



Independent Market Operator

**Final Rule Change Report
Title: Consequential Outage Correction**

RC_2012_04

Standard Rule Change Process

Date: 30 August 2012

CONTENTS

1.	RULE CHANGE PROCESS AND TIMETABLE	4
2.	PROPOSED AMENDMENTS.....	4
2.1	The Rule Change Proposal.....	4
2.2	The IMO's Initial Assessment of the Proposal	4
3.	CONSULTATION.....	4
3.1	The Market Advisory Committee	4
3.2	Submissions received during the first submission period	5
3.3	The IMO's response to submissions received during the first submission period	6
3.4	Submissions received during the second submission period	6
3.5	The IMO's response to submissions received during the second submission period.....	7
3.6	Public Forums and Workshops	7
4.	THE IMO'S DRAFT ASSESSMENT	7
5.	THE IMO'S PROPOSED DECISION	7
6.	THE IMO'S ASSESSMENT	8
6.1	Wholesale Market Objectives.....	8
6.2	Practicality and Cost of Implementation.....	8
7.	THE IMO'S DECISION	9
7.1	Reasons for the IMO's Decision	9
8.	AMENDING RULES	9
8.1	Commencement	9
8.2	Amending Rules	9
3.2.1.	Forced Outages and Consequential Outages	10
APPENDIX 1:	THE IMO'S RESPONSE TO SUBMISSIONS RECEIVED IN THE SECOND SUBMISSION PERIOD	11
APPENDIX 2:	FURTHER AMENDMENTS TO THE PROPOSED AMENDING RULES.....	18

Independent Market Operator

Level 3, Governor Stirling Tower
197 St George's Terrace, Perth WA 6000
PO Box 7096, Cloisters Square, Perth WA 6850
Tel. (08) 9254 4300
Email: imo@imowa.com.au
Website: www.imowa.com.au

EXECUTIVE SUMMARY

Proposed Amendments

Tesla Corporation proposed to amend the current definition of a Consequential Outage to be either the result of a Forced Outage to another Rule Participant's equipment or the result of a Planned Outage to a Network Operator's equipment. This will ensure that when a Market Generator does not have adequate time or received sufficient information about a Network Operator's Planned Outage to apply to System Management for a Planned Outage, it will not experience a Forced Outage and be exposed to capacity refunds through no fault of its own.

Consultation

- A Pre Rule Change Discussion Paper was discussed by the Market Advisory Committee (MAC) at its 18 April 2012 meeting.
- Tesla formally submitted the Rule Change Proposal on 24 April 2012
- The first submission period was between 26 April 2012 and 7 June 2012. Five submissions were received during the first submission period. Alinta, Landfill Gas & Power, Perth Energy and Verve Energy all supported the proposal. System Management supported the intent of the proposal but raised some concerns in relation to the impacts of the proposal on system security.
- The second submission period was held between 6 July 2012 and 2 August 2012. Two submissions were received from Verve Energy and System Management. Verve Energy supported the proposal, albeit identifying a number of minor issues for the IMO's consideration. System Management continued to support the intent of the proposal but noted some residual issues to address directly with the IMO.

Assessment against Wholesale Market Objectives

The IMO has found that the proposed amendments better Wholesale Market Objective (a) and are consistent with the remaining Wholesale Market Objectives.

Practicality and Cost of Implementation

No implementation costs have been identified by the IMO, System Management or any other Rule Participant. The IMO has not identified any issues with the practicality of implementing the proposed changes.

The IMO's Decision

The IMO's decision is to accept the Rule Change Proposal as modified following the first and second submission period.

Next steps

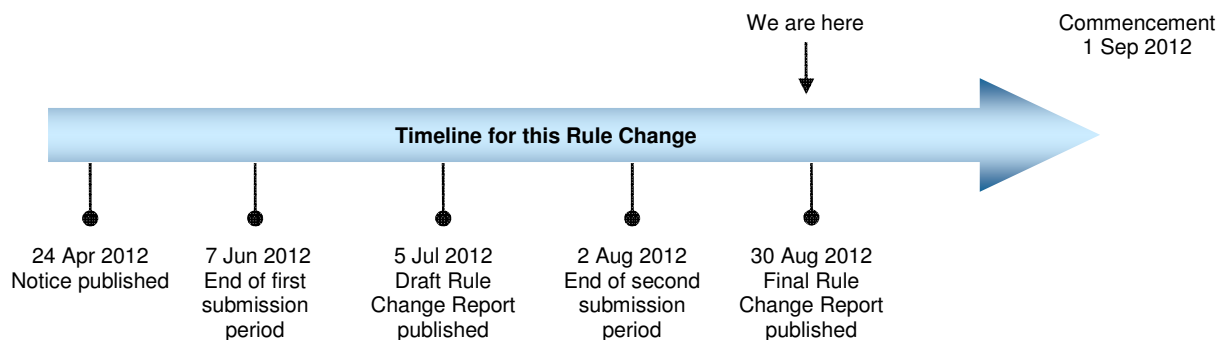
The Amending Rules resulting from RC_2012_04 are proposed to commence at **8:00 AM on 1 September 2012.**

1. RULE CHANGE PROCESS AND TIMETABLE

On 24 April 2012 Tesla Corporation submitted a Rule Change Proposal regarding amendments to clause 3.21.2 of the Wholesale Electricity Market Rules (Market Rules).

This proposal is being processed using the Standard Rule Change Process, described in section 2.7 of the Market Rules.

The key dates in processing this Rule Change Proposal are:



2. PROPOSED AMENDMENTS

2.1 The Rule Change Proposal

Tesla proposed to correct the current definition of a Consequential Outage, which does not contemplate a situation when advanced notice of a Planned Outage for a piece of network equipment is not provided to a Market Generator. In this circumstance the relevant Market Generator would not have had adequate time or have received sufficient information to apply to System Management for a Planned Outage or Opportunistic Maintenance. The Market Generator would subsequently experience a Forced Outage and be exposed to capacity refunds during the relevant Trading Intervals through no fault of its own.

To address this circumstance, Tesla proposed to amend the definition of a Consequential Outage to be either the result of a Forced Outage to another Rule Participant's equipment or the result of a Planned Outage to a Network Operator's equipment.

For full details of the Rule Change Proposal please refer to the IMO Web Site: www.imowa.com.au/RC_2012_04

2.2 The IMO's Initial Assessment of the Proposal

The IMO decided to proceed with the proposal on the basis that Rule Participants should be given an opportunity to provide submissions on the proposed amendments as part of the rule change process.

3. CONSULTATION

3.1 The Market Advisory Committee

The Market Advisory Committee (MAC) discussed the proposal at its 18 April 2012 meeting. During the meeting Dr Steve Gould presented the discussion paper at the request of Tesla, as Mr Ben Tan was unable to attend the meeting. An overview of the key points raised during the discussion by the MAC is illustrated below:

- Mr Phil Kelloway queried what the original intention of making an impacted Facility subject to a Forced Outage in these circumstances was. The Chair responded that the original Market Rules would have been drafted based on the assumption that sufficient notice of the Planned Outage of the Network Operator would have been provided to the Market Generator to allow them to apply for a Planned Outage (and therefore avoid capacity refunds).
- Mr Stephen MacLean noted his support for the proposed changes and queried the coordination of distribution outages that are impacting on the grid (i.e. during a hot day) and Market Generators who are applying for a Planned Outage but System Management considers that they are required to stay in service. Mr Kelloway responded that System Management will reach a joint agreement between the Network Operator (whether a transmission or distribution outage) and the Market Generator to find a mutually suitable time for the outage to occur. If there is a dispute over this then System Management will make a determination.
- Mr Peter Huxtable queried whether the proposed changes entirely remove the obligation on the Market Generator to inform System Management that its Facility will be on outage (i.e. apply for a Planned Outage). Ms Fiona Edmonds responded that an impacted Market Generator who was intending to undertake a Planned Outage in the future would still be able to apply to System Management to have this outage at the earlier time that coincides with the network outage. Ms Edmonds confirmed that the proposed changes would create a potential incentive for Market Generators to not inform System Management of outages in these circumstances as they will automatically turn into Consequential Outages.
- Mr MacLean queried whether an approach of System Management automatically issuing a Planned Outage to a Market Generator in these circumstances would be appropriate as it would resolve communication issues and ensure a coordination of the outages. Ms Edmonds responded that she had discussed this option with Mr Tan and he had expressed concern that this approach would result in a higher level of Planned Outages being recorded for the Facility, despite the fact that a number of these outages were actually outside the control of the Facility. Mr MacLean clarified his suggestion that System Management should provide the Market Generator with a notification that the transmission or distribution line will be on a Planned Outage. Mr Kelloway confirmed that currently Western Power was required to provide this notification, but noted that Mr MacLean's suggestion that System Management would automatically generate an application for the impacted Facility would result in potentially less coordination of outages.
- Ms Wana Yang suggested that prior to approval of a Network Outage, System Management should consider whether notification to the impacted generator had been provided.

Overall the MAC agreed that, subject to System Management looking into the approval process for network outages further, the proposed changes should be progressed via the Standard Rule Change Process as the proposed amendments did not seek to amend a manifest error.

Further details are available in the MAC meeting minutes available on the Market Web Site: <http://www.imowa.com.au/MAC>

3.2 Submissions received during the first submission period

The first submission period for this Rule Change Proposal was between 26 April 2012 and 7 June 2012. Submissions were received from Alinta Energy, Landfill Gas & Power (LGP), Perth Energy, System Management and Verve Energy.

Alinta Energy, LGP, Perth Energy and Verve Energy supported the Rule Change Proposal on the grounds that a Market Participant should not be exposed to capacity refunds where its Facility is unavailable as the result of a Planned Outage of Network equipment, as such an event is outside of the Market

Participant’s control. Alinta Energy specifically supported the concept being applied to instances where it is not possible to coordinate Planned Outages for both Facilities. Verve Energy suggested a number of minor additional amendments to the definition of a Consequential Outage and related rules.

System Management supported the intent of the Rule Change Proposal in that it sought to remove the potential for Market Participants to be exposed to capacity refunds for situations beyond their control. However, System Management raised some concerns relating to risks that the proposed amendments would introduce in relation to system planning and coordination of network and generator outages, which it considered could threaten system security.

The assessment by submitting parties as to whether the proposal would better achieve the Wholesale Market Objectives is summarised below:

Submitter	Wholesale Market Objective Assessment
Alinta	None provided.
LGP	Better achieves Wholesale Market Objectives (a) and (d) and consistent with other Wholesale Market Objectives.
Perth Energy	Better achieves Wholesale Market Objectives (b) and (d); no detrimental impact on the other Wholesale Market Objectives identified.
Verve Energy	Better achieves Wholesale Market Objectives (a) and (d).
System Management	If the issues that it has raised in its submission are addressed then the proposed changes will better facilitate the Wholesale Market Objectives. .

A copy of all submissions (in full) received during the first submission period is available on the Market Web Site: http://www.imowa.com.au/RC_2012_04

3.3 The IMO’s response to submissions received during the first submission period

The IMO’s response to submissions received during the first submission period is detailed in Appendix 1 of the Draft Rule Change Report available on the Market Web Site: http://www.imowa.com.au/RC_2012_04

3.4 Submissions received during the second submission period

Following publication of the Draft Rule Change Report on the IMO Web Page, the second submission period was between 6 July 2012 and 2 August 2012.

Verve Energy supported the Rule Change Proposal as amended in the Draft Rule Change Report. Verve Energy suggested a number of minor amendments to the proposed Amending Rules. In particular, Verve Energy questioned whether:

- the current requirement for System Management to include on the Equipment List any equipment that System Management considers is required to be subject to outage scheduling to maintain Power System Security and Power System Reliability may be too narrow; and

- the obligation for a Network Operator to provide sufficient notice to any impacted Market Generators prior to requesting a Planned Outage should be excluded from the requirements for provision of information in the case of Opportunistic Maintenance.

System Management raised some concerns that the proposed amendments are too broadly drafted; in particular it is not clear if it is intended to apply to partial capacity constraints within a transmission network as a result of a planned transmission outage. System Management also noted that following discussions with the IMO around the continued requirement for the Network Operator to negotiate with an impacted Market Participant with respect to an outage, consideration may be given to embedding a requirement for the parties to negotiate as part of this rule change.

The assessment by submitting parties as to whether the proposal would better achieve the Wholesale Market Objectives is summarised below:

Submitter	Wholesale Market Objective Assessment
Verve Energy	Better achieves Wholesale Market Objectives (a) and (d).
System Management	If the issues that it has raised in its submission are addressed then the proposed changes will better facilitate the Wholesale Market Objectives.

A copy of all submissions (in full) received during the second submission period is available on the Market Web Site: http://www.imowa.com.au/RC_2012_04

3.5 The IMO’s response to submissions received during the second submission period

The IMO’s response to submissions received in the second submission period is detailed in Appendix-1.

3.6 Public Forums and Workshops

No public forums or workshops were held in relation to this Rule Change Proposal.

4. THE IMO’S DRAFT ASSESSMENT

The IMO’s draft assessment, against clauses 2.4.2 and 2.4.3 of the Market Rules, and analysis of the Rule Change Proposal can be viewed in the Draft Rule Change Report (available on the Market Web Site).

5. THE IMO’S PROPOSED DECISION

The IMO’s proposed decision was to accept the Rule Change Proposal.

The IMO made its proposed decision on the basis that the Amending Rules:

- Better achieve Wholesale Market Objective (a) and are consistent with the remaining Wholesale Market Objectives;
- do not involve any IT system or process changes to implement;
- have the general support of the MAC; and
- have the support of the majority of the submissions received during the first submission period.

6. THE IMO'S ASSESSMENT

In preparing its Final Rule Change Report, the IMO must assess the Rule Change Proposal in light of clauses 2.4.2 and 2.4.3 of the Market Rules.

Clause 2.4.2 outlines 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”*. Additionally, clause 2.4.3 states, when deciding whether to make Amending Rules, the IMO must regard the following:

- any applicable policy direction from the Minister regarding the development of the market;
- the practicality and cost of implementing the proposal;
- the views expressed in submissions and by the MAC; and
- any technical studies that the IMO considers necessary to assist in assessing the Rule Change Proposal.

The IMO notes that there has not been any applicable policy direction from the Minister in relation to this Rule Change nor has it commissioned a technical review in respect of this Rule Change Proposal. A summary of the views expressed in submissions and by the MAC is available in section 3 of this Final Rule Change Report.

The IMO's detailed assessment of the proposed Amending Rules (as updated following the first and second submission period) is outlined in the following sub-sections.

6.1 Wholesale Market Objectives

The IMO considers that the Market Rules as a whole, (if amended as presented in section 8), will not only be consistent with the Wholesale Market Objectives but will also allow the Market Rules to better achieve Wholesale Market Objective (a).

The proposed amendments will promote economically efficient outcomes by addressing the situation where a Market Generator is penalised by the actions of another Rule Participant (the Network Operator in this case). By allowing a Facility impacted by a network outage to either undertake a Planned Outage (if required) or a Consequential Outage (if planned maintenance is not required or sufficient notice of the network outage was not provided) the IMO considers that the status of Facilities will be appropriately reflected in outage records, whilst appropriately not requiring the Facility to be subject to capacity refunds in these instances.

The IMO considers that the proposed amendments are consistent with the other Wholesale Market Objectives.

6.2 Practicality and Cost of Implementation

Cost:

The IMO considers that the proposed amendments have no implementation costs associated with them. The proposed amendments do not require any changes to the IMO's or System Management's IT systems. There are also no identified costs for Rule Participants.

Practicality:

The proposed changes will result in amendments to the criteria for determining Consequential Outages applied by System Management. The IMO does not consider that this change will have any significant operational impacts on System Management. This is supported by System Management's submission that the proposed amendments should require only minimal system changes and have only minimal resourcing implications.

7. THE IMO'S DECISION

The IMO's decision is to accept the Rule Change Proposal as following the first and second submission periods (as presented in section 8.2).

7.1 Reasons for the IMO's Decision

The IMO has made its decision on the basis that the Amending Rules as presented in Section 8:

- better achieve Wholesale Market Objective (a) and are consistent with the remaining Wholesale Market Objectives;
- do not involve any IT system or process changes to implement;
- have the general support of the MAC; and
- have the support of the majority of the submissions received during the first and second submission periods.

Additional detail outlining the analysis behind the IMO's decision is outlined in section 6 of this Final Rule Change Report.

8. AMENDING RULES

8.1 Commencement

The amendments to the Market Rules resulting from this Rule Change Proposal are proposed to commence at **8.00 am on 1 September 2012**.

8.2 Amending Rules

The IMO has decided to implement the following Amending Rules (added text, ~~deleted text~~):

3.18.6. The information submitted in an Outage Plan must include:

- (a) identity of the Facility or item of equipment that will be unavailable;
- (b) the quantity of any de-rating where, if the Facility is a generating system, this quantity is in accordance with clause 3.21.5;
- (c) the reason for the outage;
- (d) the proposed start and end times of the outage;
- (e) an assessment of risks that might extend the outage;
- (f) details of the time it would take the Facility or item of equipment to return to service, if required; ~~and~~

- (g) contingency plans for the early return to service of the Facility or item of equipment (“**Outage Contingency Plans**”); and
- (h) if the Outage Plan is submitted by a Network Operator, a confirmation that the Network Operator has used best endeavours to inform any Market Generator with a Scheduled Generator or Non-Scheduled Generator impacted by the unavailability of the relevant item of equipment of the proposed outage.

3.21. Forced Outages and Consequential Outages

3.21.1. A Forced Outage is any outage of either a Facility or item of equipment on the list described in clause 3.18.2 or a Facility or generation system to which clause 3.18.2A relates that has not received System Management’s approval, including:

- (a) outages or de-ratings for which no approval was received from System Management, excluding Consequential Outages;
- (b) any part of a Planned Outage that exceeds its approved duration; and
- (c) where the Market Participant or Network Operator does not follow a direction from System Management under clause 3.20.1 to return the equipment to service within the time specified in the appropriate contingency plan.

3.21.2. A Consequential Outage is an outage of either a Facility or item of equipment on the list described in clause 3.18.2 or a Facility or generation system to which clause 3.18.2A relates for which no approval was received ~~by~~ from System Management, but which System Management determines:

- (a) was caused by a Forced Outage to another Rule Participant’s equipment and would not have occurred if the other Rule Participant’s equipment did not suffer a Forced Outage; or and
- (b) was caused by a Planned Outage to a Network Operator’s equipment and would not have occurred if the Network Operator’s equipment did not undertake the Planned Outage,
- ~~(b) would not have occurred if the other Rule Participant’s equipment did not suffer a Forced Outage,~~

but excludes any outage deemed not to be a Consequential Outage in accordance with clause 3.21.10.

APPENDIX 1: THE IMO’S RESPONSE TO SUBMISSIONS RECEIVED IN THE SECOND SUBMISSION PERIOD

	Submitter	Issue	Comment/Change requested	IMO Response
1	Verve Energy	Whether the wording of clause 3.18.2(c)(iv) potentially limits the criteria of what equipment can be included on the equipment list subject to a scheduled outage.	Verve Energy questions whether sub clause 3.18.2(c)(iv) is sufficient to meet the IMO’s intention, or whether the reference to “maintain Power System Security and Power System Reliability” makes this criteria too narrow. For example, there may be a piece of distribution network equipment which, if on an outage, may impact on generation capacity, however does not affect System Management’s ability to maintain power system security and power system reliability.	<p>The IMO considers that all equipment that may impact on a Market Generator’s ability to generate could potentially be important for maintaining Power System Security and Power System Reliability. The equipment list should include all pieces of equipment that could restrict the availability of capacity on the SWIS. The IMO considers that that the example provided by Verve Energy would have a very different impact with respect to system security and reliability if the network outage occurred during a peak Trading Interval when capacity was tight. That is all generation assets are likely to be vital to maintaining Power System Security and Power System Reliability at various times.</p> <p>In exercising its discretion under clause 3.18.2(c)(iv), System Management will need to ensure that that all equipment that could potentially impact system security and reliability during an extreme event be included on the equipment list and therefore subject to the outage planning process. At this time the IMO does not consider clause 3.18.2(c)(iv) to be too narrow in its application. If in the future System Management encounters issues with respect to its ability to include relevant equipment that impacts on generation assets on the equipment list, the IMO will consider a clarification to this clause.</p>

	Submitter	Issue	Comment/Change requested	IMO Response
2	Verve Energy	Questions whether new clause 3.18.6(h) should be excluded from what a Network Operator is required to provide when requesting Opportunistic Maintenance under clause 3.19.2 of the Market Rules.		<p>The IMO agrees with Verve Energy that it would be difficult for a Network Operator to confirm having notified a Market Generator when providing an Outage Plan for Opportunistic Maintenance. This is due to the tight timeframes associated with Opportunistic Maintenance requests. The IMO notes that it has discussed this issue further with System Management who has confirmed the following points:</p> <ul style="list-style-type: none"> • Network Operators rarely undertake Opportunistic Maintenance, but rather are actively encouraged by System Management to undertake Planned Outages; and • There would likely be insufficient time for the Network Operator to have informed an impacted Market Generator prior to applying for Opportunistic Maintenance. <p>System Management also raised the point that the Network Operator will not always know the Market Generators impacted by an outage of a piece of equipment and therefore may be unable to strictly comply with this requirement. System Management noted that in some circumstances it is the party that identifies that a Network Outage will impact on a specific Market Generator.</p> <p>Given these considerations the IMO considers it appropriate to amend clause 3.18.6(h) to require</p>

	Submitter	Issue	Comment/Change requested	IMO Response
				<p>a confirmation that the Network Operator has used its best endeavours to provide a notification to any impacted Market Generators. This will mean that where it was not aware that the outage would impact on a Market Generator or if insufficient time was available to provide the notification it would not be in technical breach of clause 3.18.6(h). The IMO has updated the Amending Rules in Appendix 2 to reflect this change.</p> <p>With respect to the potential inability of a Network Operator to inform a Market Generator of Opportunistic Maintenance, the IMO notes that System Management's existing criteria for determining whether to allow that outage to take place (given the impact on the generator) will still apply. Additionally, System Management has confirmed that as part of the normal network outage assessment process, System Management will seek to identify possible dispatch constraints and engage the affected parties to commence the process of negotiation. This step will be undertaken by System Management regardless of whether the Network Operator has made contact with the Market Generator, to ensure that security impacts and the outage requirements/options are fully understood by both parties.</p>
3	System Management	Concerned that the proposed Rule Change is too broadly drafted, in particular, that it is not clear if it is		The IMO notes that it has discussed this issue of transmission network constraints as a result of a Planned Outage of the Network Operator directly

	Submitter	Issue	Comment/Change requested	IMO Response
		intended to apply for partial capacity constraints within a transmission network as a result of a planned transmission outage.		<p>with System Management. For the benefit of completeness the situation raised by System Management is described below:</p> <p><i>Where a section of the transmission network is constrained due to a Planned Outage of the network, that creates a forecast dispatch constraint, what are the requirements for impacted Market Generators to lodge either a Planned or Consequential Outage, given that they will not necessarily know the extent to which their output capability is constrained.</i></p> <p>The IMO confirms that in a situation where the Market Generator is uncertain of the impact of the constraint on its ability to generate, it will be unable to practically lodge a Planned Outage or Consequential Outage in advance, as required under clause 3.18.6(b). The IMO however notes that System Management is required to forecast the expected out of merit quantities on an ongoing basis in its Dispatch Advisories. As a result a Market Generator will in most circumstances know the quantity impact on its Facility of a transmission constraint ahead of the outage occurring and therefore be able to lodge a Planned or Consequential Outage.</p> <p>In the exceptional circumstance where a Market Participant does not know the quantity impact on its Facility as a result of a transmission constraint, it will only be able to notify System Management of an outage ex-post (and apply for a</p>

	Submitter	Issue	Comment/Change requested	IMO Response
				<p>Consequential Outage) once it knows the impact on the quantity. The notification of the Consequential Outage in this case will need to be provided as soon as practicable once the quantity impacted is identified. Full and final details of the outage must be provided to System Management within 15 calendar days following the Trading Day (clause 3.21.7). The Theoretical Energy Schedule for that Facility will then be adjusted to reflect the Consequential Outage and so the Facility will not be paid Constrained Off Compensation.</p> <p>With respect to wider market impacts of these rare circumstances where the generator does not know the extent of the impact, the IMO notes that where the impacted Facility is a base load or mid-merit generator relatively low down in the Balancing Merit Order, there may be implications for other generators with respect to balancing the shortfall in energy provided from these Facilities. Those generators which provide additional generation to meet the market shortfall may receive Constrained On Compensation. However, the IMO considers that the incidence of these circumstances should be relatively limited, noting that where de-ratings of the transmission network occur frequently it would be more appropriate for Western Power to consider entering into a NCS Contract rather than relying on these wider market processes.</p> <p>The IMO notes the wider market issue of some</p>

	Submitter	Issue	Comment/Change requested	IMO Response
				<p>Market Participants having waived their rights under the Technical Rules with respect to access arrangements (e.g. run back schemes). In the described circumstance of a partial de-rating of the transmission system the IMO notes that these Facilities will be considered to have experienced a Consequential Outage under the proposed Amending Rules. For an Intermittent Generator that applies to be certified in accordance with clause 4.11.2(b) of the Market Rules, the IMO notes that substitutions for the incidence of Consequential Outages will occur and impact on the Relevant Level determined for the Facility. The IMO considers that where a Market Generator has knowingly agreed to a sub-standard network access arrangement for a Facility it should not also then benefit from having periods when the Facility's output is restricted as a result of that arrangement substituted in the Relevant Level calculation.</p> <p>More generally, the IMO considers that it is inappropriate that the market incurs costs in circumstances where a Market Participant has waived its rights under the Technical Rules. While the IMO notes that consideration of this wider issue is out of scope of this Rule Change Proposal, the IMO will be further considering this issue over the upcoming months and progressing any resulting changes to the Market Rules to ensure these inappropriate costs are not incurred by the market.</p>

	Submitter	Issue	Comment/Change requested	IMO Response
4	System Management	Suggests that consideration be made to embed a requirement that all affected parties partake in negotiation as part of this Rule Change.		<p>Clause 3.18.5C provides System Management with an ability to require the relevant Network Operator to negotiate with impacted Market Participants at the time of developing its outage plans to minimise system impacts. Similarly, clause 3.18.13(d) requires System Management to negotiate with relevant Network Operators and impacted Market Participants where it finds that an Outage Plan is unacceptable.</p> <p>The IMO does not consider any further amendments to the drafting are necessary to clarify the requirement for Network Operators to negotiate with impacted Market Participants. The proposed amendments to clause 3.18.6 simply require the provision of a notification from the Network Operator to System Management that the Network Operator has used its best endeavours to inform any impacted Market Participants of the Planned Outage for which it is applying. The Amending Rules contained within this Final Rule Change Report do not change any of the existing obligations under clauses 3.18.5C or 3.18.13(d).</p>

APPENDIX 2: FURTHER AMENDMENTS TO THE PROPOSED AMENDING RULES

The IMO has made some amendment to the Amending Rules as proposed in the Draft Rule Change Report following the second submission period. These changes are as follows (~~deleted text~~, added text):

- 3.18.6. The information submitted in an Outage Plan must include:
- (a) identity of the Facility or item of equipment that will be unavailable;
 - (b) the quantity of any de-rating where, if the Facility is a generating system, this quantity is in accordance with clause 3.21.5;
 - (c) the reason for the outage;
 - (d) the proposed start and end times of the outage;
 - (e) an assessment of risks that might extend the outage;
 - (f) details of the time it would take the Facility or item of equipment to return to service, if required; ~~and~~
 - (g) contingency plans for the early return to service of the Facility or item of equipment ("**Outage Contingency Plans**"); and
 - (h) if the Outage Plan is submitted by a Network Operator, a confirmation that the Network Operator has used best endeavours to inform any Market Generator with a Scheduled Generator or Non-Scheduled Generator impacted by the unavailability of the relevant item of equipment ~~has been informed~~ of the proposed outage ~~by the Network Operator.~~