

Independent Market Operator

Independent Market Operator (IMO) is a company that is responsible for the operation of the electricity market.

The IMO is responsible for the operation of the electricity market, including the following:

• Balancing the electricity market

• Clearing the electricity market

• Settling the electricity market

• Monitoring the electricity market

• Reporting on the electricity market

• Providing information to the public

• Ensuring the security of the electricity market

• Ensuring the efficiency of the electricity market

• Ensuring the transparency of the electricity market

• Ensuring the reliability of the electricity market

• Ensuring the sustainability of the electricity market

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1. INTRODUCTION

Market Rule 2.5.1 of the Wholesale Electricity Market Amending Rules (Market Rules) provides that any person (including the Independent Market Operator) may make a Rule Change Proposal by completing a Rule Change Proposal Form and submit this to the Independent Market Operator (IMO).

The IMO will assess the proposal and, within 5 Business Days of receiving the proposal form, will notify the proponent whether the proposal will be progressed further.

In order for the proposal to be progressed the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the Wholesale Market Objectives. The 787()6.09787(T)--72(.)-4.77819()6.0979(e)12.1971(t).31968(t)62101(l)4.47815(e)1.32

2. THE RULE CHANGE PROPOSAL

2.1. *The Submission*

Verve Energy submitted, on 4 January 2008, a Rule Change Proposal regarding changes to clauses 6.14.2 and 6.14.4 in the Wholesale Electricity Market Rules.

This Rule Change Notice is published according to Market Rule 2.5.7, which requires the IMO to publish a notice within 7 Business Days of receiving a Rule Change Proposal.

2.1.1. *Submission details*

Name:	Andrew Everett
Phone:	

Verve Energy submits that the cumulative effect of any failure to accurately reflect the

3. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER

The IMO has decided to proceed with this proposal on the basis that the IMO's preliminary assessment indicated that the proposal is consistent with the Wholesale Market Objectives.

Verve Energy proposed that the change be processed using the Fast Track Process, on the basis that it satisfies the criteria in section 2.5.9(c) of the Market Rules. Verve Energy considers that the current possibility that MCAP may be widely divergent from the actual cost of providing balancing energy is de

4. CONSULTATION

Any Rule Participant wishing to be consulted regarding this Rule Change Proposal is invited to notify the IMO within 5 Business Days of this notice being published.

The IMO will be holding a workshop on this proposal. This workshop is scheduled for 23 January 2008. Rule Participants wishing to participate in the workshop must notify the IMO of their attendance before Friday 18 January 2008.

In addition, the IMO would like to receive written input on the proposal from Rule Participants, using the submission form available on the Market Rule Change summary page on the IMO website:

http://www.imowa.com.au/10_5_1_MarketRulesChangeSummary.html.

The IMO prefers to receive confirmation of workshop attendance and written submissions by email to **marketadmin@imowa.com.au**.

Submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator
Attn: Dora Guzeleva, Manager Market Administration
PO Box 7096
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

5. PROPOSED AMENDING RULES

Verve Energy proposes the following amendments to the Market Rules (~~deleted words~~, added words):

Clause 6.14.2

6.14.2. The value of MCAP for a Trading Interval is calculated as follows:

- (a) If the STEM Auction was suspended for the Trading Interval under clause

