
Agenda item 5(a) vii

Wholesale Electricity Market Pre Rule Change Proposal Discussion Paper

Submitted by

Name:	Alistair Butcher
Phone:	9427 5787
Fax:	9427 4228
Email:	Alistair.butcher@westernpower.com.au
Organisation:	System Management
Address:	
Date submitted:	23 February 2009
Urgency:	Normal rule change process
Change Proposal title:	Timing flexibility for transfer of information from System Management
Market Rule(s) affected:	Clauses 7.2.3C and 7.3.6

Introduction

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

Independent Market Operator

Attn: Troy Forward, Manager System Capacity and Market Administration

PO Box 7096

Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

Email: marketadmin@imowa.com.au

The discussion paper should 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) Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

The Market Rules provide the IMO will the authority to extend certain timeframes attaching to the provision of data in certain situations. The Market Rules provide that once the timeframes are extended, the IMO has complied with the Market Rules.

There are also Market Rules which extend the time-frames for certain information provided by System Management. However, the rules do not always provide that, where these timeframes are extended, System Management has complied with the Market Rules. For example, clause 7.13.1B allows the IMO to extend the timeframe attaching to the provision of certain data by System Management, while clauses 7.2.3C and 7.3.6 merely imply, but do not specify, the extension of the time-frames of clauses 7.2.3B and 7.3.4.

This results in a situation that System Management has complied with an implied extension, but is not complying with the requirements of the Market Rules. This proposal aims to remedy this.

2) Explain the reason for the degree of urgency:

System Management 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)

- 7.2.3C. If the IMO does not receive information described in clause 7.2.3B by the required time, it must arrange for System Management to provide the information by alternative means prior to 7:50 AM in the case of the information described in clause 7.2.3B (a) and 8:50 AM in the case of the information described in clause 7.2.3B (b) and extend the time-frames in clauses 7.2.3B (a) and 7.2.3B (b) accordingly.
- 7.3.6. If the IMO does not receive the information described in clause 7.3.4 by the required time, it must arrange for System Management to provide the information by alternative means prior to 9:00 AM and extend the time-frames in clause 7.3.4 accordingly.

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

This proposed Rule Changes are in accordance with the Market Objectives and provide for a more transparent and consistent approach to the compliance of System Management.

5) Provide any identifiable costs and benefits of the change:

Benefits:

- Increased transparency and consistency.
- Increased certainty for System Management.

Costs:

- None.
-