
Wholesale Electricity Market Rule Change Proposal Submission Form

**RC_2009_28 Market Advisory Committee Constitution and
Operating Practices**

Submitted by

Name:	Corey Dykstra
Phone:	9486 3749
Fax:	9221 9128
Email:	corey.dykstra@alinta.net.au
Organisation:	Alinta Sales Pty Ltd
Address:	12-14 The Esplanade PERTH WA 6000
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Submission

- Please provide your views on the proposal, including any objections or suggested revisions.**

Background

During its annual review of the composition of the Market Advisory Committee (MAC) for the 2009 calendar year, the Independent Market Operator (IMO) identified a number of areas of the Wholesale Electricity Market Rules (Market Rules) and MAC Constitution that it considered would benefit from amendment.

In particular, the IMO noted that while there is a requirement to annually review the composition of the MAC, neither the Market Rules nor the MAC Constitution contain a defined process or formal criteria for undertaking such a review. While the IMO has internal procedures for the review, these are not necessarily transparent to interested stakeholders and so the IMO's decisions with respect to appointments to the MAC may also lack transparency.

Rule Change Proposal

RC_2009_28 would result in various amendments to aspects of Market Rules 2.3, 2.7 and 2.10.

Alinta's views

Alinta supported the intent of the amendments to the Market Rules proposed by RC_2009_28, but suggested a number of further amendments to the Market Rules.

Alinta notes that the IMO's draft Rule Change Report proposes to amend RC_2009_28 to change a number of the proposed amendments to the Market Rules and to make a number of further amendments.

Alinta supports the proposed changes to the Market Rules as set out in Section 7 of its draft Rule Change Report.

However, the IMO may wish to consider whether the proposed amended Market Rules 2.7.7(d) and 2.10.13(d) achieve the outcome that is sought, or whether these rules should be further amended.

Specifically, it appears that as currently worded, Market Rules 2.7.7 (d) and 2.10.13(d) may result in a draft Rule Change Report or a Procedure Change Report that contains **either**:

- a summary of the views expressed by the members of the Market Advisory Committee where the Market Advisory Committee met to consider the Rule Change Proposal or the Procedure Change Proposal; **or**
- a summary of the views expressed by the Working Group where the Market Advisory Committee has delegated its role to consider the Rule Change Proposal or Procedure Change Proposal to a Working Group.

However, it appears reasonable to expect that there may be instances where the Market Advisory Committee has delegated the consideration of a Rule Change Proposal or a Procedure Change Proposal to a Working Group, but has also discussed the Proposal at a meeting.

In such circumstances, it would be desirable to include **both** a summary of the views expressed by the members of the Market Advisory Committee **and** by the Working Group.

2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives.

Market Rule 2.4.2 states that the IMO must not make Amending Rules unless it is satisfied that the Market Rules, as proposed to be amended or replaced, are consistent with the Wholesale Market Objectives. The Wholesale Market Objectives are as follows.

- (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.
- (e) To encourage the taking of measures to manage the amount of electricity used and when it is used.

Alinta considers that the IMO can be satisfied that RC_2009_28 is consistent with the Wholesale Market Objectives, and in any event is not likely to be inconsistent with the Wholesale Market Objectives.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

The changes to the Market Rules contemplated by RC_2009_28 would not require Alinta to change its IT or business systems, and hence there are no IT or business costs associated with the rule change proposal.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

The changes to the Market Rules contemplated by RC_2009_28 would not require Alinta to change its IT or business systems, and hence there is no specific period of time that would be required to implement the changes arising from the rule change proposal.