



CONSULTATION

Determination of Allowable Revenue and Forecast Capital Expenditure for the Independent Market Operator and System Management

ISSUES PAPER

The Economic Regulation Authority (**Authority**) has received proposals for Allowable Revenue and Forecast Capital Expenditure from the Independent Market Operator (**IMO**) and System Management under the *Wholesale Electricity Market Rules* (**Market Rules**).

The proposals cover the period from 1 July 2013 to 30 June 2016 (third Review Period). They were submitted to the Authority on 30 November 2012, pursuant to clauses 2.22.3(a) and 2.23.3(a) of the Market Rules. The proposals are available on the Authority's [website](#).

The Market Rules require the IMO and System Management to seek the Authority's approval of their Allowable Revenue and Forecast Capital Expenditure by 30 November of the year prior to the start of the Review Period for each of the services they are required to provide under the Market Rules.

The Market Rules also require the Authority, in determining Allowable Revenue and Forecast Capital Expenditure for the IMO and System Management, to undertake a public consultation process, which must include publishing an Issues Paper and issuing an invitation for public submissions.

The Authority is inviting public submissions on relevant matters raised on the proposals submitted by the IMO and System Management and has prepared an Issues Paper to assist interested parties wishing to make submissions. The Issues Paper outlines the scope of the Authority's role and matters that it will take into account when assessing the proposals against the specific criteria in the Market Rules. The Issues Paper is available on the Authority's [website](#).

Interested parties are invited to make submissions on the Determination of the IMO's and System Management's Allowable Revenue by **4:00 pm (WST) on Friday, 8 February 2013**.

Submissions should be marked to the attention of Wana Yang, Assistant Director Markets.

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Office address: Level 4, Albert Facey House, 469 Wellington Street, PERTH WA 6000
Email address: publicsubmissions@erawa.com.au

CONFIDENTIALITY

In general, all submissions from interested parties will be treated as being in the public domain and placed on the Authority's website. Where an interested party wishes to make a submission in confidence, it should clearly indicate the parts of the submission for which

confidentiality is claimed, and specify in reasonable detail the basis for the claim. Any claim of confidentiality will be considered in accordance with the provisions of section 55 of the *Economic Regulation Authority Act 2003*.

The publication of a submission on the Authority's website shall not be taken as indicating that the Authority has knowledge either actual or constructive of the contents of a particular submission and, in particular, whether the submission in whole or part contains information of a confidential nature and no duty of confidence will arise for the Authority.

For further information contact:

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CHAIRMAN

20 December 2012