



INDEPENDENT  
MARKET  
OPERATOR

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## Procedure Change Report

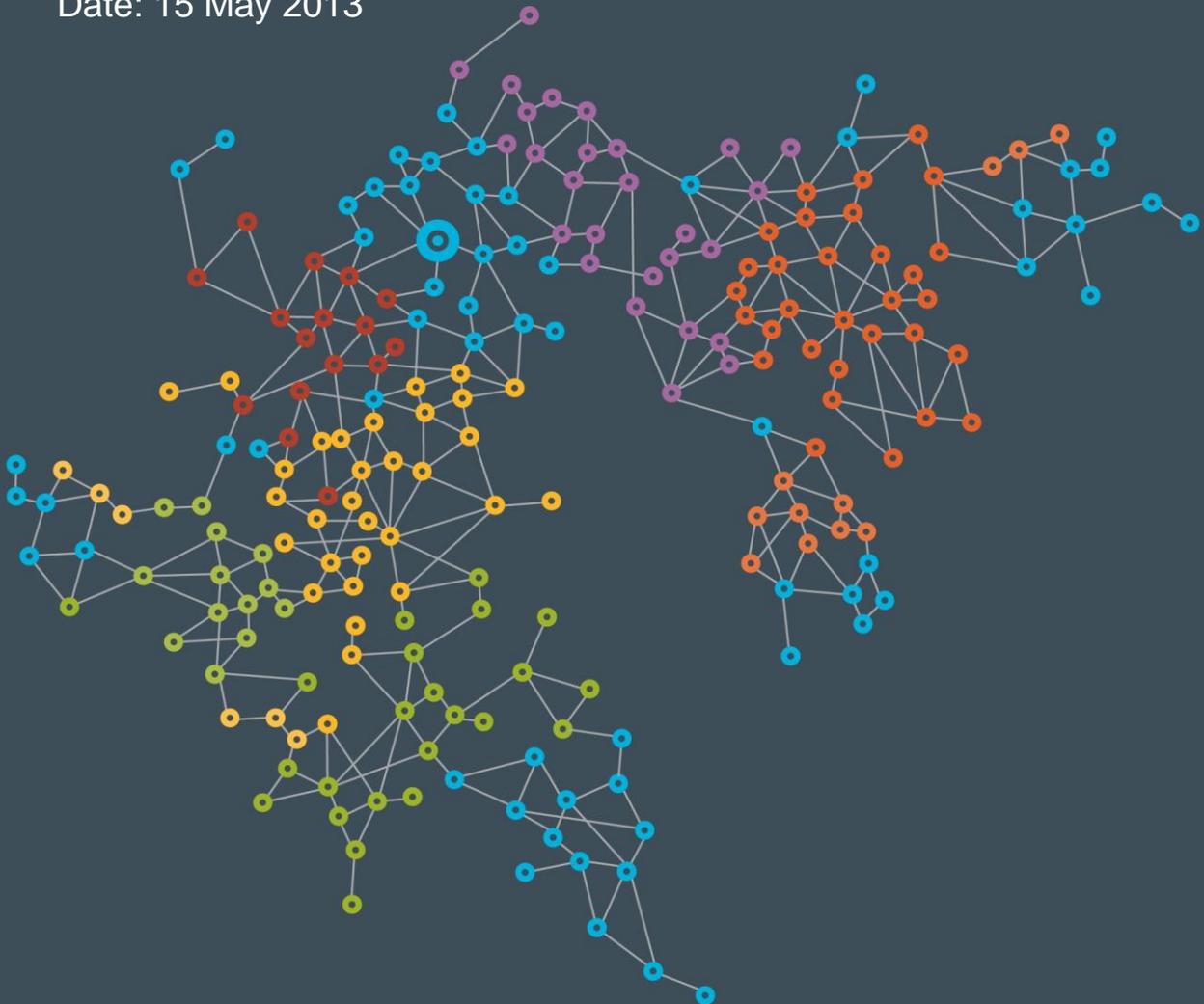
Title: Changes to Market Procedure for Determining  
Loss Factors

PC\_2012\_09

Procedure Change Process

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Date: 15 May 2013



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## Executive Summary

### ***Proposed amendments***

This Procedure Change Proposal has been developed by the IMO and Western Power in conjunction with the Rule Change Proposal: Loss Factor Determination (RC\_2012\_07). Together the two proposals seek to resolve a number of discrepancies identified between section 2.27 of the Market Rules (which outlines the requirements for the determination of Loss Factors in the Wholesale Electricity Market (WEM)), the Market Procedure for Determining Loss Factors (Procedure) and the practice which has formed over the past five years in the WEM.

The proposed amendments to the Market Rules and the Procedure are consistent with current practice in the WEM, with the exception of a refinement to the methodology used to calculate the Distribution Loss Factor for the Notional Wholesale Meter and a minor change to the analysis period used for Transmission Loss Factor calculation.

### ***Consultation***

The proposed amended Procedure and the associated Pre Rule Change Proposal were discussed by the Market Advisory Committee at its 12 September 2012 and 14 November 2012 meetings. The IMO advised MAC members at these meetings of its intention to also present the Procedure to the IMO Procedure Change and Development Working Group (IMOPWG).

At the 14 November 2012 meeting the MAC agreed for PRC\_2012\_07 to be formally submitted into the rule change process. RC\_2012\_07 was submitted on 20 November 2012 and the Final Rule Change Report was published on 15 May 2013.

The proposed amended Procedure was discussed by the IMOPWG at its 27 November 2012 meeting. In response to feedback from the Working Group, the IMO made a number of amendments to the Procedure, including enhancements to the reassessment process and the documentation requirements for Network Operators. An updated version of the Procedure was provided to IMOPWG members on 25 February 2013 for out of session comment. No comments were received from IMOPWG members on the proposed additional amendments.

The Procedure Change Proposal was formally submitted into the Procedure Change Process on 15 March 2013, and the public consultation period was held between 18 March 2013 and 16 April 2013. The IMO received one submission during the consultation period from Community Electricity, which supported the Procedure Change Proposal.

### ***The IMO's Assessment of the Proposal***

The IMO has found that the proposed amended Procedure will better achieve Wholesale Market Objective (a) and is consistent with the remaining Wholesale Market Objectives, the Market Rules (as amended by the RC\_2012\_07), Electricity Industry Act and Regulations.

### ***The IMO's Decision***

The IMO's decision is to approve the amended Market Procedure for Determining Loss Factors as proposed in the Procedure Change Proposal and amended following the public consultation process.

### ***Next steps***

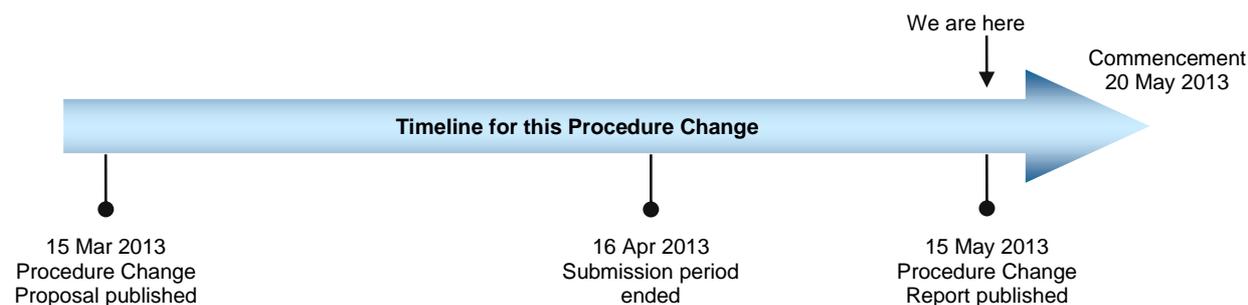
The amended Market Procedure for Determining Loss Factors will provisionally commence at **8.00 am on 20 May 2013**. Please note that the commencement of the amended Procedure is conditional on the commencement of the Amending Rules arising from RC\_2012\_07.

## 1. Procedure Change Process and Timetable

On 15 March 2013 the IMO submitted a Procedure Change Proposal titled “Changes to the Market Procedure for Determining Loss Factors” (PC\_2012\_09).

This proposal is being processed using the Procedure Change Process, described under clause 2.10 of the Market Rules.

The key dates in processing this Procedure Change Proposal are:



Please note that the commencement of the amended Market Procedure is conditional on the commencement of the Amending Rules arising from the Rule Change Proposal: Loss Factor Determination (RC\_2012\_07).

## 2. Proposed Amended Market Procedure

### 2.1. The Procedure Change Proposal

The Market Procedure for Determining Loss Factors (Procedure) documents the standards, methodologies, classification systems and procedures to be used in determining Loss Factors for connection points in the Wholesale Electricity Market (WEM).

Section 2.27 of the Market Rules outlines the requirements for the determination of Loss Factors in the WEM. The IMO has identified a number of discrepancies between section 2.27, the Procedure and the practice that has formed over the past five years in the WEM. To resolve these discrepancies, the IMO in consultation with Western Power developed the Rule Change Proposal: Loss Factor Determination (RC\_2012\_07). RC\_2012\_07 was submitted into the rule change process on 20 November 2012 and the Final Rule Change Report was published on 15 May 2013.

This Procedure Change Proposal has also been developed in consultation with Western Power. The IMO proposes to update the Procedure to:

- ensure consistency with the proposed Amending Rules for RC\_2012\_07;
- reflect the IMO’s new format for Market Procedures;
- distinguish between those parts of the Procedure applicable to all Network Operators and those applicable to Western Power specifically;
- distinguish between processes relating to the assignment of connection points to Loss Factor Classes and processes relating to the calculation of Transmission Loss Factors and

Distribution Loss Factors;

- provide greater clarity around the methodology used by Western Power to calculate Transmission Loss Factors and Distribution Loss Factors;
- remove unnecessary details relating to the determination of Loss Factor Classes for Non-Dispatchable Loads without interval meters;
- refine the methodology for calculating the Distribution Loss Factor for the Notional Wholesale Meter, to exclude consideration of interval metered connection points;
- clarify the treatment of small Entry Points;
- enhance the reassessment process, so that the IMO must provide a Market Participant seeking a reassessment of a Loss Factor with an indication of the costs of an audit and obtain the Market Participant's agreement before proceeding with the audit;
- replace the current requirements relating to the publication on the Market Web Site of "the models, procedures, processes and methodologies used to calculate Loss Factors";
- amend the analysis period used in the annual calculation of Transmission Loss Factors; and
- ensure consistency with the Amending Rules that resulted from the Rule Change Proposal: Curtailable Loads and Demand Side Programmes (RC\_2010\_29).

The drafting of the proposed amended Procedure reflects the proposed Amending Rules for RC\_2012\_07 and so the progression of this Procedure Change Proposal is dependent on the progression of that Rule Change Proposal. It should be noted that the proposed amendments to the Market Rules and the Procedure are consistent with current practice in the WEM, with the exception of the proposed refinement to the methodology used to calculate the Distribution Loss Factor for the Notional Wholesale Meter and the recently proposed change to the analysis period for calculating Transmission Loss Factors.

For full details of the Procedure Change Proposal please refer to the Market Web Site: [http://www.imowa.com.au/PC\\_2012\\_09](http://www.imowa.com.au/PC_2012_09).

### 3. Consultation

#### 3.1. Market Advisory Committee

The Pre Rule Change Proposal: Loss Factor Determination (PRC\_2012\_07) and a preliminary draft of the proposed amended Procedure were discussed by the Market Advisory Committee (MAC) at its 12 September 2012 meeting. Ms Jenny Laidlaw noted that the IMO also intended to present the Procedure to the IMO Procedure Change and Development Working Group (IMOPWG) for discussion. In response to questions from MAC members, Ms Laidlaw confirmed that:

- the proposed amendments would allow changes to a connection point's Loss Factor to be made if the Transmission or Distribution Loss Factor Class to which it is assigned changes during the year, for example due to a change in the relevant network tariff;
- Loss Factors are provided to the IMO by 1 June each year based on historical information for the year ending the previous 31 March - for example, the Loss Factors applicable from 1 July 2012 were calculated using historical information for the period from 1 April 2011 to 31 March 2012 (*note: since this meeting Western Power has advised that the analysis*

*period used for Distribution Loss Factor calculation is the previous calendar year, and has also proposed an analysis period ending in February for the calculation of Transmission Loss Factors);*

- an individual Loss Factor will be determined for a Load with peak consumption greater than 1000 kVA if it is more than 10 km from its substation, and in these cases the Market Participant is not required to pay for the determination; and
- the definition of “interval meter” from the Metering Code had been adopted.

The following points relating to the Procedure were discussed.

- Mr Stephen MacLean clarified that Synergy has to pay for all Loss Factor determinations that it requests. Ms Laidlaw confirmed that the IMO was proposing to reflect in the Market Rules the requirements currently outlined in the Procedure and noted that to calculate an individual Loss Factor for each load between 1000 kVA and 7000 kVA peak consumption would be inefficient.
- Mr Ben Tan queried whether there is a set cost of determining a Loss Factor for a connection point or whether it varies depending on the connection point. Mr Matt Veryard confirmed that it costs between \$1500 and \$2000 for Western Power to determine an individual Loss Factor.
- Ms Laidlaw noted that the IMO had not yet undertaken an impact assessment of the changes. However, the changes would result in a likely increase to the Loss Factor for the Notional Wholesale Meter which would result in a reduction in its IRCR allocation. Mr Shane Cremin considered that prior to formal submission of PRC\_2012\_07 it would be advisable to undertake the impact assessment to allow the MAC to make an informed decision on the proposed changes.

The IMO agreed to undertake a preliminary impact assessment of PRC\_2012\_07 (and in particular the proposed change to the methodology for calculating the Distribution Loss Factor for the Notional Wholesale Meter), including considering the impact of the proposed changes on the Statement of Opportunities, and present the results back to the MAC.

Following the presentation of the IMO’s preliminary impact assessment at the 14 November 2012 MAC meeting, MAC members agreed to the progression of PRC\_2012\_07 into the formal rule change process.

Further details are available in the MAC meeting minutes available on the Market Web Site: <http://www.imowa.com.au/MAC>.

In accordance with clauses 2.10.8 and 2.10.9 the IMO notified the MAC once the Procedure Change Proposal had been published and noted that it would convene a meeting of the MAC to discuss the proposal should two or more members request it. No MAC member contacted the IMO in this regard.

### **3.2. IMO Procedure Change and Development Working Group**

The MAC has delegated the role of considering IMO Procedure Change Proposals to the IMOPWG (clause 2.3.17(a)). Accordingly the proposed amended Procedure was provided to the IMOPWG for discussion at its 27 November 2012 meeting. Minutes from the meeting are available on the following webpage: <http://www.imowa.com.au/IMO-Procedures-Working-Group>.

In addition to proposing a number of minor amendments, the IMOPWG considered what obligations should be placed on Network Operators in relation to the documentation of their processes for calculating Loss Factors. The current Procedure contains a number of requirements relating to the publication on the Market Web Site of “the models, procedures, processes and methodologies used to calculate Loss Factors”. To date no information of this type has been provided to the IMO or published, and the IMOPWG members agreed that the obligation was unnecessary and excessive. Based on the recommendations made by the IMOPWG, the IMO removed these specific requirements from the Procedure and instead included the following:

- the existing obligation on Network Operators to have in place internal procedures and business processes for calculating Loss Factors (but limited to Network Operators who are actually required to provide Loss Factors to the IMO);
- the existing obligation on a Network Operator to sufficiently document its models, procedures, processes and methodologies used to calculate Loss Factors to allow for these to be reviewed should the Loss Factor calculations become subject to an IMO audit;
- provisions to allow the IMO to review the effectiveness of a Network Operator’s processes for calculating Loss Factors in meeting the Wholesale Market Objectives;
- a requirement for a Network Operator to obtain approval from the IMO before it makes a material change to its internal processes, models or software tools used to calculate Loss Factors, and to provide to the IMO any requested information or test evidence relating to the change; and
- a requirement for a Network Operator to assist the IMO, if requested, in responding to a query raised by or on behalf of a Rule Participant about the processes used by the Network Operator to calculate Loss Factors.

A complete summary of the points raised in the meeting and the changes made by the IMO in response is available in Appendix 1 of this report. An updated version of the Procedure reflecting the outcomes of the 27 November 2012 meeting was provided to IMOPWG members on 25 February 2013 for out of session comment. The revised Procedure also included the following updates:

- changes to allow the IMO to publish Transmission and Distribution Loss Factors provided by a Network Operator as they are received, rather than waiting for all Network Operators to have provided their Transmission and Distribution Loss Factors; and
- specification of different “analysis periods” for Transmission and Distribution Loss Factors, to reflect current practice and the inherent delays in obtaining historical consumption data for basic metered connection points.

No comments were received from IMOPWG members on the further amendments to the Procedure. However, following the distribution of the Procedure for out of session comment, Western Power requested a change to the analysis period used in the annual calculation of Transmission Loss Factors. Currently a 12 month period ending in March is used for the calculations. Western Power proposed that a 12 month period ending in February (i.e. one month earlier) be used, as this would allow Western Power to better align its internal processes for pricing and Loss Factor calculation and hence improve efficiency. Western Power considered that the change would have no significant effect on the modeling outcomes, as the stress of the most recent summer on the network and peak generation scenarios would still be captured. The IMO included this additional amendment in the proposed amended Procedure.

### 3.3. Public Workshop

No public workshop was held in regard to this Procedure Change Proposal.

### 3.4. Submissions received during consultation period

The public consultation period for the proposed amended Procedure was held between 18 March 2013 and 16 April 2013. The IMO received one submission during the consultation period from Community Electricity.

Community Electricity’s submission supported the Procedure Change Proposal, on the grounds that it had been co-developed by the IMO and Western Power, clarifies the process and is consistent with the Market Rules. Community Electricity made a number of minor suggestions in its submission, which are detailed below together with the IMO’s responses.

Submitter	Issue/Suggestion	Response
Community	There are several phrases to the effect of “as soon as practicable but before the information is required...” (for example 2.2.1, 2.1.2 and 2.3.1). We suggest that the requirement be shortened to “as soon as practicable” as to require otherwise is to mandate something that is impractical, and clause 2.5 (Failure to Provide Loss Factors) seems to accommodate non performance.	<p>The IMO sees no justification for removing the requirement on a Network Operator to provide information by the time it is needed for market calculations. The existence of clauses/steps that cover the IMO’s actions if a participant fails to comply with its obligations does not imply that those obligations should not exist or should not be clearly outlined in the Market Rules and Market Procedures.</p> <p>The proposed drafting makes clear that a Network Operator is required to have processes in place that allow it provide Loss Factor information by the time it is needed for market calculations. As the relevant information will often be available well before these deadlines, the inclusion of the words “as soon as practicable” indicates that the information should be provided sooner rather than later in these cases. This is because there is benefit to participants in receiving the information as early as possible (e.g. to assist in the detection and correction of errors).</p>
Community	Clause 2.4 requires a Market Participant to act expeditiously and comply with the specified timelines if it wishes to seek a reassessment. We suggest that it should be permitted to do this at anytime and should have a longer period than 2 days to decide whether it wishes to pay for an audit (2.4.9).	<p>The IMO considers that the existing 15 Business Day time limit for reassessment requests is reasonable and should be retained. 15 Business Days provides Market Participants with ample opportunity to review their relevant Loss Factor details while providing an incentive to identify errors before they have an adverse impact on settlement outcomes, in particular on outcomes that cannot be adjusted (e.g. STEM outcomes).</p> <p>The IMO however agrees that a Market Participant may need more than two</p>

Submitter	Issue/Suggestion	Response
		Business Days to decide whether it wishes the IMO to proceed with an audit under step 2.4.9, and has extended this timeframe to five Business Days.
Community	Step 4.1.3 appears to have omitted the word “connection” as in transmission connection.	Agreed. The step has been amended accordingly.
Community	In step 4.1.11 we suggest including a check that a reasonable number of data points have been omitted in step 4.1.7, and if not, mandate a remedy of the underlying cause.	The IMO considers that the data validation and cleansing processes already specified in step 4.1.11 should ensure that any discrepancies between entry and exit schedules identified in step 4.1.7 are due to underlying metering issues (rather than more easily correctable data processing issues). A meaningful analysis of the extent and impact of metering issues and how they should be addressed would be a significant undertaking, more suited to a dedicated review than a step in a Market Procedure. For this reason the IMO has not proposed any further amendment to step 4.1.11 at this time. However, to provide transparency the IMO has requested from Western Power the percentage of Trading Intervals omitted from this year’s TLF calculations under step 4.1.7, and will provide this information to participants once it is available.

Community Electricity considered the proposal to be consistent with all the Wholesale Market Objectives and raised no issues relating to the costs or practicality of implementation.

A copy of Community Electricity’s submission in full is available on the following webpage: [http://www.imowa.com.au/PC\\_2012\\_09](http://www.imowa.com.au/PC_2012_09).

## 4. The IMO’s assessment

In determining whether to accept the Procedure Change Proposal, the IMO has undertaken an assessment in light of clause 2.9.3(a) of the Market Rules. Market Procedures must be:

- developed, amended or replaced in accordance with the process in the Market Rules;
- consistent with the Wholesale Market Objectives; and
- consistent with the Market Rules, the Electricity Industry Act and Regulations.

During the public consultation phase, the IMO received one submission on the proposed amended Procedure. All suggestions have been considered by the IMO in conducting its assessment.

### 4.1. Further changes to the Market Procedure

The IMO notes that following the public consultation process it has:

- amended step 2.4.9 to extend the time limit for a Market Participant to confirm that it requires the IMO to proceed with a Loss Factor audit, from two Business Days to five Business Days; and
- amended step 4.1.3 to include the missing word “connection”.

#### **4.2. Wholesale Market Objectives**

The IMO considers that the amended Procedure will not only be consistent with the Wholesale Market Objectives but will better achieve Wholesale Market Objective (a).

The IMO considers that the proposed amendments will support a more accurate allocation of system losses, by refining the calculation of the Notional Wholesale Meter’s Distribution Loss Factor.

The amendments will also reduce unnecessary demands on Network Operators, for example by removing the requirement to determine individual Loss Factors for each small Entry Point and by replacing the current excessive requirements relating to the provision of documentation with a less onerous and more appropriately targeted requirement. The proposed amendment to the analysis period for Transmission Loss Factor calculation will allow Western Power to better align its internal processes for pricing and Loss Factor calculation, improving their overall efficiency.

As such the IMO considers that the proposed amendments promote the economically efficient production and supply of electricity in the South West interconnected system.

#### **4.3. Wholesale Market Rules, the Electricity Industry Act and Regulations**

The IMO considers that the proposed amended Procedure is consistent, as a whole, with the Market Rules (as amended by RC\_2012\_07), the Electricity Industry Act and Regulations.

The IMO also considers that the Procedure is consistent with all other Market Procedures.

#### **4.4. Implementation of the Market Procedure**

Western Power will need to amend its models and internal procedures to align with the amended Procedure and in particular with the changes to the methodology for calculating the Notional Wholesale Meter’s Distribution Loss Factor. Western Power has advised the IMO that it is able to implement the necessary changes by 20 May 2013, prior to the annual recalculation of Loss Factors (due on 1 June 2013). The IMO is also able to make the necessary changes to its internal procedures by this date.

No other implementation requirements have been identified. Consequently, the IMO considers that commencement at **8:00 AM on 20 May 2013** will allow Rule Participants sufficient time from the date of publication of this Procedure Change Report to ensure compliance with the amended Procedure.

## **5. The IMO’s decision**

The IMO’s decision is to approve the amended Market Procedure for Determining Loss Factors as proposed in the Procedure Change Proposal and amended following the public consultation process.

The IMO has made its decision on the basis that the amended Procedure:

- better achieves Wholesale Market Objective (a);
- is consistent with the remaining Wholesale Market Objectives;
- is consistent with the Market Rules (as amended by RC\_2012\_07), Electricity Industry Act and Regulations; and
- has the support of the Working Group and submissions received during the consultation period.

Additional detail outlining the analysis behind the IMO's reasons is outlined in section 4 of this Procedure Change Report.

## 6. The Amended Market Procedure

### 6.1. Commencement

The amended Market Procedure for Determining Loss Factors will provisionally commence at **8.00 am on 20 May 2013**. Please note that the commencement of the amended Procedure is conditional on the commencement of the Amending Rules arising from the Rule Change Proposal: Loss Factor Determination (RC\_2012\_07).

### 6.2. The Amended Market Procedure

The amended Market Procedure for Determining Loss Factors is attached to this report and is also available on the Market Web Site: [http://www.imowa.com.au/PC\\_2012\\_09](http://www.imowa.com.au/PC_2012_09).

## Appendix 1. Summary of points raised at the 27 November 2012 IMOPWG meeting

A summary of the points raised by the IMOPWG in regard to the proposed amended Procedure and the resulting changes (if any) is provided below.

Step	Issue/suggestion	Response
1.3.1	Include “of the Market Rules” after “clauses 2.9.6, 2.9.7 and 2.9.8”.	Procedure updated.
Table 1	Incorporate a definition for “Total Losses” in the table.	Definitions for Total Losses and Total Sales added to Table 1.
General	Consider options to avoid referring to explicit IMO email addresses (e.g. Operations@imowa.com.au) in the Market Procedure, to avoid the need for a Procedure Change if the address is modified.	“Market Operations” defined in Table 1, with the reader referred to the Market Web Site for the current email address. Individual steps now require applications, etc to be provided by email to Market Operations.
2.1.1 and 2.1.2	Revise the language from “as soon as practicable but in any event before the information must be used in any calculations under the Market Rules” to improve clarity and coherence.	After further consideration the IMO decided not to remove the requirement on the Network Operator to provide information by the time it is needed for market calculations. See the IMO’s response to Community Electricity’s submission in section 3.4 of this report.
2.2.2(c)	Determine what (if any) Market information (e.g. Standing Data, Standing STEM Submissions) a Market Participant might need to update to reflect changes to their Facilities’ Loss Factors, and update this step accordingly.	Loss Factors are used in some Market Participant submissions and standing submissions (e.g. STEM Submissions) – for Market Customers the Standing STEM Submissions are classified as Standing Data in Appendix 1(l). Some forecasts and estimates provided by System Management to the IMO are also Loss Factor Adjusted. Steps 2.2.2(c) and 2.4.16 were amended accordingly
2.3.1	Revise the language from “as soon as practicable but in any event before a Required Connection Point is assigned to the new Loss Factor Class” to improve clarity and coherence.	See above comments for steps 2.1.1 and 2.1.2.
2.4.5	<p>i) Replace “The IMO may, as it sees fit...” with “The IMO may, with the agreement of the relevant Market Participant...”.</p> <p>ii) Consider including an obligation on the IMO to provide the Market Participant with an indication of the costs of an audit and obtain the Market Participant’s agreement before proceeding with that audit.</p>	Section 2.4 was amended to (a) remove the need for a full audit process if the Network Operator agrees that the TLF or DLF is in error, and (b) require the IMO to provide an indicative estimate of the costs of an audit to the Market Participant and obtain confirmation from the Market Participant that it still requires the audit to proceed. The IMO proposed some additional amendments to the proposed Amending Rules for

Step	Issue/suggestion	Response
		RC_2012_07 to align with these changes.
3.1.3(b)	Review the Bi-directional Reference Services in this and other Reference Service lists in the Procedure, to ensure that they align with the Reference Services listed in Western Power's approved 2013-2017 access arrangement AA3 (if available)	Confirmed.
3.1.3(b)(i), 3.2.1(d) and 3.2.3(d)	Consider defining this list of Reference Services in one place and using a defined term to refer to it in these steps	The list was retained in step 3.1.3(b)(i), as the IMO and Western Power were unable to find a suitable "defined term" for it. However, to avoid unnecessary repetition the lists in steps 3.2.1(d) and 3.2.3(d) were replaced with references to the list in step 3.1.3(b)(i).
3.1.3(c)	Replace "...must be assigned to the TLF Class prescribed in step 3.1.1(d)..." with "...must be assigned to the Transmission Urban Average TLF Class prescribed in step 3.1.1(d)..."	Procedure updated.
3.2.3(f)-(j)	Consider condensing these particular steps to improve clarity and coherence	The IMO and Western Power reviewed these steps but were unable to condense them further without compromising their meaning.
4.1.11	Consider rewording the introductory statements in both sentences to avoid repetition	Procedure updated.
Section 5	Retain step 5.1.1, but clarify that the requirement applies only to Network Operators that are required to provide Loss Factors to the IMO for Required Connection Points	Step 5.1.1 has been retained. A new step (1.3.2) has been added to ensure that a Network Operator without any Required Connection Points is not subject to unnecessary documentation requirements under Section 5.
Section 5	Retain the first sentence of step 5.1.2 and allow for the IMO to undertake a review/audit of a Network Operator's models, internal procedures and business processes for calculating Loss Factors. Consider whether any further amendment to the proposed Amending Rules in the Rule Change Proposal: Loss Factor Determination (RC_2012_07) is required to support this.	See new section 5.3. The IMO included supporting provisions in the Amending Rules for RC_2012_07.
Section 5	Incorporate a requirement whereby if a Network Operator wishes to make a material change to its internal processes, models or software tools then it must advise the IMO of the	See new section 5.2.

Step	Issue/suggestion	Response
	<p>proposed changes and of the potential impacts. The Network Operator may be requested by the IMO to undertake a parallel run using historical data to demonstrate that the changes have no adverse impacts</p>	
Section 5	<p>Include a provision allowing a Market Participant to seek further information from the IMO about the processes, procedures and methodologies used in the calculation of Loss Factors. The IMO (with the assistance of the relevant Network Operator(s)) should be required to make reasonable endeavours to satisfy the participant's request, for example by facilitating a meeting with the Network Operator or providing further documentation</p>	<p>After further consideration the IMO decided not to set out a specific obligation or process around a Market Participant seeking information about Loss Factor calculation processes. The IMO regularly receives and deals with queries from Market Participants on a wide range of market processes, and provides forums (such as the MAC and the IMOPWG) for questions and issues to be raised. As such there seems to be little justification for implementing a formal process for information on this specific subject. However, the IMO included a requirement in step 5.1.3 for a Network Operator to assist the IMO in answering a query from a Market Participant about its Loss Factor calculation processes.</p>