

ELECTRICITY INDUSTRY ACT 2004
ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY - MARKET)
REGULATIONS 2004
Wholesale Electricity Market Rules

IMO AMENDING RULES RC_2008_20 MADE ON 24 November 2008

These Amending Rules commence at 08.00am on 1 October 2009

The following clauses are amended (~~deleted wording~~, new wording):

- 4.26.1 If a Market Participant holding Capacity Credits associated with a generation system fails to comply with its Reserve Capacity Obligations applicable to any given Trading Interval then the Market Participant must pay a refund to the IMO calculated in accordance with the following provisions.
- ...
- 4.26.1C. If a Market Participant holding Capacity Credits associated with a Curtable Load fails to comply with its Reserve Capacity Obligations applicable to any given Trading Interval then the Market Participant must pay a refund to the IMO calculated in accordance with the provisions of this clause 4.26.
- 4.26.2. The IMO must determine the net STEM shortfall ("**Net STEM Shortfall**") in Reserve Capacity supplied by each Market Participant p holding Capacity Credits associated with a generation system in each Trading Interval t of Trading Day d and Trading Month m as:
- ...
- 4.26.2D. The IMO must determine the capacity shortfall ("**Capacity Shortfall**") in Reserve Capacity supplied by each Market Participant p holding Capacity Credits associated with a Curtable Load in each Trading Interval t of Trading Day d and Trading Month m relative to its Reserve Capacity Obligation Quantity as:
- (a) for capacity certified in accordance with clause 4.10.1(f)(i)(1), the greater of
- i. zero; and
- ii. the required decrease, in MW, as a result of System Management's Dispatch Instruction minus the load reduction, where the load reduction is equal to the Relevant Demand set in clause 4.26.2C minus twice the absolute value Metered Schedule for the Trading Interval, and

(b) for capacity certified in accordance with clause 4.10.1(f)(i)(2), the greater of

i. zero; and

ii. twice the absolute value of the Metered Schedule minus the Stipulated Default Load.

4.26.2E. For each Market Participant holding Capacity Credits, the IMO must determine the amount of the refund (“Capacity Cost Refund”) to be applied for Trading Month m in respect of a Capacity Shortfall as determined under clauses 4.26.2 or 4.26.2D during that Trading Month.

4.26.3 For each Market Participant holding Capacity Credits, the IMO must determine the amount of the refund (“**Capacity Cost Refund**”) associated with a generation system to be applied for Trading Month m. The Capacity Cost Refund is the lesser of:

(a) the Maximum Participant Refund determined in accordance with the Refund Table, less all Capacity Cost Refunds applicable to the Market Participant in previous Trading Months falling in the same Capacity Year as Trading Month m; and

(b) the Participant Forced Outage Refund plus the sum over all Trading Intervals t in Trading Month m of the Net STEM Refund, where the Net STEM Refund is the product of:

i. the Off-Peak Trading Interval Rate or Peak Trading Interval Rate determined in accordance with the Refund Table applicable to Trading Interval t; and

ii. the Net STEM Shortfall in Trading Interval t.

4.26.3A. The Capacity Cost Refund associated with a Curtailable Load is equal to the lesser of:

(a) twelve times the Monthly Reserve Capacity Price multiplied by the number of Capacity Credits associated with the Facility, less all Capacity Cost Refunds applicable to the Market Participant in previous Trading Months falling in the same Capacity Year as Trading Month m; and

(b) the sum over all Trading Intervals t in Trading Month m of:

$12 * \text{Monthly Reserve Capacity Price} * S / (2 * H)$

Where:

S is the Capacity Shortfall in MW determined in accordance with clause 4.26.2D in any Trading Interval; and

H is the maximum number of hours that the Facility was certified to be available in accordance with clause 4.10.1(f)(ii).