



# **Draft Rule Change Report**

## **Title: Information from Network Operators**

Ref: RC\_2008\_14

Standard Rule Change Process

Date: 22 August 2008

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## 1. INTRODUCTION

## 2. THE RULE CHANGE PROPOSAL

### 2.1. *Submission Details*

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<b>Urgency:</b>	Medium
<b>Change Proposal title:</b>	Information from Network Operators

### 2.2. *Details of the Proposal*

The IMO, when deciding how to assign Certified Reserve Capacity, relies on information provided to it by the Market Participants who apply for that Certified Reserve Capacity.

In order to make its decision-making processes more robust, the IMO considers that it should be able to seek more comprehensive information from Network Operators in relation to applications for Certified Reserve Capacity. Specifically, the IMO needs to:

- Confirm that all information provided to it is complete, accurate and up to date; and
- Be provided with any other information that is in the possession of Network Operators which may be relevant to the application for Certified Reserve Capacity.

The IMO recognises, however, that the information provided by the Network Operator may be confidential and commercially sensitive. It proposes that any information



## **2.5. *The IMO's Initial Assessment of the Proposal***

The IMO has decided to proceed with the proposal on the basis of its preliminary assessment, which indicated that the proposal was consistent with the Wholesale Market Objectives. This preliminary assessment was published in a Rule Change Notice on 13 June 2008.

### 3. SUBMISSIONS

Participant Network Restricted' confidentiality class. In this way, the IMO can provide relevant information to System Management where necessary to assist in the exercise of System Management's reserve capacity functions.

System Management asserted that it is occasionally necessary for the IMO to consult with System Management regarding applications for Certified Reserve Capacity. The rule change as presently drafted would prohibit such consultation where the consultation involves the dissemination of information received from the Network Operator.

System Management was of the opinion that if the proposed rule change is amended to incorporate its suggested revisions, the proposal will bring about more efficient and effective Market processes which adhere to the Market objectives.

### **3.5. *Submission from Western Power***



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The IMO notes that Western Power has been consulted extensively on this rule change proposal and invited to comment several times. While Western Power's submission was received late the IMO has considered it as outlined below.

### **3.6. *Public Forums and Workshops***

an applicant for Certified Reserve Capacity is complete, accurate and up to date; and

(b) request that a Network Operator provide the IMO within a reasonable timeframe with any other information held by the Network Operator that the Network Operator reasonably considers is relevant to the application; but,

and Network Operators must use its best endeavours to cooperate with such requests and provide the information requested within the timeframe specified by the IMO in the request. other than the name of the Facility, must not provide information to Network Operators that was provided to it as part of an application for Certified Reserve Capacity except with the permission of the applicant.

**Clause 10.2.2**

10.2.2. The classes of confidentiality are:

(a) .....

.....

(e) .....; and

(f) .....; and

(g) Rule Participant Network Restricted, in which case the relevant information

## **4. THE IMO'S ASSESSMENT AND DECISION**

### **4.1. Assessment**

#### *4.1.1. Submissions*

All parties responding to the IMO's invitation for submissions expressed support for the Rule Change Proposal albeit with requests for changes to be made to the amending rules made by Western Power and System Management as outlined in section 3.6.

**Public Domain**

As a result of the submissions received on this Rule Change proposal, the IMO has

## 5. CALL FOR SUBMISSIONS

The IMO wishes to receive submissions regarding this Draft Rule Change Report. The submission period is 20 Business Days from the publication date of this Report.



## Public Domain

- iv. the IMO;
- v. the Energy Review Board;
- vi. the Economic Regulation Authority; and
- vii. any other Regulatory or Government Agencies in accord with applicable laws.

## 7. GENERAL INFORMATION ABOUT RULE CHANGE PROPOSALS

Clause 2.5.1 of the Wholesale Electricity Market 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 submitting this to the Independent Market Operator (IMO).

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 market objectives 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 Sern109.01(t)0.26o09.1