



Agenda Item 5c: Progress against Market Rules Evolution Plan

Below is a summary of the status of the market development reviews currently either underway or scheduled to be underway as part of the Market Rules Evolution Plan (Plan).

The IMO will be undertaking a thorough review of the Plan with the intention of presenting this to the April MAC meeting along with a resource allocation against each review planned. Part of this review will be assessing what issues are long term road map issues and what issues are evolution plan issues.

Any changes from what was presented to the December MAC meeting are in red for ease of reference.

Review	Timeline	Status update
Supplementary Capacity Provisions	July – Dec 08	<p>Well underway.</p> <ul style="list-style-type: none"> Three rule changes (27, 28 and 34) Rule change 27 commenced 1 January 2009, 28 commenced 1 February 2009 and 34 has been extended as per the notice of extension published on the IMO website as a result of a large number of issues raised in the first round of submissions. MMA has been engaged to provide assistance with the assessment of submissions and preparation of the draft report. The SRC Working Group resolved that additional changes may need to be implemented to the funding of Supplementary Capacity Contracts to further address the objectives of the market rules. <p>This additional work has not yet been scheduled by the IMO.</p>
Ancillary Service Standards and requirements study	July 08 – June 09	<p>Initiated.</p> <p>Key dates are:</p> <ul style="list-style-type: none"> SKM appointed 19 January to undertake study; Study underway, at information gathering stage now; The timelines have been extended for this project. Public consultation on initial draft report: by 31 March 17 April 2009, this may include a public workshop to present the draft report, to be confirmed; Public consultation on second draft report: by 19 May 9

Review	Timeline	Status update
		<p>June;</p> <ul style="list-style-type: none"> Publish final report: by 19 June 17 July; and Initiate preparation of any rule changes (set up MAC working group if necessary): by 22 June 20 April.
Intermittent Load Provisions	July – Dec 08	<p>Not started.</p> <ul style="list-style-type: none"> This work has not yet been re-scheduled by the IMO.
Prudential Requirements and Default Provisions	July 08 – June 09	<p>Initiated.</p> <ul style="list-style-type: none"> Internal review of the issues surrounding prudential requirements and default provisions Additional work on issue identification still required. A concept paper covering the issues identified and potential solutions will be presented at the April or May 2009 MAC meeting. The IMO proposes that the timeframe for completion of this review be extended by three months to September 2009.
Long term market roadmap	July – June 09	<ul style="list-style-type: none"> IMO canvassed views regarding who should lead the development of this. Strong indication from stakeholders that this is not within the IMO's ambit. IMO currently working with Office of Energy and ERA to establish the appropriate body to lead this and a way forward.
Reserve Capacity application timeframes	Jan – Dec 09	<p>Initiated early.</p> <ul style="list-style-type: none"> Initial concept paper presented at the December MAC meeting. Updated concept papers presented at the February MAC meeting. Rule changes on the March MAC meeting agenda.
Investigate interim steps to improve the Balancing	Jan 09 – Jun 10	<p>Not started.</p> <ul style="list-style-type: none"> On hold until overall review of Plan complete. Including as assessment as to whether this is a roadmap issue or an evolution plan issue.
Examine the impact of policy developments in regard to emissions trading, greenhouse gas abatements, and renewable energy targets on the Market Rules and the Market in general.	Jan – Dec 09	<p>Not started.</p> <ul style="list-style-type: none"> On hold until overall review of Plan complete.