

From: Jim Brosnan [JimBrosnan@simcoa.com.au]
Sent: Friday, 8 May 2009 12:53 PM
To: MarketAdmin
Subject: Impacts of Intermittant Generation

Dear Sir

I welcome the work commissioned by the IMO to Assess the Impacts of Intermittant Generation on the SWIS with a view that the proportion of renewable energy provided to the grid is able to be increased. The SKM document is comprehensive but I am concerned that there is no reference to the impact increased renewable energy, particularly wind farms has had, on the utilisation of Interruptible Loads in the SWIS.

Facilitating DSM is an important aspect of ensuring optimum utilisation of energy infrastructure in WA but in recent years increased penetration of wind generation has required more gas based spinning reserve to be kept available resulting in reduced use of interruptible loads. Not only is this an inefficient use of fuel as well as generation and distribution infrastructure but it removes an incentive for high load factor, energy intensive industries whose load can be interrupted, to establish operations in WA.

Simcoa for example is currently considering a 45 MW expansion and most of this load would be available as spinning reserve. This project becomes harder to justify if there is no outlook of this load being utilised as part of a DSM program.

We believe that this issue should be included in the SKM scope of work.

Regards

Jim Brosnan

Vice President

SIMCOA Operations Pty Ltd

Ph: 08 9780 6642

Mob: 04 1992 8841