

EXTENSION OF THE TIMEFRAMES UNDER CLAUSE 2.5.12 OF THE MARKET RULES FOR RC_2010_23

In accordance with clause 2.5.10 of the Market Rules, the Independent Market Operator (IMO) has extended the timeframes for the Rule Change Proposal titled "Consequential Outage – Relief from capacity refund and unauthorised deviation penalties" (Ref: RC_2010_23).

The end date of the initial consultation period is extended by a further 15 Business Days until **Thursday, 14 October 2010**. As the total extension period for the Rule Change Proposal now exceeds 15 Business Days, the IMO has reclassified the Rule Change Proposal as no longer being subject to the Fast Track Rule Change Process, in accordance with clause 2.5.11 of the Market Rules. The steps and associated dates of the rule change process have been adjusted accordingly.

Reason for the extension

The IMO considers that where a Facility suffers a Consequential Outage that affects only a part of its capacity, it should be protected from deviation penalties only to the extent that the Facility's capacity was reduced as a direct result of the Consequential Outage. However, the drafting in the Rule Change Proposal would protect a Facility that suffered a Consequential Outage from any deviation penalties, even where the outage did not affect the Facility's ability to meet its Resource Plan. The IMO intends to amend the drafting of the proposed amendments to address this concern.

The initial consultation period has been extended to allow the IMO sufficient time to complete its consultations with System Management and Alinta, and to publish a revised drafting of the proposed amendments for consideration and comment.

Proposed Work Programme

- The IMO develops revised proposed amendments in consultation with System Management and Alinta.
- The IMO publishes a proposed amended drafting by **Wednesday, 29 September 2010**, and seeks submissions from industry within the first consultation period.
- The IMO presents its draft decision in the Draft Rule Change Report.
- A second consultation period is held.
- The IMO presents its final decision in the Final Rule Change Report.