



ADDENDUM TO DRAFT RULE CHANGE REPORT: RC_2009_35: Energy Price Limits Methodology and Consultation Process

BACKGROUND

RC_2009_35 proposes to amend the Market Rules to:

- Replace “Profit Margin” with “Risk Margin”. This is to allow for the uncertainty faced by the IMO in setting the price limits to be accurately reflected when annually reviewing its appropriateness (clause 6.20.7);
- Clarify that the IMO will publish draft reports and seek public consultation only when undertaking the annual review required under clause 6.20.6 (clause 6.20.9); and
- Allow for a second consultation period, if required, after submissions have



The IMO considers that there is a duplication of review/adjustment processes. Therefore the IMO proposes to remove the requirement to adjust the Maximum STEM Price for CPI changes contained in clause 6.20.2. The IMO does not propose