

Withdrawal Notice: Procedure Change Proposal: Changes to Market Procedure for Monitoring Protocol (PC_2010_03)

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The Procedure Change Proposal: Changes to Market Procedure for Monitoring Protocol was submitted in November 2010 by the IMO and proposed to make the following amendments to the Market Procedure for Monitoring Protocol:

- replace 'Energy Review Board' with 'Electricity Review Board' following the approved Rule Change Proposal: Change of Review Board Name (RC_2010_18);
- identify the party who alleges there has been a breach to the Market Rules or Market Procedures;
- amend the Market Procedure to a shorter, condensed version of the current Market Procedure; and
- a number of minor and typographical amendments.

During the public consultation period an issue was raised by System Management concerning the proposed shorter version of the Market Procedure for Monitoring Protocol¹. Clause 2.15.3(b) of the Market Rules requires the Monitoring Protocol to specify:

'a process for System Management to demonstrate compliance with the Market Rules and Market Procedures and audit processes where the IMO requires such demonstration or an audit in accordance with clause 2.14.6;'

In the proposed Market Procedure there is only one reference to System Management's compliance obligations (step 2.2.1). The IMO considers that this is not adequate to address the requirement of the Market Rules and that the Procedure Change Proposal should not proceed until the deficiency has been rectified.

System Management offered to work with the IMO to develop an appropriate process. However System Management and the IMO have not been able to determine what that process should be. It may have been that at market start it was anticipated that '...a process for System Management to demonstrate compliance...' would be a useful. The IMO and System Management have not found

¹ A copy of System Management's submission can be found on the following web site: <u>http://www.imowa.com.au/PC_2010_03</u>.



this to be the case, and instead it has been suggested that the requirement to 'specify a process' should be removed from the Market Rules.

The IMO has included this suggestion to remove the requirement to specify the process for System Management to demonstrate compliance from the heads of power for the Market Procedure in the rule change log. Subject to the outcomes of any future Rule Change Proposals to address this issue, the Market Procedure for Monitoring Protocol will be revised and resubmitted into the formal Procedure Change Process.

In the meantime the IMO formally withdraws PC_2010_03.