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CALL FOR COMMENT

The IMO invites interested stakeholders to make submissions on this Draft Rule Change Report. The submission period is 20 Business Days from the publication date of this report. Submissions must be delivered to the IMO by 5.00pm, **Friday 18 May 2010**.

The IMO prefers to receive submissions by email (using the submission form available on the IMO website: <http://www.imowa.com.au/rule-changes>) to: market.development@imowa.com.au

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

Independent Market Operator
Attn: General Manager Development
PO Box 7096
Cloisters Square, PERTH, WA 6850
Fax: (08) 9254 4399

LOCAL CONSULTATION

3.1 Submission Details

Name	Mrs Ky Cao
Phone	+61 8 9420 0310
Fax	+61 8 9474 9900
Email	k.cao@perthenergy.com.au
Organization	Perth Energy
Address	77 Mill Point Road, South Perth WA 6151
Deadline	18 May 2010
Priority	High

of debate at the MAC, encouraging competition through increased participation, and

Case	Issue	Comments	Response
2.3.5	LGP	Considers that DSM providers may soon be as significant as wind generation and so should be eligible for participation on the MAC	Currently a DSM aggregator may apply to serve on the MAC as a Market Customer representative. The Maximum Reserve Capacity Price Working Group recently determined to appoint a DSM Aggregator representative. This was on the basis that a DSM Aggregators involvement would add value to the outcomes of the Working Group.
2.3.5 (a)	LGP	Should refer to "Market Generators" rather than "generators".	Perth Energy's proposed Amending Rules were based on an out of date version of the Market Rules. The IMO had amended this reference as part of the commencement of the Rule Change Proposal: Market Advisory

Category	Sub-category	Concerns	Mitigation
All	Synergy	Larger groups can be ineffective in achieving acceptable outcomes, particularly under constrained timeframes.	<p>The IMO notes that in making appointment decisions to the MAC it will ensure that the number of Market Generator representatives remains equal to the number of Market Customer representatives. The IMO will update the Appointment Guidelines document to reflect this criterion for appointments to either position.</p> <p>The IMO will be presenting options for the selection of Discretionary Members to the MAC for consideration later in 2010. This is as a result of a concerns raised by interested stakeholders.</p> <p>While a larger group may be ineffective in achieving acceptable outcomes</p>

5.3 Market Advisory Committee

The MAC met to discuss the Rule Change Proposal at the 16 June 2010 meeting. During the meeting the following points were discussed/noted.

- Some members asked what would happen next time someone did not get appointed to the MAC and requested that additional places be created. It was noted that the MAC should not just keep expanding at the request of participants.
- A larger group would not necessarily improve the quality of debate as this depended more on the individual members.
- All members needed to contribute to MAC discussion and not all members had done this in the past. It was noted that there had been a significant improvement since the appointment of the 2010 MAC.
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- whether Verve Energy and Synergy should be Compulsory Class members; and
- the IMO's ongoing role in the selection of discretionary members.

5.4 Views Expressed in Submissions

During the first submission period the IMO received two submissions. LGP supported

- 2.3.5. Subject to clause 2.3.13, the Market Advisory Committee must comprise:
- (a) at least three and not more than four members representing Market Generators, of whom one must represent the Electricity Generation Corporation;
 - (b) one member representing Contestable Customers;
 - (c) at least one and not more than two members representing Network Operators, of whom one must represent the Electricity Networks Corporation;
 - (d) at least three and not more than four members representing Market Customers, of whom one must represent the Electricity Retail Corporation;
 - (e) one member nominated by the Minister to represent small-use consumers;
 - (f) one member representing System Management;
 - (g) one member representing the IMO; and
 - (h) a chairperson, who must be a representative of the IMO.

