

Independent Market Operator

Market Advisory Committee

Minutes of Meeting No. 4

Location:	ERIU Conference Room Level 8, Governor Stirling Tower, 197 St Georges Terrace, Perth
Date:	Wednesday 13 June 2007
Time:	Commencing at 2.00pm to 3.20pm

Attendees		
Anne Nolan	Chair, IMO	
Jason Banks	Office of Energy	
Ignatius Chin	Economic Regulation Authority	
Jenni Conroy	Synergy Energy	Proxy for Tony Perrin
Dora Guzeleva	IMO	
Peter Huxtable	Water Corporation	
Phil Kelloway	System Management	Proxy for Ken Brown
Mark Lewis	Transalta	
David Lyne	Newmont	
Peter Mattner	Western Power	Proxy for Phil Southwell. Left the meeting at 3.05pm
Wendy Ng	Verve Energy	Proxy for Andrew Everett
Stan Reid	Alinta	
Magnus Stensson	IMO	Minutes

Apologies		
Ken Brown	System Management	
Ky Cao	Perth Energy	
Andrew Everett	Verve Energy	
Tony Perrin	Synergy Energy	
Phil Southwell	Western Power	

Item	Subject	Action
1.	<p>WELCOME AND APOLOGIES/ATTENDANCE</p> <p>Noted apologies from Ken Brown, Ky Cao, Andrew Everett, Tony Perrin, and Phil Southwell.</p> <p>The Chair opened the meeting and welcomed members to the fourth meeting of the Market Advisory Committee.</p> <p>It was suggested that changes to clauses of the rules should be presented in a consistent manner in all Rule Change Notices. To ensure legal clarity, suggested deletions to the current wording in the rules should have a strike through and new additions to the wording should be <u>underlined</u>. The Rule Change Proposal templates should also be modified to direct submitters to use this approach.</p>	<p>IMO</p>
2.	<p>MINUTES OF LAST MAC MEETING</p> <p>The Minutes of MAC Meeting No. 3 held on 9 May 2007 were circulated prior to this meeting.</p> <p>Members adopted the Minutes of Meeting No. 3 as a true and correct record.</p>	
3.	<p>MARKET RULE CHANGES IN PROGRESS</p>	
	<ul style="list-style-type: none"> • INTERMITTENT GENERATOR DOWNWARD DISPATCH AMENDMENT, RC_2007_02 <p>MAC Members were invited to express their views on this proposed rule change, which was previously discussed at the MAC meeting on 28 February.</p> <p>MAC supported the change. No member expressed concerns with the rule change as proposed.</p>	
	<ul style="list-style-type: none"> • TREATMENT OF DSM IN OUTAGE PLANNING AND PASA, RC_2007_03 <p>MAC Members were invited to express their views on this proposed rule change, which was previously discussed at the MAC meeting on 28 February.</p> <p>MAC supported the change. No member expressed concerns with the rule change as proposed.</p>	

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	<ul style="list-style-type: none"> • REQUIREMENTS FOR REGISTRATION AS A MARKET PARTICIPANT, RC_2007_04 <p>MAC Members were invited to express their views on this proposed rule change, which was previously discussed at the MAC meeting on 28 February.</p> <p>MAC supported the change. No member expressed concerns with the rule change as proposed.</p>	
4.	<p>POTENTIAL MARKET RULE CHANGE PROPOSAL</p> <p>A proposal by Alinta to change how Individual Reserve Capacity Requirements (IRCRs) are calculated for a new retailer when no actual meter data is available for the previous hot season, had been circulated for consideration by MAC. MAC was also requested to consider whether it is appropriate to Fast Track this proposal.</p> <p>MAC was in general agreement that the concerns raised by Alinta needed to be addressed.</p> <p>It was suggested that the Contract Maximum Demand should be removed as the basis for determining IRCRs for non-temperature dependant loads.</p> <p>The proposal raised some concern about the potential gaming opportunities for retailers that the proposed approach could open. The concern related to the lack of clarity as to whether the relevant IRCR will continue to be recalculated each month until interval meter data is available for a hot season. The general view was that, to avoid gaming opportunities, new meter IRCRs should continue to be recalculated until proper data becomes available.</p> <p>It was also suggested that Alinta provide a timeline, making it easier to understand the sequence of events, from the month the IRCR is first determined through to when the IRCR is re-estimated using actual data from the previous hot season.</p> <p>The IMO advised that changes to the market systems would most likely be complex and take time to develop and implement.</p> <p>The opportunity to further consider and analyse this proposal was suggested by MAC members.</p> <p>MAC was also reluctant at this stage to support Fast Tracking the proposal.</p> <p>MAC members wanting to discuss the proposal, or provide comments or alternative options, were requested to contact Alinta before Thursday 21 June. Alinta will then take into consideration comments provided and rework their proposal before discussing with the IMO how to proceed further.</p>	<p>Alinta</p>

Item	Subject	Action
5.	OTHER ISSUES The Chair advised that as of 12 June, only the IMO telephones to Operators and Bill Truscott are being recorded. All previously recorded non-Operations call records have been erased.	
6.	NEXT MEETING The next meeting is scheduled for Wednesday 11 July.	
7.	CLOSED The Chair declared the meeting closed at 3.20pm	