider (MASP). The MASP is able to provide appropriately classified ancillary service loads or aggregated loads into Frequency Control Ancillary Services (FCAS) markets.

Hydro Tasmania believes that it was the original intent of the rule change to enable all loads to be eligible to participate as MASPs, and not just market loads, provided that technical standards are met. This rule change will enable new and innovative solutions to be considered and will result in increased competition in the provision of ancillary services, which will ultimately benefit consumers.

Hydro Tasmania therefore supports AEMO's proposed rule change and requests the rule to be effective as soon as possible.

Please contact Nick Jatan (nick.jatan@hydro.com.au) or (03) 62305212 if you have any questions.

Yours sincerely



John Cooper
Policy & Regulatory Analyst