

Independent Market Operator



Rule Change Notice

Title: Provision of information for ST and MT PASA

Ref: RC_2008_03

Date: 14 January 2008

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Independent Market Operator

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1. INTRODUCTION

Market Rule 2.5.1 of the Wholesale Electricity Market Rules provides that any person (including the Independent Market Operator) may make a Rule Change Proposal by completing a Rule Change Proposal Form and submit this to the Independent Market Operator (IMO).

The IMO will assess the proposal and, within 5 Business Days of receiving the Rule Change Proposal Form, will notify the proponent whether the Rule Change Proposal will be progressed further.

In order for the proposal to be progressed the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the Wholesale Market Objectives. The objectives of the market are:

- (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.

A Rule Change Proposal can be processed using a Standard Process or a Fast Track Process. The Standard Process involves a combined 10 weeks public submission period, while the Fast Track Process involves the IMO consulting with Rule Participants who either advise the IMO that they wish to be consulted or the IMO considers have an interest in the change.

2. THE RULE CHANGE PROPOSAL

2.1. The Submission

System Management submitted a Rule Change Proposal, on 7 January 2008, regarding changes to clauses 3.16.4 and 3.17.5 of the Wholesale Electricity Market Rules.

This Rule Change Notice is published according to Market Rule 2.5.7, which requires the IMO to publish a notice within 7 Business Days of receiving a Rule Change Proposal.

2.1.1. Submission details

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Organisation:	System Management
Date submitted:	07 January 2008
Urgency:	Normal rule change process
Change Proposal title:	Provision of information for ST and MT PASA
Market Rule(s) affected:	Clauses 3.16.4 and 3.17.5

2.2. Details of the Proposal

Clauses 3.16.4 and 3.17.5 of the Market Rules detail information that must be provided to System Management by Participants for the purposes of Medium Term and Short Term Projected Assessment of System Adequacy (PASA), respectively.

System Management submits that most Participants do not provide this data and that, in any case, System Management relies on other information to complete the PASA processes. For example, the data detailed in clause 3.17.5 of the Market Rules concerns the availability of equipment; information which is already held by System Management as part of the Outage Planning process. System Management submits that, as the clauses that relate to outage planning have associated Civil Penalties, it is not in the interest of Participants to be non-compliant with these clauses.

System Management seeks to modify clauses 3.16.4 and 3.17.5, as they impose an obligation on Market Participants that is currently unnecessary for the successful operation of the PASA process. However, System Management also submits that at some point in the future the provision of this information may be required, and therefore the clause must be retained. System Management proposes to add the words “unless otherwise directed by System Management...” to provide discretion to System Management. System Management intends to indicate that the information for clauses 3.16.4 and 3.17.5 is not required until further notice.

The amendments proposed by System Management can be found in section 5 of this Notice.

2.3. *The Proposal and the Market Objectives*

System Management submits that these proposed Rule Changes would better address objective (a) of the Wholesale Market Objectives. That is, the changes as submitted would promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system.

System Management argues that the proposed Rule Changes would increase the certainty of the application of the rules, and aid economically efficient outcomes through the removal of obligations that are currently unnecessary for the operation of the PASA process.

3. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER

The IMO has decided to proceed with this proposal on the basis that the IMO's preliminary assessment indicates that the proposal is consistent with the Market Objectives.

The proposal will be progressed according to the Standard Rule Change Process described in section 2.7 of the Market Rules.

The projected timelines for processing this proposal are:

- This Rule Change Notice published 14/01/2008
- First Submission period 14/01/2007 - 25/02/2008
- Draft Report published 27/03/2008
- Second submission period 27/03/2008 - 24/04/2008
- Final Report published 23/05/2008

4. CALL FOR SUBMISSIONS

The IMO is seeking submissions regarding this proposal. The submission period is six weeks from the publication date of this notice. Submissions must be delivered to the IMO by close of business on **Monday 25 February 2008**.

The IMO prefers to receive submissions by email to **marketadmin@imowa.com.au** using the submission form available on the IMO website:
http://www.imowa.com.au/10_5_1_MarketRulesChangeSummary.html

Submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator
Attn: Manager Market Administration
PO Box 7096
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

5. PROPOSED AMENDING RULES

System Management proposes the following amendments to the Market Rules (~~deleted wording~~, added wording):

3.17.5. Unless otherwise directed by System Management, Rule Participants must submit information to System Management before 10 AM every Thursday, consisting of:

(a) ...

3.16.4. Unless otherwise directed by System Management, Rule Participants must provide the following data to System Management in respect of each week in the Medium Term Planning horizon described in clause 3.16.2 by the time specified in the Power System Operation Procedure:

(a) ...