Wholesale Electricity Market Rule Change Proposal

Rule Change ID: RC 2008 03

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Submitted by

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Organisation:	System Management
Address:	
Date submitted:	7 January 2008
Urgency:	Normal rule change process
Change Proposal title:	Provision of information for ST and MT PASA
Market Rule(s) affected:	Clauses 3.16.4 and 3.17.5

Introduction

This Market Rule Change Proposal can be posted, faxed or emailed to:

Independent Market Operator

Attn: Dora Guzeleva, Manager Market Administration

PO Box 7096

Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

Email: marketadmin@imowa.com.au

The discussion paper should explain how it will enable the Market Rules to better contribute to the achievement of the wholesale electricity market objectives. The objectives of the market are:

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

Details of the proposed Market Rule Change

1) Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

Clauses 3.16.4 and 3.17.5 detail information that must be provided to System Management by Participants for the purposes of Medium Term and Short Term PASA, respectively.

Most Participants do not provide this data, and, in any case, System Management relies on other information to complete the PASA process. For example, the data detailed in MR 3.17.5 concerns the availability of equipment; information which is already held by System Management as part of the Outage Planning process. As these clauses have associated Civil Penalties, it is not in the interest of Participants to be non-compliant with these clauses.

System Management seeks to modify this clause, as it imposes an obligation on Participants that is currently unnecessary for the successful operation of the PASA process. However, at some point in the future, the provision of this information may be required, and therefore the clause must be retained. System Management proposes to add the words "unless otherwise directed by System Management..." to provide discretion for Participants. System Management intends to direct that the information for clauses 3.17.5 and 3.16.4 is not required until further notice.

2) Explain the reason for the degree of urgency:

System Management submits that the above rule changes proceed under the normal rule change process.

3) Provide any proposed specific changes to particular Rules (for clarity, please use the current wording of the Rules and place a strikethrough where words are deleted and underline words added)

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- 3.17.5. <u>Unless otherwise directed by System Management</u>, Rule Participants must submit information to System Management before 10 AM every Thursday, consisting of:
 - (a) ...
- 3.16.4. <u>Unless otherwise directed by System Management.</u> Rule Participants must provide the following data to System Management in respect of each week in the Medium Term Planning horizon described in clause 3.16.2 by the time specified in the Power System Operation Procedure:
 - (a) ...

4) Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:

This proposed Rule Changes would better address objective (a) of the Market Objectives. The changes as submitted would promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system.

The rule change would increase the certainty of the application of the rules, and aid economically efficient outcomes through the removal of obligations that are currently unnecessary for the operation of the PASA process.

5) Provide any identifiable costs and benefits of the change:

Benefits:

- The changes would remove obligations that are currently unnecessary for the operation of the PASA process.
- The changes would remove doubt for Participants regarding their compliance with these clauses.

Costs:

- No costs are anticipated to arise due to the changes.
- No changes to WEMS are required.
- No changes to Participant processes are required.

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