

Independent Market Operator

**MRCPWG**

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**Minutes**

<b>Meeting No.</b>	5
<b>Location:</b>	IMO Board Room Level 3, Governor Stirling Building, 197 St Georges Terrace, Perth
<b>Date:</b>	Wednesday 15 September 2010
<b>Time:</b>	Commencing at 3:00 to 5:00pm



Item	Subject	Action
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amendments were agreed:

- Mr Stephen MacLean questioned whether it was necessary to note that the solution around the proposed methodology for determining the deep connection costs should be not inconsistent with the market objectives as this is self evident.

Item	Subject	Action
	<ul style="list-style-type: none"><li>• AP5: The IMO is currently preparing the Procedure Change Report on the revised Market Procedure (PC_2010_04). One submission supporting the amendment had been received</li></ul>	



Item	Subject	Action
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**4 REVIEW OF MRCP COMPONENTS**

The Working Group continued to discuss the components of the MRCP. A summary of this discussion is presented below:

*Power station – type*

Item	Subject	Action
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Item	Subject	Action
	<p>factors. The Chair agreed that the factors that are used by the Consultant would be published as part of the report.</p> <p><i>Agreed Outcome: The IMO to require the Consultant to provide uplift factors for construction costs in the specified location.</i></p> <p><u>Margin M ( legal, insurance, financing, environmental approval costs)</u></p> <p>Mr Ruthven noted that the Working Group needs to consider whether the current methodology is correct. In particular, there is currently a disconnect between section 1.12 and the final equation in the Market Procedure. Mr Ruthven noted that an amendment to the Market Procedure is required to clarify the link between these two sections.</p> <p>The Chair also noted that there is a double counting of debt issuance costs and that the Consultant selected to review the WACC methodology will be requested to consider</p>	

<b>Item</b>	<b>Subject</b>	<b>Action</b>
	components included/excluded in its assessment and provide	