

ELECTRICITY INDUSTRY ACT 2004
ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY - MARKET)
REGULATIONS 2004
Wholesale Electricity Market Rules

IMO AMENDING RULES RC_2012_23 MADE ON 12 March 2014

(d) ~~the length~~

Balancing Market where no historical Balancing settlement payment data is available;

- (f) the Market Participant's historical level of Ancillary Service settlement payments under clause 9.9.1, or an estimate of the Market Participant's future level of Ancillary Service settlement payments based on its expected Ancillary Service provision where no historical Ancillary Service settlement payment data is available;
- (g) the Market Participant's historical level of Outage Compensation settlement payments under clause 9.10.1, or an estimate of the Market Participant's future level of Outage Compensation settlement payments based on its

~~meet the Acceptable Credit Criteria) or where some or all of the Credit Support has been drawn on by the IMO in accordance with these Market Rules, then that Market Participant must ensure that the IMO holds the benefit of a replacement Credit Support that is:~~

- ~~(a) _____ in the form specified in clause 2.38.4;~~
- ~~(b) _____ in an amount not less than the level required under clause 2.38.1(b); and~~
- ~~(c) _____ effective ~~within one~~ before the end of the next Business Day or within any longer period approved in writing by the IMO, after the Market Participant first becomes aware of the relevant change in circumstance (whether by reason of the Market Participant's own knowledge or a notification by the IMO).~~

2.38.4. The Credit Support for a Market Participant must be:

- (a) an obligation in writing that:
 - i. is from a ~~e~~Credit ~~s~~Support provider, who must be an entity which meets the Acceptable Credit Criteria and which itself is not a Market Participant;
 - ii. is a guarantee or bank undertaking in a form prescribed by the IMO;
 - iii. is duly executed by the ~~e~~Credit ~~s~~Support provider and delivered unconditionally to the IMO;
 - iv. constitutes valid and binding unsubordinated obligations to the ~~e~~Credit ~~s~~Support provider to pay to the IMO amounts in accordance with its terms which relate to ~~obligations of the relevant Market Participant's obligations~~ under the Market Rules; and
 - v. permits drawings or claims by the IMO up to a stated amount; or
- (b) a cash deposit ("**Security Deposit**") made with the IMO by or on behalf of the Market Participant.

2.38.7. The IMO must maintain on the Market Web Site a list of entities which:

- (a) ~~have provided the IMO is satisfied, based on evidence provided by Market Participants in the previous 12~~is satisfied, based on evidence provided by Market Participants in the previous 12 months, ~~with evidence satisfactory to the IMO that they~~ meet the Acceptable Credit Criteria outlined in clause 2.38.6; or
- (b) the IMO has determined in its absolute discretion meet the Acceptable Credit Criteria outlined in clause 2.38.6.

2.40. Outstanding Amount

2.40.1. The Outstanding Amount for a Market Participant at any time equals the total amount calculated as follows:

- (a) ~~_____~~ [Blank]
- (b) ~~_____ the total amount calculated as follows:~~

- (a) the aggregate of the amounts payable by the Market Participant to the IMO under these Market Rules, including amounts for all past periods for which no Settlement Statement has yet been issued, and whether or not the payment date has yet been reached; less
- (b) the aggregate of the amounts payable by the IMO to the Market Participant under these Market Rules, including amounts for all past periods for which no Settlement Statement has yet been issued, and whether or not the payment date has yet been reached; less
- (c) the aggregate of any amounts paid by the Market Participant to the IMO for the purpose (to be specified by the Market Participant in accordance with the Market Procedure referred to in clause 2.43.1) of reducing the Outstanding Amount and increasing the Trading Margin on each day during the period from the Trading Day on which the Outstanding Amount is calculated up to and including either the next STEM Settlement Date or the next Non-STEM Settlement Date whichever settlement date occurs first.

2.41. Trading Margin

2.41.2.

2.42.3. The amount of the Margin Call must be the amount that will increase the Market Participant's Trading Margin to zero, equal to the Market Participant's Outstanding

- (a) be in the form specified in clause 4.13.5;
- (b) be in an amount not less than the amount required under clause 4.13.2(b);
and
- (~~b~~c)

- iv. constitutes valid and binding unsubordinated obligations to the Reserve Capacity Security provider to pay to the IMO amounts in accordance with its terms which relate to ~~the obligations of the~~ relevant Market Participant's obligations under the Market Rules to pay compensation under clause 4.13.11; and
 - v. permits drawings or claims by the IMO up to a stated amount; or
- (b) if the IMO in its discretion considers it an acceptable alternative in the circumstances to the obligation under clause 4.13.5(a), a cash deposit ("**Security Deposit**") made with the IMO (on terms acceptable to the IMO in its discretion) by or on behalf of the Market Participant.

11 Glossary

Margin Call Notice: A notification by the IMO to a Market Participant that the Market Participant's Trading Margin ~~has dropped below~~ is less than zero, and requiring the payment of a Margin Call.

...

Reserve Capacity Security: The reserve capacity security to be provided for a Facility that:

(a) has the meaning given in clause 4.13.5; and

(b) is as calculated and re-calculated under clause 4.13 and clause 4.28C.