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N O T I C E

On 14 January 2009 the Independent Market Operator (IMO) submitted a Rule Change Proposal regarding changes to clause 2.8.13 of the Wholesale Electricity Market Rules (Market Rules).

This Proposal was processed using the Fast Track Rule Change Process, described in section 2.6 of the Market Rules.

The fast track process adheres to the following timelines:

The key dates in processing this Rule Change Proposal are:

Based on the IMO's assessment of the Rule Change Proposal against the Wholesale Market Objectives, the practicality and cost of implementing the proposal, the Market Advisory Committee's (MAC) recommendations, and the outcomes of the public consultation period, the IMO's final decision is to implement the Rule Change Proposal in the form outlined in section 6 of this Report.

The amendments to the Market Rules made as a result of this Rule Change Proposal will commence at 08.00am on 27 April 2009.

2.1 Submission Details

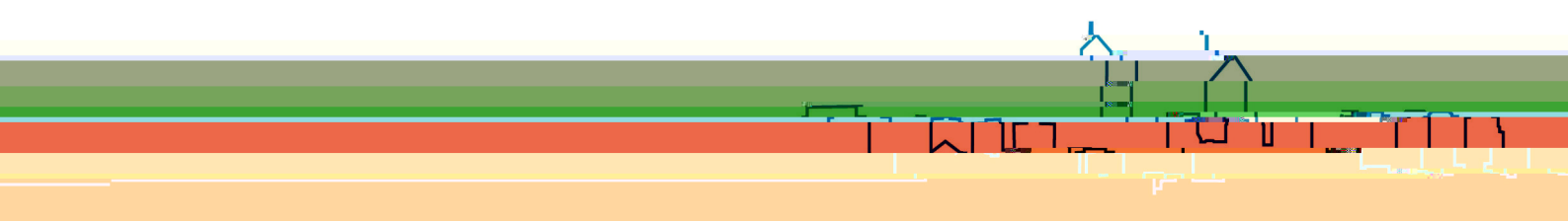
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Address	Level 3, Governor Stirling Tower, 197 St George's Terrace
Date received	14 January 2009
Priority	Low
Confidentiality	protected provision
Materiality	Clauses 2.8.13

2.2 Details of the Proposal

The IMO determined that an update to the protected provisions listed under clause 2.8.13 needed to be made to take into account the changes which resulted from the IMO's Rule Change Proposal: Reserve Capacity Security (RC_2008_30).

To improve the efficiency of the provisions regarding administering the return of Reserve Capacity Security, clauses 4.13.10 and 4.13.11 were restructured in the Amending Rules which resulted from RC_2008_30. While these two clauses are protected provisions under clause 2.8.13 of the Market Rules, the restructuring of the Amending Rules has meant that some of the content which was previously protected under these provisions is now contained in 4.13.10A, 4.13.11A, and 4.13.11B which are not protected provisions. The IMO's view is that it is appropriate that the new Amending Rules are also protected by the Ministerial approval process required under clause 2.8.13.

2.3 The Proposal and the Wholesale Market Objective



2.5 The IMO's Initial Assessment of the Proposal

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

MO A M N

In preparing this Final Rule Change Report, the IMO must assess the Rule Change Proposal in light of clauses 2.4.2 and 2.4.3 of the Market Rules. This is outlined in the following sections.

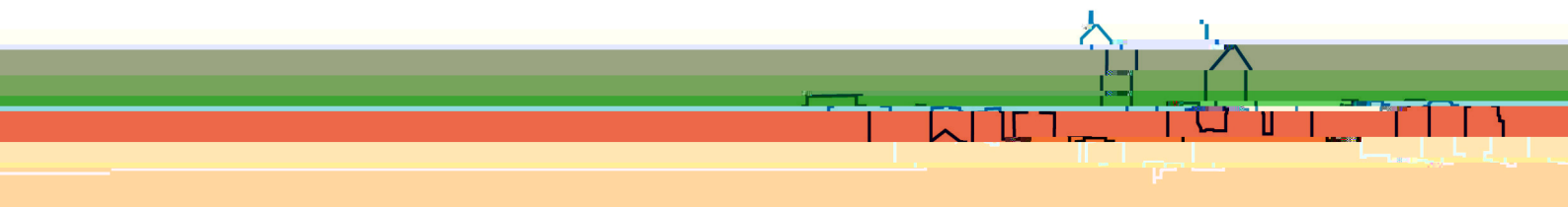
4.1 Wholesale Market Objectives

According to clause 2.4.2 of the Market Rules, the IMO must ensure that the proposed Amending Rules do not conflict with the Wholesale Market Objectives.

The IMO considers that the proposed Amending Rules will have the following impact on how the Market Rules address the Wholesale Market Objectives:

The IMO submits that the proposal is consistent with the operation of the Wholesale Market Objectives.

4.2 ~~Practical~~ ~~12.2 TL (223345736h).322336).3210(15736).3210(1.1586).3210p)4.1586).3210p)4.1~~



- (d) clauses 4.1.4 to 4.1.12, 4.1.15 to 4.1.19, 4.1.21, 4.1.22, 4.1.24, 4.1.27, 4.5.10, 4.5.11, 4.5.15 to 4.5.20, 4.13.10, 4.13.10A, 4.13.11, 4.13.11A, 4.13.11B, 4.16, 4.24.1, 4.24.2 and 4.24.12;