



**Procedure Change Report**  
**Title: Market Procedure for  
Procurement of Network  
Control Service**

Ref: PC\_2008\_11

Date: 17 October 2008

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## DOCUMENT DETAILS

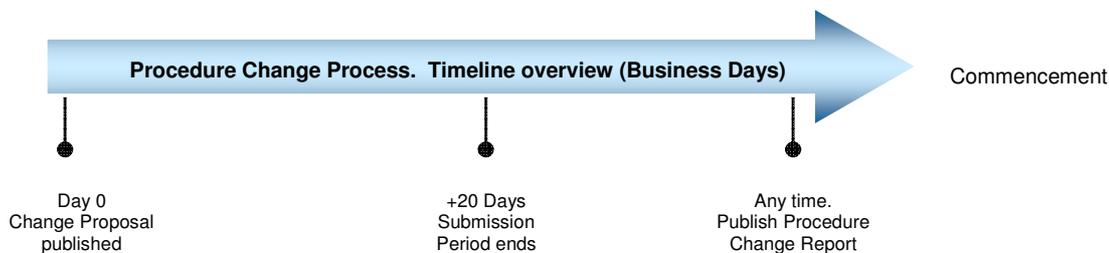
IMO Notice No.: PC\_2008\_11  
Report Title: Procedure Change Report: Market Procedure for Procurement of  
Network Control Service  
Release Status: Public  
Confidentiality Status: Public domain  
Published in accordance with Market Rule 2.10.12

## Independent Market Operator

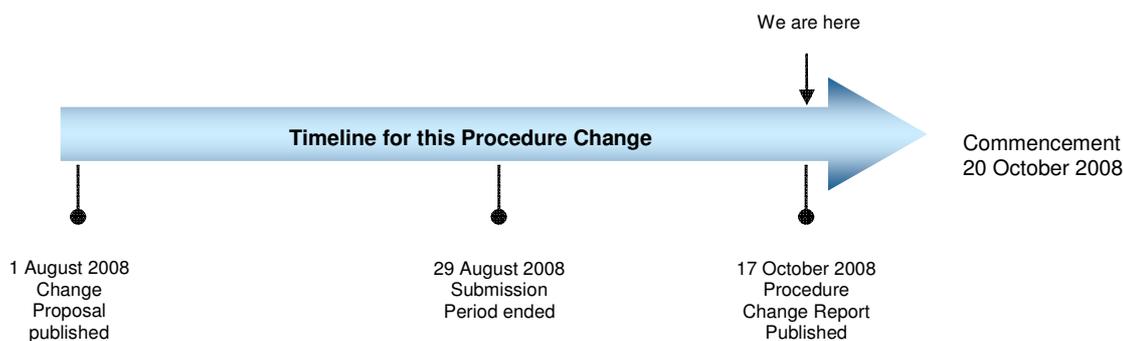
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## INTRODUCTION

On 1 August 2008, the IMO published a Procedure Change Proposal titled Amendments to the Market Procedure for Procurement of Network Control Service. The proposal has been processed according to the Procedure Change Process under section 2.10 of the Wholesale Electricity Market Rules (Market Rules). This process adheres to the following timelines:



The key dates in processing this Procedure Change Proposal are:



This Procedure Change Report is published by the IMO in accordance with clause 2.10.12 of the Market Rules

## THE PROPOSED AMENDMENTS TO THE PROCEDURE

The Procurement of Network Control Service procedure was developed before the start of the Wholesale Electricity Market in September 2006. Recent changes to the Market Rules pertaining to Network Control Service Procurement Requirements, and in particular the enablement of the Network Operator to determine the minimum period over which Network Control Services are needed, have required changes to this procedure.

The proposed amendments allow the procedure to be better aligned with the requirements of the Market Rules.

## THE WORDING OF THE PROPOSED AMENDMENTS

The wording of the amendments to the procedure, as proposed by the IMO, is available on the IMO's web site:

[http://www.imowa.com.au/Attachments/MarketProcedures/ProcedureChange\\_2008\\_11.htm](http://www.imowa.com.au/Attachments/MarketProcedures/ProcedureChange_2008_11.htm)

## SUBMISSIONS RECEIVED

The IMO did not receive any submissions during the public submission period. Consequently, the IMO has concluded that Market Participants support the proposed amendments to the Market Procedure for Procurement of Network Control Service.

## THE MARKET ADVISORY COMMITTEE

The proposed amendments to the procedure were of an administrative nature and, as requested by the Market Advisory Committee at its 14 May 2008 meeting, were submitted directly into the public consultation process and not discussed by the IMO Market Procedure Development Group.

## THE PROPOSAL AND THE WHOLESALE MARKET OBJECTIVES

The amendments will enable the procedure to be better aligned with the requirements of the Market Rules. IMO considers that the amendments to the procedure will have the following impact on the market objectives:

Impact	Wholesale Market Objectives
Allow the Market Rules to better address objective	
Consistent with objective	a, b, c, d and e
Inconsistent with objective	

## THE IMO'S DECISION

No party expressed any concerns regarding the proposed amendments to the Market Procedure for Procurement of Network Control Service. The IMO therefore finds it appropriate to adopt the amendments to the procedure as proposed in its Procedure Change Proposal.

The amended procedure is published on the IMO's website, together with this Procedure Change Report.

## COMMENCEMENT

The amendments to the procedure are of an administrative nature and will not require Rule Participants or the IMO to implement any procedural or system amendments before they can commence.

The Market Procedure for Procurement of Network Control Service will commence at 08.00am on 20 October 2008.

## GENERAL ABOUT PROCEDURES AND PROCEDURE CHANGES

Clause 2.9.3 of the Market Rules states that Market Procedures:

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

The IMO or System Management, as applicable, may initiate a 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 Amending Rules require 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 of amendments to or replacement for Market Procedures so as to comply with the Amending Rules.