



PUBLICATION

2012 Energy Price Limits

FINAL DECISION

The Economic Regulation Authority (**Authority**) has approved the Energy Price Limits proposed by the Independent Market Operator (**IMO**) in its [Final Report](#) on 2012 Review of Energy Price Limits for the Wholesale Electricity Market in the SWIS.

The approved Energy Price Limits are \$323/MWh for the Maximum STEM Price and \$547/MWh for the Alternative Maximum STEM Price. These Energy Price Limits are to take effect on 1 July 2012.

The Authority received the IMO's Final Report on 6 June 2012, accompanied by a report prepared by Sinclair Knight Merz / McLennan Magasanik Associates (**SKM MMA**). SKM MMA was engaged by the IMO to assist it in undertaking the 2012 Energy Price Limits review.

Under the *Wholesale Electricity Market Rules* (**Market Rules**), the Authority is required to:

- (a) review the report provided by the IMO, including all submissions it received in preparing the report; and
- (b) decide on whether or not to approve any value comprising the Energy Price Limits.

In making its decision, the Authority must consider:

- whether the revised values for the Energy Price Limits proposed by the IMO reasonably reflect the application of the method and guiding principles described in clause 6.20 of the Market Rules; and
- whether the IMO has carried out an adequate public consultation process.

The Authority is satisfied that these two requirements have been met by the IMO.

A copy of the Authority's decision is available on the Authority's [website](#).

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