



Rule Change Notice

Title: Information from Network Operators

Ref: RC_2008_14

Standard Rule Change Process

Date: 13 June 2008

CONTENTS

1. THE RULE CHANGE PROPOSAL	2
1.1. The Submission	2
1.2. Details of the Proposal	2
1.3. The Proposal and the Wholesale Market Objectives	2
2. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER	4
3. CALL FOR SUBMISSIONS	5
4. PROPOSED AMENDING RULES	6
5. ABOUT RULE CHANGE PROPOSALS	7

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1. THE RULE CHANGE PROPOSAL

1.1. The Submission

On 10 June 2008 the IMO submitted a Rule Change Proposal regarding changes to clauses 4.11.5 and 10.2.2 to the Wholesale Electricity Market Rules (Market Rules).

This Rule Change Notice is published according to Market Rule 2.5.7, which requires the IMO to publish a notice within 7 Business Days of receiving a Rule Change Proposal.

1.1.1. Submission details

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Date submitted:	10/06/2008
Urgency:	Low
Change Proposal title:	Information from Network Operators

1.2. Details of the Proposal

The IMO submits that when deciding how to assign Certified Reserve Capacity, it 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 therefore proposes that any information provided to it in this way should be protected from further disclosure by creating a new class of confidentiality status, 'Rule Participant Network Restricted', which will apply to the information received from Network Operators in connection with applications for Certified Reserve Capacity. This information will be confidential to the relevant Rule Participant, the Network Operator that provided the information and to the IMO.

1.3. The Proposal and the Wholesale Market Objectives

The IMO submits that the Rule Change Proposal will promote reliable production and supply of electricity and electricity related services in the South West Interconnected

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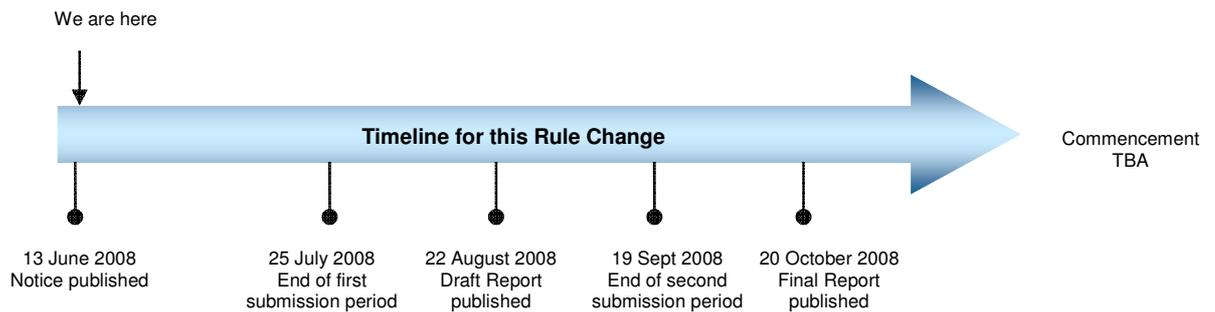
System (SWIS). The rule change will increase the robustness of the processes followed by the IMO when making decisions in relation to the allocation of Certified Reserve Capacity. This will contribute to the reliability of the Reserve Capacity Mechanism and the supply of electricity in the SWIS.

2. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER

The IMO has decided to proceed with this proposal on the basis that the IMO's preliminary assessment indicated that the proposal is consistent with the Wholesale Market Objectives.

The IMO has decided to process this Rule Change Proposal using the Standard Rule Change Process, described in section 2.7 of the Market Rules.

The projected timelines for processing this proposal are:



3. CALL FOR SUBMISSIONS

The IMO is seeking submissions regarding this proposal. The submission period is six weeks from the publication date of this notice. Submissions must be delivered to the IMO by close of business on **Friday 25 July 2008**.

The IMO prefers to receive submissions by email to **marketadmin@imowa.com.au** using the submission form available on the IMO website:
http://www.imowa.com.au/10_5_1_MarketRulesChangeSummary.html

Submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator
Attn: Manager Market Administration
PO Box 7096
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

4. PROPOSED AMENDING RULES

The IMO proposes the following new clauses to the Market Rules (~~deleted words~~, added words):

Clause 4.11.5

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.

Clause 10.2.2

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.

5. ABOUT RULE CHANGE PROPOSALS

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

The IMO will assess the proposal and, within 5 Business Days of receiving the proposal form, will notify the proponent whether the proposal will be progressed further.

In order for the proposal to be progressed the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the Wholesale Market Objectives. The market objectives 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.

A Rule Change Proposal can be processed using a Standard Rule Change Process or a Fast Track Rule Change Process. The standard process involves a combined 10 weeks public submission period, while the fast track process involves the IMO consulting with Rule Participants who either advise the IMO that they wish to be consulted or the IMO considers have an interest in the change.