

---

---

## Wholesale Electricity Market Rule Change Proposal Submission Form

### RC\_2007\_06 STEM TIMELINE FLEXIBILITY

---

---

#### Submitted by

<b>Name:</b>	Ignatius Chin
<b>Phone:</b>	9213 1916
<b>Fax:</b>	9213 1999
<b>Email:</b>	<a href="mailto:ignatius.chin@era.wa.gov.au">ignatius.chin@era.wa.gov.au</a>
<b>Organisation:</b>	<i>Economic Regulation Authority</i>
<b>Address:</b>	Level 6, 197 St Georges Terrace, Perth WA 6000
<b>Date submitted:</b>	<i>24 September 2007</i>

---

---

#### Submission

---

---

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

#### BACKGROUND

Under the current Market Rules, the timeline for the IMO to run the STEM process is rigid. This has resulted in several unnecessary market suspension events, where the IMO has not been able to perform certain steps in the STEM process on time due to the IMO's system issues.

The proposal aims to improve the STEM process where, in order to minimise the possibility of STEM suspension solely due to rigid timeline, some flexibility of STEM timelines is to be allowed in the event of IMO system issues.

#### AUTHORITY'S POSITION

The Authority considers that it is important for the operation of the IMO's IT system to minimise any disruptions to the STEM process. The Authority therefore supports the IMO having the discretion to extend the STEM timeline but that a log be maintained to record any incident where a timeline is extended. This will provide important information on the effectiveness of the Wholesale Electricity Market.

---

---

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

The Authority notes that the benefits of this rule change proposal, in meeting the Market Objectives, has been extensively discussed in the *Original Submission*, IMO's *Rule Change Notice* (dated 19 June 2007) and the IMO's *Draft Market Rule Change Report* (dated 28 August 2007).

The Authority agrees with the stated benefits.

---

---

**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.**

In assessing the effectiveness of the IMO in carrying out its functions in the WEM, the Authority will monitor the incidence of events where the STEM timeline has not been met.

---

---

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

Not applicable.

---

---