## ELECTRICITY INDUSTRY ACT 2004 ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY - MARKET) REGULATIONS 2004

Wholesale Electricity Market Rules

IMO AMENDING RULES RC\_2009\_41 MADE ON 17 December 2009 These Amending Rules commence at 08.00am on 20 January 2010

The following clauses are amended (deleted wording):

- 1.8.2. Chapter 1, Chapter 4, and Chapter 11 and Appendix 8 commence when these Market Rules are made.
- 1.9.7. [Blank] For the purposes of Regulation 4(3), Appendix 8 of these Market Rules has effect instead of the top-up and spill rules.
- 1.9.8. [Blank] Where a word or a phrase is defined in Appendix 8 that word or phrase is defined for the purposes of Appendix 8 only.
- 1.9.9. [Blank] Where in Appendix 8 there is a reference to a rule, a clause, a chapter or an appendix those references are confined to Appendix 8 only.
- 1.9.10. [Blank] Appendix 8 ceases to have effect at Energy Market
  Commencement. The settlement of any transactions allowed under
  Appendix 8 and not settled by Energy Market Commencement must be
  conducted in accordance with Appendix 8 following Energy Market
  Commencement.

## **Appendix 8: Top-up and Spill Rules** [Blank]

<Delete all of Appendix 8 as indicated below>

## **PREFACE**

The first steps towards electricity reform were based on providing open access to Western Power's electricity transmission and distribution systems so that Independent Power Producers (IPPs) could directly supply customers whose demand exceeds the contestability threshold level. One requirement placed upon IPPs was that they balance their generation output with their load demands at all times. This required investment in load following equipment that made supply to smaller customers, those with demand less than a few megawatts, uneconomic. In recognition that perfect balancing was not possible, some tolerance was permitted but any imbalance beyond relatively low levels could incur significant costs.

In November 2002, Government accepted a recommendation from the Electricity Reform
Task Force that Western Power be required to provide an improved transitional balancing

service, a Top-up and Spill service, until the reformed electricity market, including a new balancing service, is fully operational. (ERTF Recommendation 76.)

## <.... delete all text until...>

- A6.54 The *arbitrator* may increase the period of three months specified in clause A6.53 by periods of up to one month on one or more occasions provided it provides the parties (and each person who has made a written submission to the *arbitrator*) with a notice of the decision to increase the period.
- A6.55 The *arbitrator* need not before making a decision under clause A6.51(b) issue a draft decision.
- A6.56 Generation and Networks must comply with a decision of the arbitrator made under this Appendix 6 from the date specified by the arbitrator.

<Deletion of Appendix 8 complete>