



INDEPENDENT
MARKET
OPERATOR

Procedure Change Report

Facility Registration, De-Registration and Transfer

PC_2013_03

Procedure Change Process

Date: 30 October 2013

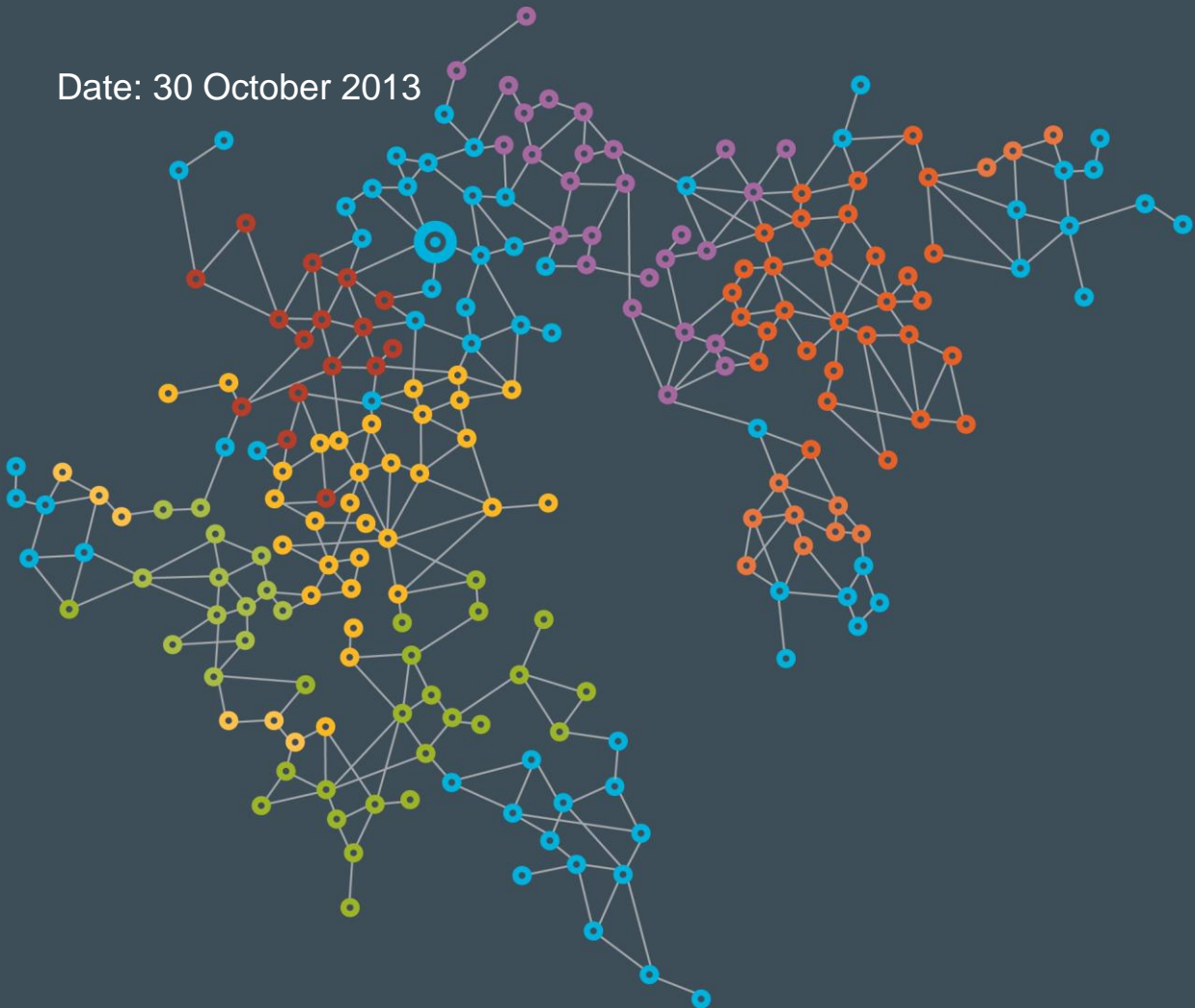


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Executive Summary

Proposed amendments

The proposed amended Market Procedure: Facility Registration, De-Registration and Transfer (Market Procedure) has been developed to address the following:

- reflect the IMO's new format;
- provide greater clarity to potential and existing Rule Participants on the manual and automated aspects of the processes for Registration, De-Registration and Transfer of a Facility; and
- incorporate the use of the Wholesale Electricity Market System (WEMS) into the Market Procedure.

Given the substantive restructuring and rewrite of this Market Procedure the IMO has re-written the Procedure in full, rather than providing a marked-up version.

Consultation

- The IMO presented the Market Procedure to the IMO Procedure Change and Development Working Group (IMOPWG) on 23 April 2013. The IMOPWG endorsed the Procedure to progress to a formal consultation period with minor amendments;
- The IMO formally submitted the Procedure Change Proposal (PC_2013_03) and issued a notice calling for submissions on 3 July 2013. The submission period closed on 29 July 2013 with only one formal submission received; and
- Following the closure of the submission period, the IMO made minor amendments in order to improve the clarity of the Market Procedure.

The IMO's assessment

The IMO considers that the amended Market Procedure as a whole is consistent with the Wholesale Market Objectives.

The IMO's decision

The IMO's decision is to accept the Market Procedure with minor modifications from the consultation period.

Next steps

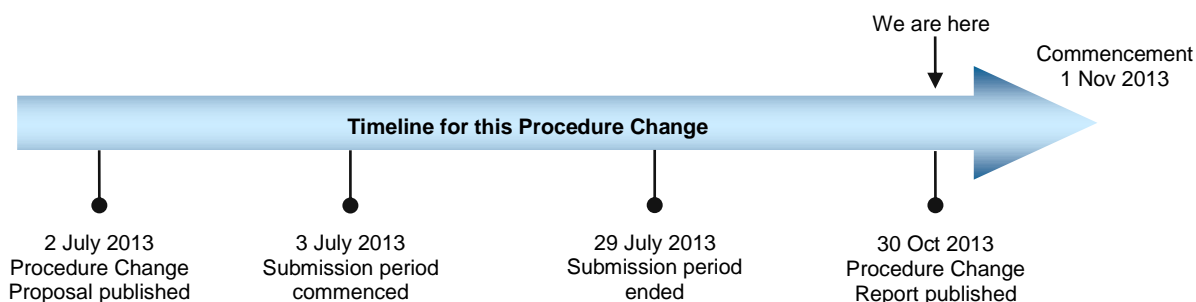
The amended Market Procedure for Facility Registration, De-Registration and Transfer will commence on 1 November 2013.

1. Procedure Change Process and Timetable

On 2 July 2013, the Independent Market Operator (IMO) submitted a Procedure Change Proposal (PC_2013_03) regarding amendments to the Facility Registration, De-Registration and Transfer Market Procedure.

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

The key dates in progressing this Procedure Change Proposal are:



2. Proposed Amended Market Procedure

2.1. The Procedure Change Proposal

The Facility Registration, De-Registration and Transfer Procedure has been re-drafted as a result of the development of the Wholesale Electricity Market System (WEMS).

The Market Procedure should be read in conjunction with the re-drafted Rule Participant Registration and De-Registration Procedure (PC_2013_02) and clauses 2.29, 2.30, 2.30A, 2.31, 2.32 and 2.33 of the Wholesale Electricity Market Rules (Market Rules). PC_2013_02 was released for consultation at the same time as this Procedure. The Final Procedure Change Report was published at the same time as this Report.

For full details of the Procedure Change Proposal please refer to the Market Web Site: http://www.imowa.com.au/PC_2013_03

3. Consultation

3.1. Market Advisory Committee or Working Group

The Market Advisory Committee (MAC) has delegated to the IMO Procedure Change and Development Working Group (IMOPWG) (in accordance with clause 2.3.17(a)) to consider IMO Procedure Change Proposals and accordingly the MAC did not review the Procedure Change Proposal. In accordance with clauses 2.10.8 and 2.10.9, the IMO notified the MAC once the Procedure Change Proposal was published and noted that it would convene a meeting of the MAC should two or more members request it. No MAC members contacted the IMO in this regard.

The IMO presented the Market Procedure to the IMOPWG at its meeting on 23 April 2013. The

IMOPWG endorsed the Procedure to progress to a formal consultation period with minor amendments.

3.2. Public Workshop

No public workshops were held in relation to this Procedure Change Proposal.

3.3. Submissions received during consultation period

The public consultation period for the Facility Registration, De-Registration and Transfer Procedure (PC_2013_03) was held between 3 July and 29 July 2013.

Only one formal submission was received. This submission was from Community Electricity and was supportive of the Procedure Change Proposal.

Community Electricity also stated the revised Market Procedure was consistent with the Wholesale Market Objectives. No issue with regard to costs or the practicality of implementation was identified by Community Electricity.

A copy of the submission received during the submission period is available in full on the Market Web Site: http://www.imowa.com.au/PC_2013_03

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 the Electricity Industry (Wholesale Electricity Market) Regulations (Regulations).

4.1. Further changes to the Market Procedure

After the consultation period, the IMO made amendments to the Market Procedure published with the Procedure Change Proposal on 2 July 2013. These amendments were minor or aesthetic in nature and were designed to improve the clarity of the Market Procedure.

No substantive or operational amendments were made.

4.2. Wholesale Market Objectives

The steps described in the proposed Market Procedure facilitate the Registration, De-Registration and Transfer of Facilities in accordance with chapter 2 of the Market Rules.

The IMO considers that the Market Procedure is drafted in a way that does not change the operation or objectives of the Market Rules. As a result, the IMO considers that the amended Market Procedure, as a whole, is consistent with the Wholesale Market Objectives.

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

The IMO considers that the proposed Facility Registration, De-Registration and Transfer Market Procedure is consistent, as a whole, with the Market Rules, the Electricity Industry Act and Regulations.

The IMO also considers that the Facility Registration, De-Registration and Transfer Procedure is consistent with all other Market Procedures.

4.4. Implementation of the Market Procedure

The Market Procedure will not require the IMO or Rule Participants to implement any procedural or system amendments before it can commence. Consequently, the IMO considers that the commencement at **8:00 AM on 1 November 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 Facility Registration, De-Registration and Transfer Procedure (PC_2013_03) with minor amendments since the publication of the Procedure Change Proposal.

The IMO has made its decision on the following basis. The proposed Facility Registration, De-Registration and Transfer Procedure:

- is consistent with the Wholesale Market Objectives;
- is consistent with the Market Rules, Electricity Industry Act and Regulations; and
- has the support of the IMO and the submission received during the formal 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 Facility Registration, De-Registration and Transfer Procedure (PC_2013_03) will commence at **8.00 AM on 1 November 2013**.

6.2. The Proposed Market Procedure

The proposed Facility Registration, De-Registration and Transfer Market Procedure is attached to this report and is also available on the Market Web Site: http://www.imowa.com.au/PC_2013_03.