



INDEPENDENT
MARKET
OPERATOR

Procedure Change Report

Title: Amendments to Market Procedure for IMS Interface

PC_2013_08

Procedure Change Process

Date: 1 October 2013

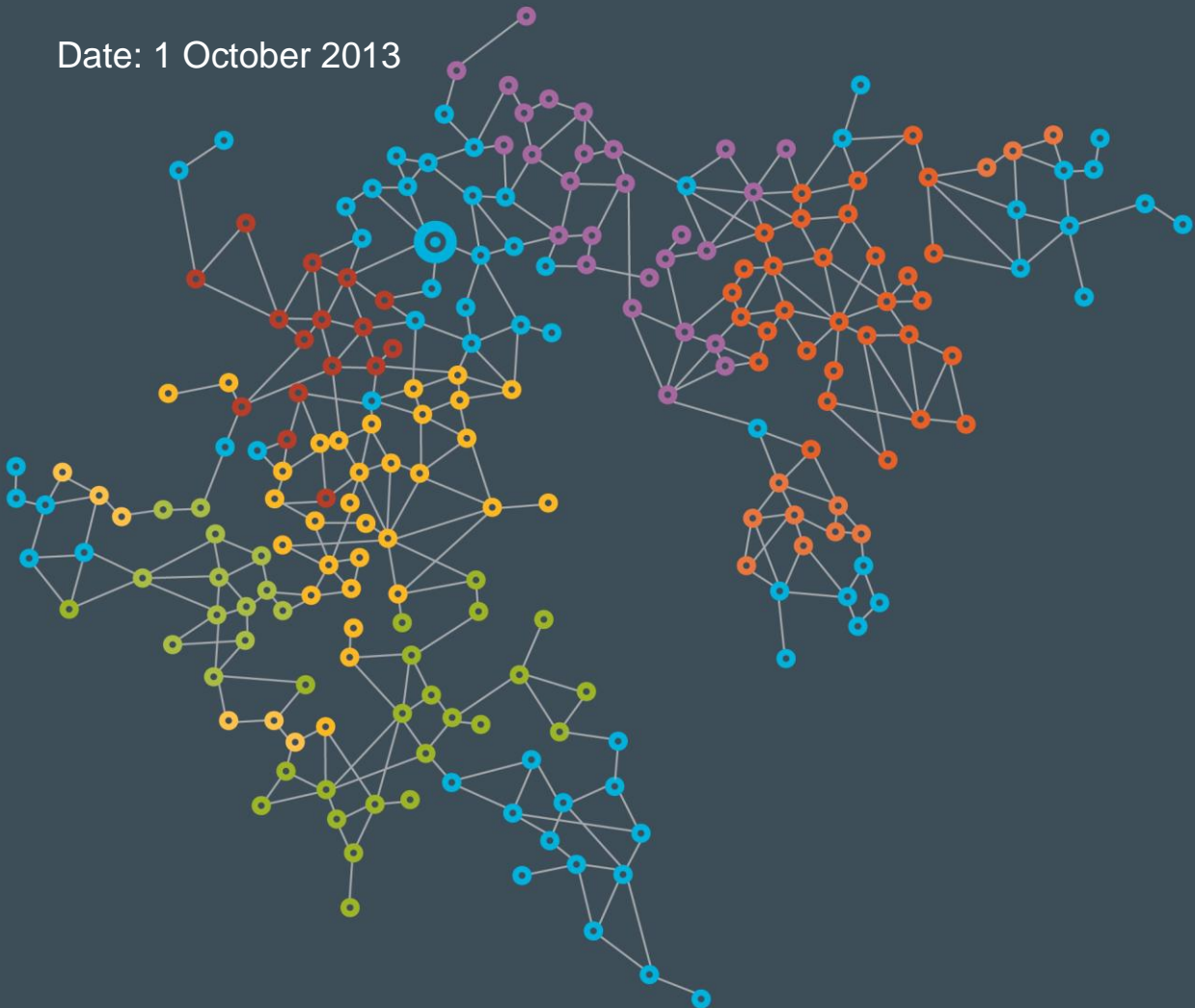


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Executive Summary

Proposed amendments

The IMO proposed to amend the IMS Interface Market Procedure (Procedure) to reflect the changes required to implement the Amending Rules for the Rule Change Proposal: Transparency of Outage Information (RC_2012_11).

Specifically, the changes provide details of the new interface through which System Management will provide the IMO with near real-time information about Outages of Scheduled Generators and Non-Scheduled Generators.

Consultation

- The proposed amended Procedure was developed in consultation with System Management.
- The IMO circulated the proposed amended Procedure to the IMO Procedure Change and Development Working Group (IMOPWG) for out of session comment on 20 August 2013. No comments were received from IMOPWG members on the proposed changes.
- The IMO formally submitted the Procedure Change Proposal on 30 August 2013 and the consultation period closed on 27 September 2013. During the consultation period one submission was received from Community Electricity, which supported the Procedure Change Proposal.

The IMO's Assessment of the Proposal

The IMO considers that the proposed amended Procedure will better achieve Wholesale Market Objectives (a) and (d) and is consistent with the other Wholesale Market Objectives, the Market Rules (as amended by RC_2012_11), the Electricity Industry Act and Regulations.

The IMO's Decision

The IMO's decision is to approve the proposed amended IMS Interface Market Procedure.

Next steps

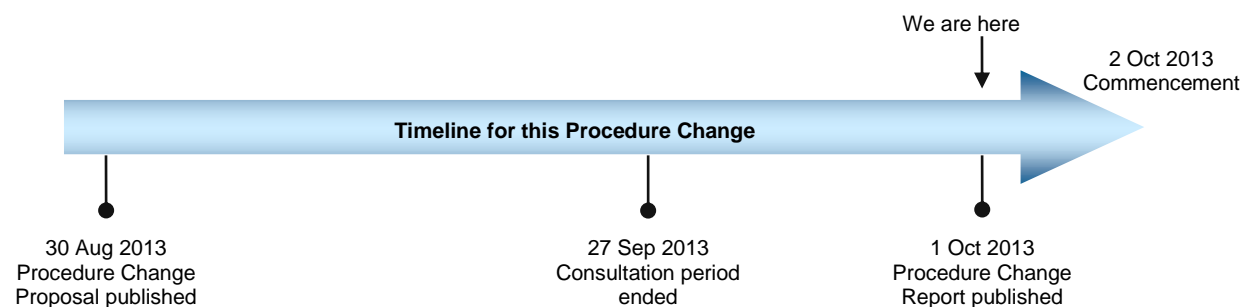
The amended IMS Interface Market Procedure will commence at **8.00 am on 2 October 2013**.

1. Procedure Change Process and Timetable

On 30 August 2013 the IMO submitted a Procedure Change Proposal titled “Amendments to Market Procedure for IMS Interface” (PC_2013_08).

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:



2. Proposed Amended Market Procedure

2.1. The Procedure Change Proposal

The IMO proposed to amend the IMS Interface Market Procedure (Procedure) to reflect the changes required to implement the Amending Rules for the Rule Change Proposal: Transparency of Outage Information (RC_2012_11)¹.

Specifically, the changes provide details of the new interface through which System Management will provide the IMO with near real-time information about Outages of Scheduled Generators and Non-Scheduled Generators.

For full details of the Procedure Change Proposal please refer to the Market Web Site: http://www.imowa.com.au/PC_2013_08.

3. Consultation

3.1. Consultation with System Management

The proposed amended Procedure was developed in consultation with System Management.

3.2. Market Advisory Committee or Working Group

The Market Advisory Committee (MAC) has delegated the role of considering IMO Procedure Change Proposals to the IMO Procedure Change and Development Working Group (IMOPWG) (clause 2.3.17(a)), and accordingly the MAC has not reviewed this Procedure Change Proposal.

¹ http://www.imowa.com.au/RC_2012_11

However, 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 should two or more members request it. No MAC member contacted the IMO in this regard.

The IMO circulated the proposed amended Procedure to the IMOPWG for out of session comment on 20 August 2013. No comments were received from IMOPWG members on the proposed changes.

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 2 September 2013 and 27 September 2013. The IMO received one submission during the consultation period from Community Electricity, which supported the Procedure Change Proposal. Community Electricity considered that the proposal was consistent with all the Wholesale Market Objectives and raised no issues about the costs or practicality of implementation.

A copy of Community Electricity's submission in full is available on the Market Web Site: http://www.imowa.com.au/PC_2013_08.

4. The IMO's assessment

In determining whether to accept the Procedure Change Proposal, the IMO has undertaken an assessment in light of clauses 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.

4.1. Wholesale Market Objectives

The IMO considers that the proposed amended Procedure is drafted in a way that does not change the operation or objectives of the Market Rules, but rather supplements the Market Rules by outlining the necessary processes to be followed by the IMO and System Management. As a result the IMO considers that the amended Procedure, as a whole, is consistent with the Wholesale Market Objectives.

Further, the proposal will provide the necessary process steps to achieve the intent of the Amending Rules for the Rule Change Proposal: Transparency of Outage Information (RC_2012_11). The IMO considers that the Amending Rules, supported by the proposed amended Procedure, will improve transparency around outage planning. This will result in improved economic efficiency in electricity generation (Wholesale Market Objective (a)) and improved efficiency in price outcomes for consumers (Wholesale Market Objective (d)).

4.2. 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_11), the Electricity Industry Act and Regulations.

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

4.3. Implementation of the Market Procedure

The proposed amended Procedure requires changes to both the IMO's and System Management's IT systems. These changes will be implemented at 8:00 am on 1 October 2013 when the Amending Rules for RC_2012_11 commence. The changes have no implementation impacts on other Rule Participants.

Consequently, the IMO considers that commencement at **8:00 am on 2 October 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 proposed amended IMS Interface Market Procedure.

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

- will better achieve Wholesale Market Objectives (a) and (d);
- is consistent with the other Wholesale Market Objectives;
- is consistent with the Market Rules (as amended by RC_2012_11), Electricity Industry Act and Regulations; and
- has the support of the IMOPWG and the submission 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 IMS Interface Market Procedure will commence at **8.00 am on 2 October 2013**.

6.2. The Amended Market Procedure

The amended IMS Interface Market Procedure is attached to this report and is also available on the Market Web Site: http://www.imowa.com.au/PC_2013_08.