

Wholesale Electricity Market – Procedure Change Proposal

Procedure Change No: PC_2008_15

Change requested by

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Procedure change title:	Market Procedure for Individual Reserve Capacity
	Requirements
Market Procedure(s)	Individual Reserve Capacity Requirement
affected:	

Introduction

The IMO or System Management, as applicable, may initiate the Procedure Change Process by developing a Procedure Change Proposal. Rule Participants may notify the IMO or System Management, as applicable, where they consider an amendment or replacement of a Market Procedure would be appropriate.

If an Amending Rule requires the IMO or System Management to develop new Market Procedures or to amend or replace existing Market Procedures, then the IMO or System Management, as applicable, is responsible for the development, amendment, or replacement of Market Procedures so as to comply with the Amending Rule.

Market Procedures:

- (a) must:
 - i. be developed, amended or replaced in accordance with the process in the Market Rules;
 - ii. be consistent with the Wholesale Market Objectives; and
 - iii. be consistent with the Market Rules, the Electricity Industry Act and Regulations; and
- (b) may be amended or replaced in accordance with clause 2.10 and must be amended or replaced in accordance with clause 2.10 where a change is required to maintain consistency with Amending Rules.



The Wholesale 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; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

Details of Procedure Change Requested

1. Provide a reason for the proposed new, amended or replacement Market Procedure:

The proposed Market Procedure for Individual Reserve Capacity Requirements outlines the process by which Market Customers and the IMO interact to facilitate the determination of the Market Customer's initial and/or Monthly Individual Reserve Capacity Requirement (IRCR).

The purposes of this proposed procedure are:

- (a) To provide the processes to be followed by Market Customers in providing information relating to their Non-Temperature Dependent Loads, new Demand Side Management arrangements, and Intermittent Loads which are required for the determination of their IRCR on an annual basis and/or on a monthly basis; and
- (b) To enable the IMO to request information from Market Customers required for the determination and publication of the Market Customer's initial and/or Monthly IRCR.

The IMO discovered a technical error in regard of the IRCR procedure sent out for public consultation on 16/10/2008. A new procedure has been developed which corrects this error. Accordingly, there is a new timetable for submissions.

2. Provide the wording of the Procedure

The new amended Market Procedure for Individual Reserve Capacity Requirements is provided as an attachment to this proposal.