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## Wholesale Electricity Market Pre Market Rule Change Discussion Paper

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### Submitted by

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<b>Date submitted:</b>	12/03/2008
<b>Urgency:</b>	Medium
<b>Change Proposal title:</b>	<b>Information from Network Operators</b>
<b>Market Rule(s) affected:</b>	4.11.5 and 10.2.2

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### Introduction

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

This Change Proposal can be posted, faxed or emailed to:

**Independent Market Operator**

Attn: Dora Guzeleva, Manager Market Administration  
PO Box 7096  
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4339

Email: [marketadmin@imowa.com.au](mailto:marketadmin@imowa.com.au)

The Independent Market Operator will assess the proposal and, within 5 Business Days of receiving this Rule Change Proposal form, will notify you whether the Rule Change Proposal will be further progressed.

In order for the proposal to be progressed, all fields below must be completed and the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the wholesale electricity 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.

## Details of the proposed Market Rule Change

### 1. Describe the concern with the existing Market Rules that is to be addressed by the proposed Market Rule change:

The IMO, when deciding how to assign Certified Reserve Capacity, relies on information provided to it by the Market Participants who apply for that Certified Reserve Capacity.

In order to make its decision-making processes more robust, the IMO considers that it should be able to seek more comprehensive information from Network Operators in relation to applications for Certified Reserve Capacity. Specifically, the IMO needs to:

- Confirm that all information provided to it is complete, accurate and up to date; and
- Be provided with any other information, that may be in the possession of Network Operators, that may be relevant to the application for Certified Reserve Capacity.

The IMO recognises, however, that the information provided by the Network Operator may be confidential and commercially sensitive. It proposes that any information provided to it in this way should be protected from further disclosure by creating a new class of confidentiality status that would apply to the information received from Network Operators in connection with applications for Certified Reserve Capacity. All such information would be confidential to the relevant Market Participant, the Network Operator that provided the information to the IMO.

### 2. Explain the reason for the degree of urgency:

The IMO submits that the above rule changes proceed under the normal rule change process.

### 3. Provide any proposed specific changes to particular Rules: (for clarity, please use the current wording of the Rules and place a ~~strikethrough~~ where words are deleted and underline words added)

4.11.5. In assigning Certified Reserve Capacity to a Facility, the IMO may:

- (a) seek information from Network Operators to confirm the accuracy of that the data and information provided to it by or on behalf of an applicant for Certified Reserve Capacity is complete, accurate and up to date; and

(b) request that a Network Operator provide the IMO with any other information held by the Network Operator that the IMO or the Network Operator reasonably considers is relevant to the application, but,

and Network Operators must cooperate with such requests by providing the information requested within the timeframe specified by the IMO in the request. other than the name of the Facility, must not provide information to Network Operators that was provided to it as part of an application for Certified Reserve Capacity except with the permission of the applicant.

10.2.2. The classes of confidentiality are:

(a) .....

.....

(e) .....; and

(f) .....; and

(g) Rule Participant Network Restricted, in which case the relevant information or documents may only be made available to:

i. a specific Rule Participant;

ii. the relevant Network Operator;

iii. the IMO;

iv. the Energy Review Board;

v. the Economic Regulation Authority; and

vi. any other Regulatory or Government Agencies in accord with applicable laws.

#### **4. Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:**

The IMO considers that the proposed Rule Change would better address objective (a) of the Market Objectives. The proposed changes would promote reliable production and supply of electricity and electricity related services in the South West Interconnected System (SWIS). The rule change would increase the robustness of the processes followed by the IMO when making decisions in relation to the allocation of Certified Reserve Capacity. This would contribute to the reliability of the Reserve Capacity Mechanism and the supply of electricity in the SWIS.

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**5. Provide any identifiable costs and benefits of the change:**

Costs:

- No changes to the IMO market systems are required as a result of the proposal.
- No other costs are anticipated to arise due to the proposed changes.

Benefits:

- The changes would assist the IMO to make better decisions in relation to the allocation of Certified Reserve Capacity.
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