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1. INTRODUCTION

On 4 August 2025, the Independent Market Operator (IMO) submitted a Rule Change Proposal regarding changes to clause 4.1 of the Wholesale Electricity Market Rules (Market Rules).

This Proposal is being processed using the Standard Rule Change Process described in section 4 of the Market Rules.

The standard process adheres to the following timelines outlined in section 4 of the Market Rules:

The key dates in processing this Rule Change Proposal are:

Based on the submissions received, the IMO's draft decision is to implement the Rule Change Proposal in the form outlined in section 4 of this Report.

This Draft Rule Change Report on the Rule Change Proposal has been prepared by the IMO in accordance with clause 4.1 of the Market Rules.

Interested parties are invited to provide further submissions in relation to this Draft Rule Change Report. In accordance with the Market Rules timelines, the deadline for submissions is 11 November 2025.

2. THE RULE CHANGE PROPOSAL

on

Name:

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If the Intermittent Load is not drawing on the system or draws less than $\frac{1}{2}$ of its nominated capacity requirement then the refund capacity is zero

If the Intermittent Load draws from the system more than $\frac{1}{2}$ of its nominated capacity requirement then the refund capacity is its excess draw from the system over $\frac{1}{2}$ of its nominated capacity requirement

- c The total participant refund for a Trading Month is determined from summing up the refunds determined under either a or b above for all the Intermittent Loads registered by the participant and using the same refund rates applicable to Scheduled Generators. It is then capped at no more than the maximum determined in accordance with d below
- d The monthly maximum refund for a participant is the month value of its nominated capacity requirements for its Intermittent Loads calculated at the Monthly Reserve Capacity Price less the cumulative refunds the participant has made since the start of the Capacity Year

The cap in d above mimics the maximum refund that applies to generators

However the IMO posited that in the case of an Intermittent Load there is no reserve capacity supplied into the market. The Intermittent Load is not earning a Reserve Capacity Credit payment that has to be refunded to the market when the reserve capacity is not supplied. The Intermittent Load Refund is not a refund as in the case of a generator but a payment for the use of reserve capa

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3. SUBMISSIONS

5. CALL FOR SUBMISSIONS

The IMO invites Market Participants to make submissions on this Draft Rule Change Report and proposed Rule Change. The submission period is 14 Business Days from the publication date of this Report.

Submissions must be delivered to the IMO by close of business on Friday 14 November 2008.

The IMO prefers to receive submissions by email to marketadmin@imowa.com.au using the submission form available on the IMO website http://www.imowa.com.au/html/b_rule_change_proposal.htm.

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

Independent Market Operator
Attn: Manager Market Administration
PO Box 100
Cloisters Square Perth WA 6000
Fax: (08) 9444 4444

6. PROPOSED AMENDING RULES

7. GENERAL INFORMATION ABOUT RULE CHANGE PROPOSALS

Clause 1h 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 South West interconnected system
- e to encourage the taking of measures to manage the amount of electricity used and when it is used

A Rule Change Proposal can be processed using a Standard Rule Change Process or a Fast Track Rule Change Process The standard process involves a combined 7 weeks public submission period Under the shorter fast track process the IMO consults with Rule Participants who either advise the IMO that they wish to be consulted or the IMO considers have an interest in the change