

20 July 2017

Graham Mills
Adviser
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235



Dear Mr Mills,

Consultation paper on the classification of loads as ancillary service loads rule change

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon disadvantaged and marginalised people. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to the AEMC's consultation paper for the classification of loads as ancillary service loads as ancillary service loads rule change.

PIAC supports the rule change proposal to expand the range of loads which may provide ancillary services. PIAC considers restricting participation in ancillary services to only market loads is unnecessary and was not the intention of the Demand Response Mechanism and Ancillary Services Unbundling rule change.

Restricting participation would unnecessarily dampen the competitive market for ancillary services and reduce the benefits of lower ancillary services and/or a more secure power system. The primary consideration in determining whether a load can provide ancillary services should be its technical capability.

PIAC also supports the AEMC considering this as non-controversial rule change and progressing it through an expedited process to ensure the benefits of increased competition are realised as soon as possible.

PIAC would welcome the opportunity to meet with the AEMC and other stakeholders to discuss these issues in more depth.

Yours sincerely,

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