

**ADDENDUM TO PROCEDURE CHANGE PROPOSAL:
PC_2011_03: MARKET PROCEDURE FOR THE PRE-REGISTRATION OF DEMAND
SIDE PROGRAMMES AND THE ASSOCIATION OF CURTAILABLE LOADS, NON-
DISPATCHABLE LOADS AND INTERRUPTIBLE LOADS**

The IMO acknowledges that, because this addendum is not contained in the Procedure Change Proposal, the addendum has no formal standing. Additionally the IMO notes that the public consultation process for PC_2011_03 closed on 9 May 2011. However, as notified in the Public Notice published 27 April 2011¹, the IMO will be:

- undertaking an informal consultation process to allow interested parties to, if they consider appropriate, make submissions on the revised Market Procedure presented as Appendix 1 to this addendum; and
- reconvening the IMO Procedure Change and Development Working Group to discuss the revised Market Procedure (scheduled for Thursday 26 May 2011, 3:00-5:00pm).

Any informal submissions must be delivered to the IMO by 5.00pm on **Friday 10 June 2011**.

BACKGROUND

After a comprehensive review of the Market Rules a number of issues relevant to Curtailable Loads (CLs) were identified. To enact the outcomes of the IMO's review, proposed solutions to each of the issues were developed in conjunction with the Market Advisory Committee (MAC). For full details of the issues and the proposed solutions refer to the Rule Change Notice available from: http://www.imowa.com.au/RC_2010_29.

The IMO's proposed solution to the current issues associated with the registration of CLs (Issue 1) will amend the way that Demand Side Programmes (DSPs) and CLs are registered. To facilitate the transition to the amended registration processes, a number of transitional arrangements have been proposed by the IMO for existing CLs and DSPs prior to the proposed commencement of the Amending Rules on 1 October 2011. These include the development of a new Market Procedure for the Pre-Registration of Demand Side Programmes and association of Curtailable Loads, Non-Dispatchable Loads and Interruptible Loads.

The new Market Procedure will be an interim Market Procedure specifying the processes to be followed by the IMO, Market Customers and System Management between 1 July 2011² and 1 October 2011 for creating a new DSP Facility, pre-registering a DSP and associating any CLs, Non-Dispatchable Loads (NDLs) or

¹ A copy of the Public Notice is available on the following webpage: http://www.imowa.com.au/PC_2011_03

² Note that the dates for the transition period have been provisionally amended from those indicated in the IMO's Draft Rule Change Report (from 1 June – 1 October 2011 to 1 July – 1 October 2011). This amendment is required to allow sufficient time for an informal consultation process on the revised Market Procedure and will ensure sufficient time is provided to complete any transfer or registration activities required prior to 1 October 2011. The IMO notes that these dates are still provisional and subject to the IMO Boards decision to be presented in the Final Rule Change Report for RC_2010_29.

Interruptible Loads (ILs) with a pre-registered DSP.

ISSUES IDENTIFIED

Subsequent to the formal submission of PC_2011_03 into the Procedure Change Process, the IMO identified a number of issues with the processes outlined in the proposed Market Procedure. Further details of the issues identified are as follows:

- A DSP cannot be registered as a Registered Facility until the relevant Amending Rules resulting from RC_2010_29 commence (provisionally scheduled for 1 October 2011). Therefore a Market Participant cannot currently register a DSP in accordance with the Market Procedure for Facility Registration, De-registration and Transfer, as outlined in the proposed Market Procedure.
- The proposed Market Procedure requires amendment to support the implementation of a suitable naming convention for DSPs.

REVISED PROCEDURE

The IMO has now finished developing the proposed revised amendments to the Market Procedure to correct the identified issues. The IMO has also included a number of amendments to better assist impacted Market Customers in transitioning to the proposed new arrangements.

A basic overview of the revised pre-registration process is provided below:

- Creation of DSP Facilities
 - IMO develops a transitional plan for a DSM portfolio, including any alternative options for revising the transitional plan and Reserve Capacity Security implications.
 - Market Customer notifies the IMO of any requested changes to transitional plan (consistent with alternative options that have been identified).
 - IMO confirms transitional plan (including any revisions).
 - IMO creates required DSP Facility names in WEMS.
- Pre-Registration of DSPs (optional for Market Customer)
 - Market Customer provides completed application form, including required Standing Data.
 - IMO determines whether to approve pre-registration (in consultation with System Management).
- Association of CLs, NDLs and ILs with a pre-registered DSP (optional for Market Customer)



- Market Customer provides completed application form, including required supporting evidence.
- IMO determines whether to approve the association.

A copy of the revised Market Procedure is provided as an Appendix 1 to this addendum.

Additionally, a number of minor changes to the Amending Rules for RC_2010_29 have been identified that will better clarify this process. An overview of these changes is provided as Appendix 2 to assist interested parties in their consideration of the revised Market Procedure. Note that the IMO intends to submit these changes to the Amending Rules to the IMO Board for its decision as part of the Final Rule Change Report, due to be published on 17 June 2011.

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