

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

**IMO AMENDING RULES RC\_2008\_24 MADE ON 22 DECEMBER 2008**  
**These Amending Rules commence at 08.00am on 1 February 2009**

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

- 4.26.1. If a Market Participant holding Capacity Credits 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.

**REFUND TABLE**

| <b>Dates</b>  | <b>1 April to<br/>1 October</b>   | <b>1 October to<br/>1 December</b> | <b>1 December<br/>to<br/>1<br/>February</b> | <b>1 February<br/>to 1 April</b> |
|---|---|------------------------------------|---|----------------------------------|
| Business Days Off-Peak Trading Interval Rate (\$ per MW shortfall per Trading Interval)     | 0.25 x Y  | 0.25 x Y                           | 0.5 x Y                                     | 0.75 x Y                         |
| Business Days Peak Trading Interval Rate (\$ per MW shortfall per Trading Interval)         | 1.5 x Y   | 1.5 x Y                            | 4 x Y                                       | 6 x Y                            |
| Non-Business Days Off-Peak Trading Interval Rate (\$ per MW shortfall per Trading Interval) | 0.25 x Y  | 0.25 x Y                           | 0.5 x Y                                     | 0.75 x Y                         |
| Non-Business Days Peak Trading Interval Rate (\$ per MW shortfall per Trading Interval)     | 0.75 x Y  | 0.75 x Y                           | 1.5 x Y                                     | 2 x Y                            |
| Maximum Participant Refund  | The total value of the Capacity Credit payments paid or to be paid under these Market Rules to the relevant Market Participant for the 12 Trading Months commencing at the start of the Trading Day of the previous 1 October assuming the IMO acquires all of the Capacity Credits held by the Market Participant and the cost of each Capacity Credit so acquired is determined in accordance with clause 4.28.2(b), (c) and (d) (as applicable). |                                    |   |                                  |

Where:

For an Intermittent Facility that has been commissioned: Y equals 0

For all other facilities, including Intermittent Facilities that have not been commissioned: Y equals the greater of the Reserve Capacity Price and 85% of the Maximum Reserve Capacity Price for the relevant Reserve Capacity Auction, expressed as a \$ per MW per Trading Interval figure. This is determined by dividing the Monthly Reserve Capacity Price by the number of Trading Intervals in the relevant month.

For the purposes of this clause, an Intermittent Facility will be deemed to be commissioned when the IMO determines that the facility is fully operational. In this case the IMO must apply the principle that the Facility is fully operating in accordance with the basis on which the Facility applied for, and was granted, Certified Reserve Capacity, in accordance with clause 4.10 and 4.11 respectively and was subsequently assigned Capacity Credits in accordance with clause 4.14.

4.26.1A. The IMO must calculate the Forced Outage refund for each Facility (“**Facility Forced Outage Refund**”) as the lesser of:

(a) the sum over all Trading Intervals t in Trading Month m of 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 Forced Outage Shortfall in Trading Interval t,

where the Forced Outage Shortfall for a Facility is equal to:

- i. the forced outage in that Trading Interval measured in MW; ~~and~~  
or
- ii. the number of Capacity Credits associated with an Intermittent Facility in which are deemed to not have been commissioned for the purposes of clause 4.26.1; and