

# WA Independent Market Operator

Assessment of the IMO's internal procedures and business processes with the Market Rules, and the IMO's compliance with the Market Rules and Market Procedures

10 September 2008

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Version: 1.4

## **FOREWORD**

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This report sets out the results of the market audit by PA Consulting Group in carrying out its assessment of the compliance of the IMO's internal procedures and business processes with the Market Rules, and the IMO's compliance with the Market Rules and Market Procedures.

This market audit has been carried out under Market Rule 2.14.3 which is set out below

- 2.14.3. The IMO must ensure that the Market Auditor carries out the audits of such matters as the IMO considers appropriate, which must include:
- (a) the compliance of the IMO's internal procedures and business processes with the Market Rules;
  - (b) the IMO's compliance with the Market Rules and Market Procedures;
  - (c) the IMO's market software systems and processes for software management.

PA has found that the IMO has generally complied with its obligations under the Market Rules, with a small number of instances of not material non-compliance.

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## **1. INTRODUCTION**

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The document sets out the results of the market audit by PA Consulting Group in carrying out its assessment of the compliance of the IMO's internal procedures and business processes with the Market Rules, and the IMO's compliance with the Market Rules and Market Procedures.

### **1.1 SCOPE OF THE MARKET AUDIT**

This market audit has been carried out under Market Rule 2.14.3. which requires that:

- 2.14.3. The IMO must ensure that the Market Auditor carries out the audits of such matters as the IMO considers appropriate, which must include:
- (a) the compliance of the IMO's internal procedures and business processes with the Market Rules;
  - (b) the IMO's compliance with the Market Rules and Market Procedures;
  - (c) the IMO's market software systems and processes for software management.

### **1.2 MARKET AUDIT PROCESS**

This year's market audit has taken the form of an "incremental" audit.

We have looked in detail at the clauses in the Market Rules and Market Procedures and IMO's Internal Procedures where:

- The clauses in the Market Rules are new or amended since last year's annual audit;
- Market Procedure or Internal Procedures are new or updated since last year's annual audit; and
- Market Procedure or Internal Procedures relate to areas of recorded breaches of the Market Rules by the IMO since last year's annual audit.

In essence, we have looked at areas that have changed since last year's annual audit. Areas where the Internal Procedures and Market Rules have not changed, and where last year the Internal Procedure was found to comply with the Market Rules, will still be in compliance and we have deemed it unnecessary to assess in detail or comment on those areas in this audit report.

In conducting the market audit on the compliance of the IMO with the Market Rules, PA has:

1. Ensured that it is up to date with its understanding of the West Australia Electricity Market Rules;

2. Identified new or amended obligations placed on the IMO by amendments to the Market Rules that have come into force since the previous market audit dated 1 September 2007;
3. Mapped those obligations identified in step 2 to the applicable Internal Procedures;
4. Identified IMO Internal Procedures that are new or have been updated since the previous market audit dated 1 September 2007;
5. Reviewed the IMO procedures identified in steps 3 and 4 for compliance with the Market Rules;
6. Sought evidence that the IMO is following those procedures so as to comply with the Market Rules;
7. Had discussions with IMO managers and staff to clarify issues identified; and then
8. Prepared a draft report setting out our findings followed by a final report.

There are limitations to any external audit. Audits are not an absolute guarantee of the truth or reliability of agency information or the effectiveness of internal controls. They may not identify all matters of significance. This is because external audit techniques involve:

- Professional judgement as to “good industry and market operational practice”
- The use of sample testing
- An assessment of the effectiveness of internal control structures and
- An assessment of risk.

A market audit does not guarantee every procedure and action carried out in the operation of the electricity market in the audit report, nor does it examine all evidence and every transaction. However, our audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the market audit report.

We also note that there is a high degree of compliance monitoring built into the market design. Should the IMO not carry out a requirement of the Market Rules, those cases that are material will have affected either System Management or market participants and are likely to have been raised.

Where non-compliant procedures or actions are identified, these are classified as being:

- *Material*, in that they may affect decisions made by market participants or otherwise affect the outcome of the market, or
- *Non-material*, in that
  - they do not comply with the wording or the Market Rules but do comply with the intention of the Market Rules or
  - they do not comply with the Market Rules but they are not likely to affect decisions made by market participants or otherwise affect the outcome of the market.

### **1.3 STRUCTURE OF THIS REPORT**

The report contains PA's analysis of the operation of the IMO on a Market Rules chapter by chapter basis.

Appendix A to the report records the mapping of Market Rule obligations to both the Market Procedures and the appropriate IMO Internal Procedures.

### **1.4 ACKNOWLEDGEMENTS**

PA would like to thank the managers and staff of the IMO who willingly provided information and shared in discussions with us while we carried out this market audit.

**2. MARKET RULE CHAPTER 1 – INTRODUCTION**

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Market Rule Chapter 1 sets out the Introduction to the Market Rules and covers areas such as the objectives of the market, conventions and transitional arrangements.

**2.1 DOCUMENTATION**

There are no Market Procedures or Internal Procedures relating to Chapter 1 that have been updated since last year's market audit.

**2.2 AMENDMENTS TO CHAPTER 1**

There have been no amendments to Chapter 1 since last year's market audit that relate to the IMO's obligations.

**2.3 COMPLIANCE WITH CHAPTER 1**

The procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

**2.4 OPINION**

The IMO has complied with its obligations under Chapter 1 of the Market Rules.

### **3. MARKET RULE CHAPTER 2 – ADMINISTRATION**

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Market Rule Chapter 2 sets out the Functions and Governance Rules, most of which are the responsibility of the IMO in its Market Administration role.

#### **3.1 DOCUMENTATION**

The following Market Procedures have been updated since last year's market audit:

- Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer
- Market Procedure for: Registration of Rule Participants

The following IMO Internal Procedures are new or updated since the previous market audit:

- Internal Procedure: Rule Change Process
- Internal Procedure: Compliance Monitoring, Investigation & Enforcement
- Internal Procedure: Facility De-Registration
- Internal Procedure: Facility Registration and Updating Standing Data
- Internal Procedure: Facility Transfer
- Internal Procedure: General Registration Event
- Internal Procedure: Market Surveillance and ERA Monthly Reporting
- Internal Procedure: Participant De-Registration
- Internal Procedure: Participant Registration
- Internal Procedure: Prudential Requirements
- Internal Procedure: User Updates in WEMS Registration

#### **3.2 AMENDMENTS TO CHAPTER 2**

The following clauses in Chapter 2 which relate to the IMO's obligations have been amended:

- 2.13.10
- 2.28.16
- 2.28.16B
- 2.30.1A
- 2.30.4
- 2.30.5

### **3.2.1 Clause 2.13.10**

Clause 2.13.10 relates to the IMO's ability to issue a warning to a Rule Participant when the IMO determines that a breach of the Market Rules has occurred. The amendment to this clause gives the IMO the discretion to issue a warning where previously the IMO was obliged to issue one.

The Internal Procedure *Compliance, Monitoring, Investigation and Enforcement* has been updated to reflect this amendment.

### **3.2.2 Clauses 2.28.16 and 2.28.16B**

These clauses relate to the IMO's power to grant a person an exemption from registering. The amendment to clause 2.28.16 allows the IMO to revoke an exemption at any time. The new clause 2.28.16B prescribes in detail certain conditions under which the IMO may exempt a person from registering.

The amendments to these clauses have been captured in the Internal Procedure *Rule Participant Exemption to Register*.

### **3.2.3 Clauses 2.30.1A, 2.30.4 and 2.30.5**

The amendments to these clauses are minor changes with respect to Facility Aggregation. Clause 2.30.1A clarifies that the IMO may only accept an application to aggregate a Facility once in each Capacity Year. The amendment to clause 2.30.4 obliges the IMO to consult with the relevant Network Operator (in addition to System Management) when assessing an application to aggregate facilities. Clause 2.30.5 provides an extra condition which must be satisfied before the IMO may accept an application for Facility aggregation.

The Market Procedure *Facility Registration, Facility de-Registration and Facility Transfer* does not currently reflect the changes to these clauses. However the Market Procedure is in the process of being amended to reflect the changes to these clauses.

## **3.3 COMPLIANCE WITH CHAPTER 2**

The procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

However, one issue that has arisen during this audit is the process followed by the IMO when investigating and determining alleged breaches of the Market Rules by System Management.

There was also one occasion where the IMO did not publish all the required information regarding responses to a Rule Change proposal.

These two items are discussed below.

### **3.3.1 IMO's process for determining whether a breach has occurred**

During our discussions with System Management, they expressed concern regarding the IMO's process under clause 2.13.10 for determining whether a breach of the Market Rules

had occurred.<sup>1</sup> In particular, System Management are concerned regarding the standard of performance that the IMO is applying in its determination.

MR 2.12.3 states (emphasis added):<sup>2</sup>

- 2.12.3. With the exception of the obligations listed in clause 2.12.4, where System Management has an obligation under these Market Rules to do something:
- (a) that obligation is *limited to a requirement for System Management to use reasonable endeavours* [emphasis added] consistent with these Market Rules, including to give such directions or instructions as are within its power, to comply with that obligation; and
  - (b) if System Management fails to do that thing notwithstanding the use of System Management’s reasonable endeavours, System Management will be taken not to have breached the obligation.

The IMO acknowledges that it has been applying a stricter performance standard to System Management (and to itself). In essence, the IMO has been determining that a breach of the Market Rules has occurred if the act required by the obligation is not fulfilled. It has not been making an assessment as to whether reasonable endeavours were used to attempt to fulfil the act required.

Clause 2.12.3 sets the standard of performance required by System Management. In determining whether System Management has breached their obligations under the Rules, the IMO must assess System Management’s conduct against the standard of performance required by the Rules. The IMO has been assessing System Management’s conduct against a different (stricter) standard. As such we believe the IMO’s assessment process is not in compliance with its investigation obligations under clause 2.13.10 of the Rules.

Although this non-compliance is not material in that it does not affect decisions made by Participants or otherwise affect the outcomes of the market, it is nonetheless an important issue. The IMO has advised that it will now apply the standard in clause 2.13.3 when investigating alleged breaches by System Management.

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<sup>1</sup> We note that this issue has only recently been raised (to both the Auditor and the IMO) by System Management. It was not raised by System Management at the time that the IMO was investigating the alleged breaches. Because it had not been raised previously, it did not feature in last year’s audit report.

<sup>2</sup> Clause 2.12.1 sets out the performance standard to which the IMO must adhere. It is the same standard as that of System Management under clause 2.12.3. It is also worth noting that other Rule Participants do not have a “reasonable endeavours”-type clause; they must strictly comply with their obligations.

### **3.3.2 Non-publication of response to a Rule Change proposal**

The IMO failed to include written consultation submissions by Verve Energy in the Final Reports for the Fast Tracked Rule Changes RC2007-22 and RC2007-24. The submissions had been read and assessed but were not picked up in the report itself. The submissions and the IMO's response to them were published as separate documents when the IMO became aware of the error.

This is a breach of clause 2.6.4 which requires the IMO to publish a Final Rule Change Report containing, *inter alia*, information on any objections expressed by the Rule Participants consulted, and the IMO's response to the objections.

PA considers this breach to be not material. The IMO has since put in place additional protocols to help prevent a similar oversight occurring in future.

### **3.4 OPINION**

With the exception of the two not material non-compliances above, the IMO has complied with its obligations under Chapter 2 of the Market Rules.

#### **4. MARKET RULE CHAPTER 3 – POWER SYSTEM SECURITY AND RELIABILITY**

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Market Rule Chapter 3 sets out the Power System Security and Reliability Rules which are the responsibility of the IMO in its Market Administration role.

##### **4.1 DOCUMENTATION**

The following IMO Internal Procedures are new or updated since last year's market audit:

- Internal Procedure: Commissioning

##### **4.2 AMENDMENTS TO CHAPTER 3**

There are no clauses in Chapter 3 which relate to the IMO's obligations which have been amended since last year's market audit.

##### **4.3 COMPLIANCE WITH CHAPTER 3**

The IMO functions in the energy market fall into those of:

- Auditing System Management's ancillary services requirements
- Determining the amount of any compensation arising from the deferral or cancellation of a maintenance outage
- Investigating incidents and
- Publishing required information.

The procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

##### **4.4 OPINION**

The IMO has complied with its obligations under Chapter 3 of the Market Rules.

## **5. MARKET RULE CHAPTER 4 – RESERVE CAPACITY**

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Market Rule Chapter 4 sets out the Reserve Capacity Rules which are the responsibility of the IMO in its System Capacity role.

### **5.1 DOCUMENTATION**

The following Market Procedures are new or updated since last year's market audit:

- Market Procedure for: Determination of the Maximum Reserve Capacity Price

The following IMO Internal Procedures are new or updated since last year's market audit:

- Internal Procedure: SC 0X - Reduction of Capacity Credits Assigned to a Facility
- Internal Procedure: SC 01 - Determination of the Maximum Reserve Capacity Price
- Internal Procedure: SC 08 - Assignment of Capacity Credits – Master
- Internal Procedure: SC 18 - Reserve Capacity WEMS Procedures

### **5.2 AMENDMENTS TO CHAPTER 4**

The following clauses which relate to the IMO's obligations have been amended since last year's annual audit:

- 4.5.9
- 4.16.5
- 4.23A.4
- 4.25.4A
- 4.25.4B
- 4.25.4C
- 4.25.4D
- 4.26.1A
- 4.26.1B
- 4.26.2
- 4.26.3
- 4.28.9

#### **5.2.1 Clause 4.5.9**

This clause relates to the Planning Criterion that the IMO must use when undertaking the Long Term PASA study. The required reserve margin is now the larger of 8.2% of peak demand or the capacity of the largest generating unit.

This amendment has been incorporated into the IMO Long Term PASA calculation spreadsheet.

#### **5.2.2 Clause 4.16.5**

This clause relates to the IMO proposing a Maximum Reserve Capacity Price. There has been a minor amendment to this clause to emphasise that the IMO must take into account any significant modifications to the methodology for setting the price resulting from a review of the methodology under clauses 4.16.3 and 4.16.4.

The Internal Procedure *SC 01 - Determination of the Maximum Reserve Capacity Price* has been updated to comply with this amendment.

#### **5.2.3 Clause 4.23A.4**

This is a new clause concerning capacity obligations for Registered Facilities that are to be aggregated. It outlines the various conditions that IMO's reallocations of the capacity obligation must satisfy.

The Internal Procedure *SC 18 - Reserve Capacity WEMS Procedures* has been updated to comply with this amendment.

#### **5.2.4 Clauses 4.25.4A, 4.25.4B, 4.25.4C and 4.25.4D**

These clauses are new clauses that relate to the process for reducing the number of Capacity Credits held by a Participant. Clause 4.25.4A states that a Participant may apply to the IMO to reduce the amount of Capacity Credits it holds; clause 4.25.4B sets out the conditions for such an application; clause 4.25.4C sets out the process the IMO must follow in assessing an application; and clause 4.25.4D states the Capacity Credits cannot be increased in the same Capacity Year as they are reduced.

The IMO has developed a new Internal Procedure *SC 0X - Reduction of Capacity Credits Assigned to a Facility* which complies with the above clauses.

#### **5.2.5 Clauses 4.26.1A, 4.26.1B, 4.26.2 and 4.26.3**

These clauses relate to failure to satisfy a Reserve Capacity Obligation due to a Forced Outage. They specify how the Facility Forced Outage Refund, Participant Forced Outage Refund, Net STEM Shortfall and Capacity Cost Refund will be calculated.

These changes have given rise to a change within the IT systems of the IMO. Compliance of the IT systems with the Market Rules is addressed in our audit report *Test and Certification of the Wholesale Electricity Market Software*.

#### **5.2.6 Clause 4.28.9**

The clause relates to the conditions under which a load will be treated as a Non-Temperature Dependent Load. The original conditions in this clause have largely been removed and more complex conditions incorporated into a new Appendix 5A.

The IMO has developed a software application to determine whether a load satisfies the criteria to be treated as Non-Temperature Dependent. PA has separately tested and certified this application as complying with the Market Rules.

### **5.3 COMPLIANCE WITH CHAPTER 4**

The Reserve Capacity obligations cover a number of functions:

- The Reserve Capacity Cycle
- The Individual Reserve Capacity Requirement
- Load forecasting and
- An assessment of plant capacity performance.

The procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

There have been two breaches, which in PA's opinion are not material breaches, recorded by the IMO since last year's market audit.

Under clauses 4.1.4 and 4.2.4, the IMO is required to publish a Request for Expressions of Interest to provide Reserve Capacity by 31 January. The IMO met this deadline for publication on its website but not for publication in local and national media, as required by clause 4.2.4 (b). The Request was subsequently published.

Under clause 4.5.3, the IMO must notify Rule Participants of the information that it requires from them in respect of the Long Term PASA Study Horizon, no later than 1 April. The IMO failed to do this by 1 April this year. The notifications were subsequently sent out on 9 April when the oversight was discovered.

The IMO has developed a formal programme for all yearly events to help prevent oversights such as the two mentioned above from occurring going forward.

### **5.4 OPINION**

With the exception of the two incidents noted above, the IMO has complied with its obligations under Chapter 4 of the Market Rules.

## **6. MARKET RULE CHAPTER 5 – NETWORK CONTROL SERVICE PROCUREMENT**

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Market Rule Chapter 5 sets out the Network Control Service Procurement Rules which are the responsibility of the IMO in its System Capacity role.

### **6.1 DOCUMENTATION**

The following Market Procedures have been updated since last year's market audit:

- Market Procedure for Network Control Services

### **6.2 AMENDMENTS TO CHAPTER 5**

The following clauses which relate to the IMO's obligations have been amended since last year's annual audit:

- 5.2.2

#### **6.2.1 Clause 5.2.2**

Whereas previously the length of Network Control Service Contracts was fixed at 10 years, this has now been amended and the Network Operator may determine the length of the contract. Under clause 5.2.2, the IMO may at any time extend the length of the contract.

The Market Procedure for: Network Control Services has been updated to comply with this amendment to the Market Rules.<sup>3</sup>

### **6.3 COMPLIANCE WITH CHAPTER 5**

As at 31 July 2008, the IMO has not used the provisions of Chapter 5 of the Market Rules. However, the procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

### **6.4 OPINION**

We are able only to advise that should the IMO utilise the provisions of Chapter 5 of the Market Rules, the procedures set out in the Market Procedure for Network Control Services are expected to ensure that the IMO will do so in a manner that complies with Chapter 5 of the Market Rules.

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<sup>3</sup> Note that at the time of this audit, the updated Market Procedure for: Network Control Services is in the process of receiving Ministerial approval.

## **7. MARKET RULE CHAPTER 6 – ENERGY MARKET**

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Market Rule Chapter 6 sets out the Energy Market Rules, which are the responsibility of the IMO in its Market Operations role.

### **7.1 DOCUMENTATION**

The following IMO Internal Procedures are new or updated since last year's market audit:

- Internal Procedure: Daily Operations Procedure Manual
- Internal Procedure: Monthly Operational Procedure Manual
- Internal Procedure: Operational Contingency Procedure Manual

### **7.2 AMENDMENTS TO CHAPTER 6**

The following clauses which relate to the IMO's obligations have been amended since last year's annual audit:

- 6.4.6
- 6.4.7
- 6.5.1
- 6.5A.1
- 6.12.1
- 6.14.1
- 6.14.1A
- 6.14.2
- 6.14.4
- 6.14.7
- 6.17.6
- 6.20.3

#### **7.2.1 Clause 6.4.6, 6.5.1, 6.5A.1 and 6.12.1**

These clauses give the IMO the ability to extend several of the timetables for Energy Market processes in the event of software problems preventing the IMO from completing the processes on time. Clause 6.4.6 allows the STEM Submission and STEM Auction timetables to be delayed by up to two hours; clauses 6.5.1 and 6.5A.1 allow the closing for the Resource Plan submission window and the Balancing Data submission window respectively to be delayed until 3:00 p.m. on the Scheduling Day; and clause 6.12.1 allows the IMO to delay publishing the Dispatch Merit Order if the closing times under clauses 6.5.1 or 6.5A.1 have been extended.

The IMO's Internal Procedures *Daily Operations Manual* and *Operational Contingency Procedure Manual* have been updated to comply with these amendments.

### **7.2.2 Clauses 6.4.7 and 6.14.7**

These are new clauses that state that STEM and Balancing prices respectively cannot be altered once they have been published.

The IMO has included instructions to this effect in its Internal Procedure *Daily Operations Manual*.

### **7.2.3 Clauses 6.14.1 and 6.14.1A**

The IMO must calculate and publish various prices by 3:00 p.m. based on data sent by System Management. However the IMO may extend its timetable for publishing these prices by up to two business days if System Management advises the IMO that it has not been able to obtain the necessary data. IMO must inform Participants of the delay as soon as practicable.

The IMO's Internal Procedure *Daily Operations Manual* has been updated to comply with these amendments.

### **7.2.4 Clauses 6.14.2 and 6.14.4**

These amendments to these clauses relate to how the IMO must calculate the Marginal Cost Administered Price (MCAP) and Relevant Quantity respectively.

These amendments have given rise to a change in the IMO's IT systems. Compliance of the IT systems with the Market Rules is addressed in our audit report *Test and Certification of the Wholesale Electricity Market Software*.

### **7.2.5 Clause 6.17.6**

This clause sets out how the IMO must calculate the Dispatch Instruction Payment.

These amendments in this clause have given rise to a change in the IMO's IT systems. Compliance of the IT systems with the Market Rules is addressed in our audit report *Test and Certification of the Wholesale Electricity Market Software*.

### **7.2.6 Clause 6.20.3**

This clause sets out how the IMO must calculate the Alternative Maximum STEM Price. The amendment relates to using a revised Alternative Maximum STEM Price (if one has taken effect) in the calculation.

The IMO Internal Procedure *Monthly Operations Manual* has been updated to make use of the revised Alternative Maximum STEM Price.

## **7.3 COMPLIANCE WITH CHAPTER 6**

The daily and monthly procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

The IMO has discovered two breaches of its Chapter 6 obligations since last year's market audit. These relate to non-closure of the Bilateral Submission window and checking of Resource Plan Submission data.

### **7.3.1 Non-closure of Bilateral Submission window**

On 19 July 2008, the IMO experienced some difficulties receiving data from System Management. A Participant also had difficulty accessing the WEMS. The IMO extended the STEM Submission window while these issues were investigated.

At the same time, the IMO also extended the Bilateral Trade window. The rules relating to the Bilateral Trade window do not allow it to be extended in the same way as STEM processes. Because the Bilateral Trade window was (incorrectly) extended, the IMO did not notify Participants of the information required under clauses 6.2.3 and 6.2.8 by the required times.

This constitutes a breach of the Market Rules which PA believes is not material. As a result of this incident the IMO has conducted further training on the operators and ensured that the IMO Internal Procedures are available to the operators when required.

### **7.3.2 Checking of Resource Plan Submission data**

Since the start of the market, the IMO had not been checking that Resource Plan Submission data received under clause 6.5.1 complied with the requirements in clause 6.11.2. This is a breach of the IMO's obligation under clause 6.5.2.

On a handful of days since the start of the market, the IMO had accepted Resource Plan Submission data which included Generators undergoing Commissioning Tests., which does not satisfy the conditions of clause 6.11.2 (bA).

PA believes this breach is not material, there being no consequences for the market or participants.

The IMO has since arranged for System Management to provide to the IMO with notifications of each Commissioning Test two days before its commencement. The IMO is currently preparing a Rule Change Proposal (to be presented to the Market Advisory Committee in October) that will formalise this arrangement.

## **7.4 OPINION**

With the exception of the not material breaches noted above, the IMO has complied with its obligations under Chapter 6 of the Market Rules.

## **8. MARKET RULE CHAPTER 7 – DISPATCH**

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Market Rule Chapter 7 sets out the Dispatch Rules which are the responsibility of System Management and the IMO in its Market Operations role.

### **8.1 DOCUMENTATION**

The following IMO Internal Procedures are new or updated since last year's market audit:

- Internal Procedure: Daily Operations Procedure Manual.
- Internal Procedure: Operational Contingency Procedure Manual

### **8.2 AMENDMENTS TO CHAPTER 7**

The following clauses which relate to the IMO's obligations have been amended since last year's annual audit:

- 7.7.5A
- 7.13.1B

#### **8.2.1 Clause 7.7.5A**

Clause 7.7.5A relates to how to determine the quantity described in clause 6.17.6(c)(i), which is an input to the calculation of a Dispatch Instruction Payment.

These amendments in this clause have given rise to a change in the IMO's IT systems. Compliance of the IT systems with the Market Rules is addressed in our audit report *Test and Certification of the Wholesale Electricity Market Software*.

#### **8.2.2 Clause 7.13.1B**

This clause allows the IMO to extend the time available to System Management to provide Settlement and Monitoring data under clause 7.13.1. The IMO may extend the timetable by up to two business days.

The IMO's Internal Procedure *Daily Operations Manual* has been updated to comply with this amendment.

### **8.3 COMPLIANCE WITH CHAPTER 7**

The daily procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

The IMO has recorded two incidents of breach in regard to Chapter 7 since last year's annual audit. Both incidents occurred on the same day and relate to the same set of facts.

On 13 July 2008, there were various communication problems between the IMO and System Management due to network and internet connectivity issues.

The IMO did not receive Ancillary Service and Outage information from System Management by the required time. If this occurs, then under clauses 7.2.3C (for Ancillary

Service data) and 7.3.6 (for Outage data) the IMO must arrange for System Management to provide the information by alternative means. The timeframe for receipt of that information is extended by 20 minutes for Ancillary Service data and 30 minutes for Outage data. The IMO attempted to do this but nonetheless the information was still not received by the (extended) required times.

This amounts to a breach of the IMO's obligations under clauses 7.2.3C and 7.3.6. This breach was not material as other clauses of the Market Rules allowed the IMO to delay the various submission windows (see below) while the waited to receive the data.

The communication issues also resulted in delays to various submission windows (STEM, Resource Plan, etc.). In addition delaying these submission windows (which the IMO is able to do under the Rules), the IMO also placed its "Dispatch Merit Order to System Management" process on hold.

Unfortunately when the communications were restored and the submission windows successfully closed, the IMO neglected to take its process off hold, meaning the process was not run by required time. The IMO was not aware of this until informed by System Management later in the day.

This amounted to a breach of the IMO's obligations to provide System Management with Dispatch Merit Orders and Fuel Declarations (clause 7.5.1) and Resource Plans (clause 7.4.1). This placed extra pressure on System Management as they had reduced time to plan for the following day.

This beach would have been material had not System Management been able to successfully meet their obligations.

The IMO has subsequently established a new procedure requiring a second operator to verify event status after incidents which require a delay of STEM events.

#### **8.4 OPINION**

With the exceptions noted above, the IMO has complied with its obligations under Chapter 7 of the Market Rules.

**9. MARKET RULE CHAPTER 8 – WHOLESALE MARKET METERING**

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Market Rule Chapter 8 sets out the Wholesale Market Metering Rules which are the responsibility of the IMO in its Market Operations role.

**9.1 DOCUMENTATION**

There have not been any changes to relevant IMO Internal Procedures or Market Procedures since last year's annual audit.

**9.2 AMENDMENTS TO CHAPTER 8**

There have been no amendments to Chapter 8 relating to the IMO's obligations.

**9.3 COMPLIANCE WITH CHAPTER 8**

The obligations of the IMO under Chapter 8 are met through the publication of the Market Procedure for Meter Data Submissions. This was published prior to the commencement of the market.

**9.4 OPINION**

The IMO has complied with its obligations under Chapter 8 of the Market Rules.

**10. MARKET RULE CHAPTER 9 – SETTLEMENT**

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Market Rule Chapter 9 sets out the Settlement Rules which are the responsibility of the IMO in its Market Operations role.

**10.1 DOCUMENTATION**

There have not been any changes to relevant IMO Internal Procedures or Market Procedures since last year's annual audit.

**10.2 AMENDMENTS TO CHAPTER 9**

There have been no amendments to Chapter 9 relating to the IMO's obligations.

**10.3 COMPLIANCE WITH CHAPTER 9**

The procedures to be followed are fully documented and, if followed, should result in compliance with the Market Rules.

The IMO has recorded two incidents of breach of its Chapter 9 obligations since last year's market audit.

On 9 May 2008, the IMO neglected to create and publish the Participant Information Report. This was an oversight by the IMO and amounts to a breach of clause 9.16.1. The report was published the following day when the oversight was discovered.

PA considers this breach to be not material.

On 24 June 2008, the adjusted STEM Settlement Statement and adjusted Non-STEM Settlement Statement contained inconsistent data for a Participant. The Statements were delayed until the data was verified.

This amounted to a breach of clause 9.19.1(b) which requires the IMO to provide adjusted Statements to Participants in accordance with the timeline specified in clause 9.16.4.

PA believes this breach to be not material. Since this incident, the IMO has resolved to schedule the Statement runs further in advance of the deadlines, thus giving them the opportunity prior to the deadline to investigate any inconsistencies that may arise.

**10.4 OPINION**

With the exception of the not material breaches mentioned above, the IMO has complied with its obligations under Chapter 9 of the Market Rules.

## **11. MARKET RULE CHAPTER 10 – MARKET INFORMATION**

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Market Rule Chapter 10 sets out the Market Information Rules which are the responsibility of the IMO in its Market Administration role.

### **11.1 DOCUMENTATION**

The following Market Procedures are new or updated since last year's market audit:

- Market procedure for: Web Site Changes

The following IMO Internal Procedures are new or updated since last year's market audit:

- Internal Procedure: Publish to Web

### **11.2 AMENDMENTS TO CHAPTER 10**

The following clauses which relate to the IMO's obligations have been amended since last year's annual audit:

- 10.5.1

#### **11.2.1 Clause 10.5.1**

The amendment to this clause relates to the publishing of STEM Bids and Offers on the IMO website. The time period for which this data must be published has changed slightly.

The IMO's processes comply with the new time periods. The information is published at [http://www.imowa.com.au/10\\_5\\_1\\_i\\_ii\\_stem\\_bids\\_and\\_offers.htm](http://www.imowa.com.au/10_5_1_i_ii_stem_bids_and_offers.htm)

### **11.3 COMPLIANCE WITH CHAPTER 10**

We have reviewed both the Market and Internal Procedures relating to Market information and consider that, provided due care is taken, these set out adequate procedures to protect the integrity of and access to market information.

The IMO has recorded two incidents of breach of its Chapter 10 obligations since last year's market audit.

For five days in November 2007, the IMO did not have all the required STEM Bids and Offers published on its website. At the time this was a manual process and the event was overlooked. The process has now been automated by a subsequent software release. This breach was not material.

The IMO has a current IT issue which causes rare and intermittent breaches of clause 10.5.1 (y) which requires the IMO to publish the generation, spinning reserve and load for each trading interval as soon as possible after that interval.

The IMO has instigated a project with System Management which involves System Management storing this data. This should enable the IMO to retrieve missing data in cases where the IMO's IT system fails initially to publish all the required data.

Despite this the IMO has recorded breaches of this obligation on ten occasions since 1 October 2007.

PA believes this breach to be not material.

#### **11.4 OPINION**

With the exceptions noted above, the IMO has complied with its obligations under Chapter 10 of the Market Rules.

**APPENDIX A: MAPPING OF IMO MARKET RULE OBLIGATIONS TO IMO MARKET PROCEDURES AND INTERNAL PROCEDURES**

**A.1 CHAPTER 1**

Clause	Obligation	Procedure
<b>1.6 – Notices</b>		
1..61	The IMO must develop a Market Procedure which sets out the method by which notices and communications required under, contemplated by or relating to, these Market Rules are to be given to or by the IMO.	Market Procedure for Notices and Communications

**A.2 CHAPTER 2**

Clause	Obligation	Procedure
<b>2.3 - The Market Advisory Committee</b>		
2.3.2	IMO must develop and publish a constitution for the MAC	Constitution of the Market Advisory Committee at <a href="http://www.imowa.com.au/%5CAttachments/Constitution%20of%20the%20Market%20Advisory%20Committee%20December%202006.pdf">http://www.imowa.com.au/%5CAttachments/Constitution%20of%20the%20Market%20Advisory%20Committee%20December%202006.pdf</a>
2.3.4	IMO must invite public submissions when developing/amending the constitution of the MAC	
2.3.8	IMO may appoint and remove members of MAC	
2.3.9	IMO must review composition of MAC	MR2.3 - Annual Review of MAC Composition, section 2.4
2.3.10	When doing 2.3.8, IMO must consult and take nominations from	MR2.3 - Annual Review of MAC Composition, section 3.1.2

Clause	Obligation	Procedure
	relevant industry groups and choose from nominees where practicable	
2.3.11	IMO may remove member of MAC under certain conditions	MR2.3 - Annual Review of MAC Composition, section 2.3
2.3.14	IMO must provide a secretariat for the MAC	
2.3.16	IMO must provide members of the MAC with information	
<b>2.4 - Market Documents</b>		
2.4.1	General responsibility for MR falls on IMO	
2.4.2	IMO must not make Amending Rules (AR) that are inconsistent with Wholesale Market Objectives	
2.4.3	IMO must take into account certain matters when deciding whether to make AR	
2.4.4	IMO must maintain a Rules Change Proposal form on the Market Web Site	<a href="http://www.imowa.com.au/Attachments/Rule%20Change%20Proposal%20Form_hdr.doc">http://www.imowa.com.au/Attachments/Rule%20Change%20Proposal%20Form_hdr.doc</a>
<b>2.5 - Rule Change Proposals</b>		
2.5.3	IMO must develop a Rules Change Proposal	
2.5.4	IMO must develop a Rules Change Proposal	
2.5.5	IMO may seek clarification from person submitting Rules Change Proposal	MR2.5-2.7 - Rule Change Procedure, section 4.3
2.5.6	IMO must notify submitter of rule change proposal as to whether proposal will be progressed.	MR2.5-2.7 - Rule Change Procedure, section 4.4
2.5.7	IMO must publish notice of rule change proposal	MR2.5-2.7 - Rule Change Procedure, section 4.5

Clause	Obligation	Procedure
2.5.8	IMO must notify Minister of a Protected Provision rule change	MR2.5-2.7 - Rule Change Procedure, section 4.5.2 step 2
2.5.9	IMO may categorise Rule Change Proposal as Fast Track	MR2.5-2.7 - Rule Change Procedure, section 4.4
2.5.11	IMO must reclassify a Fast Track Rule Change Proposal if it extends the timetable by more than 15 BD.	MR2.5-2.7 - Rule Change Procedure, section 6.4
2.5.12	IMO must publish a notice of extension and update any information already published in accordance with clause 2.5.7(f)	MR2.5-2.7 - Rule Change Procedure, section 5.5
2.5.13	A notice of extension must include various things	MR2.5-2.7 - Rule Change Procedure, section 5.5
<b>2.6 - Fast Track Rule Change Process</b>		
2.6.1	IMO notifies those it intends to consult with in regard to a fast track rule change	MR2.5-2.7 - Rule Change Procedure, section 4.5
2.6.3.	IMO completes consultation on a fast track rule change proposal	MR2.5-2.7 - Rule Change Procedure, section 6.3
2.6.4	IMO must prepare and publish a final rule change report on a fast track rule change.	MR2.5-2.7 - Rule Change Procedure, section 6.5
2.6.4(f)	Draft Report must contain IMO's decision to accept (in proposed or modified form) or reject the Rule Change Proposal.	MR2.5-2.7 - Rule Change Procedure, section 6.5
<b>2.7 - Standard Rule Change Process</b>		
2.7.2	IMO must release all information provided during the submission process	MR2.5-2.7 - Rule Change Procedure, section 5.6.2 step 11
2.7.3	IMO may hold public forums	MR2.5-2.7 - Rule Change Procedure, section 5.3
2.7.4	IMO must notify MAC of a rule change proposal (standard process)	MR2.5-2.7 - Rule Change Procedure, section 5.2
2.7.5	IMO must convene MAC (standard process)	MR2.5-2.7 - Rule Change Procedure, section 5.2 (however criteria are not specified)

Clause	Obligation	Procedure
2.7.6	IMO must publish draft rule change report and deadline of at least further 20 BD for further submissions (standard process)	MR2.5-2.7 - Rule Change Procedure, section 5.6
2.7.7	The draft Rule Change Report must contain various things	MR2.5-2.7 - Rule Change Procedure, section 5.6
2.7.8	IMO must publish final rule change report (standard process) including decision whether Rule Change Proposal will proceed	MR2.5-2.7 - Rule Change Procedure, section 5.8
<b>2.8 - Review of IMO Rule Amendment Decisions, Ministerial Approval and coming into force of Rule Amendments</b>		
2.8.3	IMO must submit rule change proposal and Final Report to Minister if Protected Provisions affected.	MR2.5-2.7 - Rule Change Procedure, section 5.8.3
2.8.7	IMO must publish notice of any extension made by the Minister under 2.8.6	MR2.5-2.7 - Rule Change Procedure, section 5.9
2.8.9	IMO must publish rejection of a rule change by Minister	MR2.5-2.7 - Rule Change Procedure, section 5.9
2.8.10.a	IMO must publish Amending Rules revised by the Minister	
2.8.10.b	IMO must provide revised final rule change report to Minister	
2.8.12	IMO must publish notice of when amending rules commence	MR2.5-2.7 - Rule Change Procedure, section 5.8/6.5
<b>2.9 - Market Procedures</b>		
2.9.1	IMO must manage the development of Market Procedures	
2.9.4	IMO must maintain a Procedure Change Submission Form on the Web Site	<a href="http://www.imowa.com.au/Attachments/Procedure%20Change%20Proposal-IMO_hdr.doc">http://www.imowa.com.au/Attachments/Procedure%20Change%20Proposal-IMO_hdr.doc</a>
2.9.5	IMO must develop an Administration Procedure	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Procedure%20Administration%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Procedure%20Administration%20Procedure.pdf</a>
2.9.6	IMO must comply with applicable Market Procedures	

Clause	Obligation	Procedure
<b>2.10 - Procedure Change Process</b>		
2.10.1	IMO may initiate Procedure Change Process by developing a Procedure Change Proposal	
2.10.3	IMO responsible for making amendments to Procedures that are required by amendments to Market Rules	MR2.10 - Market Procedure Change, section 2
2.10.4	IMO must publish SM procedure change proposal	MR2.10 - Market Procedure Change, section 3.1
2.10.5	IMO must publish its own Procedure Change Proposals	MR2.10 - Market Procedure Change, section 2.3
2.10.6	A Procedure Change Proposal must include various things	MR2.10 - Market Procedure Change, section 2.2
2.10.7	IMO must publish due date for submissions on a procedure change proposal	MR2.10 - Market Procedure Change, section 2.3
2.10.8	IMO must notify MAC if required to convene	MR2.10 - Market Procedure Change, section 2.4
2.10.9	IMO must convene MAC	MR2.10 - Market Procedure Change, section 2.4
2.10.10 to 2.10.12	IMO must prepares and publish, or just publish, procedure change report.	MR2.10 - Market Procedure Change, section 2.7
2.10.13	Procedure Change Report must contain the matters specified in the rule.	MR2.10 - Market Procedure Change, section 2.7
2.10.14	IMO must decide whether to approve/reject SM procedure changes	MR2.10 - Market Procedure Change, section 3.3
2.10.15	IMO must notify SM and publish information about the SM procedure change upon approval plus date for it to take effect	MR2.10 - Market Procedure Change, section 3.3
2.10.16.a	IMO must notify SM of rejection and publish reasons.	MR2.10 - Market Procedure Change, section 3.3
<b>2.11 - Coming into force of Procedure Amendments</b>		

Clause	Obligation	Procedure
2.11.4	IMO may extend time and date when Market Procedure commences	MR2.10 - Market Procedure Change, section 2.8
<b>2.13 - Market Rule Compliance Monitoring and Enforcement</b>		
2.13.2	IMO must monitor other Rule Participant behaviour for compliance with Market Rules and Procedures.	Compliance Monitoring, Investigation & Enforcement, section 2.1
2.13.3	IMO must ensure that it has procedures and systems in place to allow it to monitor Rule Participants' behaviour for compliance with the Market Rules and Market Procedures in accordance with the Monitoring Protocol.	Compliance Monitoring, Investigation & Enforcement, section 2.1
2.13.10	IMO must record and investigate any alleged breach that it becomes aware of, and issue a warning if it believes a breach has taken place	Compliance Monitoring, Investigation & Enforcement, section 2.1 & 2.2
2.13.11	IMO may meet with Rule Participant to discuss alleged breach	Compliance Monitoring, Investigation & Enforcement, section 2.2
2.13.12	IMO may do various things as part of an investigation into alleged breach	Compliance Monitoring, Investigation & Enforcement, section 2.4.2
2.13.14	IMO may appoint a person to investigate alleged breach	Compliance Monitoring, Investigation & Enforcement, section 2.4.3
2.13.15	IMO must decide if a breach has occurred	Compliance Monitoring, Investigation & Enforcement, section 2.5
2.13.16	IMO may decide there has been a breach of the Market Rules and issue a penalty notice, or decide there's been no breach and notify the Market Participant.	Compliance Monitoring, Investigation & Enforcement, section 2.5 & 2.6
2.13.18	IMO may bring proceedings before the Energy Review Board	Compliance Monitoring, Investigation & Enforcement, section 2.9
2.13.20	IMO must cooperate with an investigation of its alleged breach	
2.13.24	IMO may direct Rule Participant to do/not do to give effect to any order of the Energy Review Board	

Clause	Obligation	Procedure
2.13.26	IMO must release a report of civil penalties and proceedings, findings and orders of the Energy Review Board	Compliance Monitoring, Investigation & Enforcement, section 1.5
2.13.27	IMO must have regard to Wholesale Market Objectives when considering circulating a report of civil penalties, etc	
2.13.28	IMO may release a report on matters where it made a decision under 2.13.16(a) or which have been referred to the ERB.	Compliance Monitoring, Investigation & Enforcement, section 1.5
2.13.31	IMO must provide reports to all Rule Participants and interested parties, unless inappropriate	
<b>2.14 – Audit</b>		
2.14.1	IMO must appoint Market Auditors.	res ipsa loquitur
2.14.2	IMO must ensure Auditor carries out annual audits of the matters required by the Market Rules	res ipsa loquitur
2.14.3	IMO must ensure Auditor carries out the audits appropriately	
2.14.4	IMO must either accept the Auditor’s report or prepare one of its own.	
2.14.5	IMO must publish auditor’s report and IMO’s report	
2.14.6.a	IMO requires SM to demonstrate compliance	
2.14.6.b	IMO must annually audit the SM	
2.14.7	IMO must provide report to Minister on SM compliance	
<b>2.15 - Monitoring and Reporting Protocols</b>		
2.15.1	IMO must develop and implement a Monitoring Protocol	

Clause	Obligation	Procedure
2.15.3	Monitoring Protocol must specify various things	
2.15.8	IMO and ERA must agree a reporting protocol which must specify various things	
<b>2.16 - Monitoring the effectiveness of the market</b>		
2.16.1	IMO must compile and analyse data identified in the Market Surveillance Data Catalogue	MR2.16 - Market Surveillance Internal Procedure, section 5
2.16.2	IMO must develop a market surveillance catalogue	<a href="http://www.imowa.com.au/MarketSurveillanceDataCatalogue.htm">http://www.imowa.com.au/MarketSurveillanceDataCatalogue.htm</a>
2.16.3	IMO must publish the market surveillance catalogue	<a href="http://www.imowa.com.au/MarketSurveillanceDataCatalogue.htm">http://www.imowa.com.au/MarketSurveillanceDataCatalogue.htm</a>
2.16.4	IMO must carry out analysis to calculate relevant summary statistics	
2.16.5	IMO must provide data to ERA	
2.16.8	IMO must assist ERA to investigate behaviour related to market power.	
2.16.9 & 2.16.9A	IMO must assist ERA in monitoring activities	
2.16.9B.a	IMO requests explanation from participant for unreasonable costs	MR2.16 - Market Surveillance Internal Procedure, section 6.2
2.16.9B.b	IMO advise ERA of unreasonable STEM cost data	
2.16.9D	IMO publishes participant explanation	MR2.16 - Market Surveillance Internal Procedure, section 6.3
2.16.9H	IMO must refer a matter to the ERB for civil penalties	MR2.16 - Market Surveillance Internal Procedure, section 6.4
2.16.14	The IMO must use information provided by the ERA under clause 2.16.6(c) only for the purpose of carrying out its functions under clause 2.16	
<b>2.18 – Disputes</b>		

Clause	Obligation	Procedure
2.18.3	IMO as Dispute Participant may refer question of law to court	MR2.18 - Internal Procedure Dispute Resolution, section 1.1
2.18.4	IMO as Dispute Participant must not agree to resolution inconsistent with Market Rules	MR2.18 - Internal Procedure Dispute Resolution, section 1.1
<b>2.19 - First Stage Dispute Resolution</b>		
2.19.1	IMO as Rule Participant may issue dispute notice to another Rule Participant	
2.19.2	IMO as Rule Participant may name in Notice of Dispute any Rule Participant that may be affected	
2.19.3	Notice of Dispute must contain various things	
2.19.4	IMO as Rule Participant receiving Notice of Dispute must supply confirmation of receipt	MR2.18 - Internal Procedure Dispute Resolution, section 1.3 step 4
2.19.5	IMO may join a Rule Participant to a dispute	MR2.18 - Internal Procedure Dispute Resolution, section 1.3 step 6
2.19.6	IMO as Dispute Participant must make reasonable endeavours to meet and resolve in good faith	MR2.18 - Internal Procedure Dispute Resolution, section 1.3 step 7
<b>2.20 - Second Stage Dispute Resolution</b>		
2.20.1	IMO as Dispute Participant must give consideration to resolving Dispute through mediation/ADR/etc	MR2.18 - Internal Procedure Dispute Resolution, section 1.3.2
2.20.2	IMO as Dispute Participant may commence court proceedings	MR2.18 - Internal Procedure Dispute Resolution, section 1.3.2
<b>2.21 - Market Consultation</b>		
2.21.1	IMO must consult on such matters as are specified in the Market Rules	
2.21.2	IMO must consult in good faith	

Clause	Obligation	Procedure
<b>2.22 - Determination of the IMO's budget</b>		
2.22.3.a	IMO must submit proposal for allowable revenue over review period to ERA	MR2.22 - determination of IMO budget, section 1.3
2.22.5	IMO must submit budget proposal for coming year to Minister	MR2.22 - determination of IMO budget, section 1.3
2.22.8	IMO applies to ERA to reassess allowable revenue where budget required exceeds 15% of allowable revenue	MR2.22 - determination of IMO budget, section 1.3
2.22.11	IMO must publish budget approved by Minister	MR2.22 - determination of IMO budget, section 1.3
2.22.13	IMO may declare a project to be a Declared Market Project under certain conditions	MR2.22 - determination of IMO budget, section 1.3
2.22.14	IMO must obtain approval from the ERA for an increase in Allowable Revenue	MR2.22 - determination of IMO budget, section 1.3
<b>2.23 - Determination of System Management's budget</b>		
2.23.9	IMO must review SM budget proposal and report to the Minister	
2.23.11	IMO must publish budget provided by SM	
<b>2.24- Determination of Market Fees</b>		
2.24.2	IMO must determine and publish fees to apply from 1 July	
2.24.3	IMO must publish an estimate of its total revenue by source	
<b>2.25 - Payment of Market Participant Fees</b>		
2.25.1	IMO must charge Fees under Market Rule 9.1.3	
2.25.3	IMO must pay SM and ERA following receipt of payment	

Clause	Obligation	Procedure
<b>2.27 - Determination of Loss Factors</b>		
2.27.3	IMO publishes loss factors	MR2.27 - Determining Loss Factors Procedure, step 1
2.27.3A	Publication of time for loss factors to apply (including changes under 2.27.4.e)	MR2.27 - Determining Loss Factors Procedure, step 4
2.27.3B	IMO must allow sufficient time for Market Participants to identify and update Standing Data	MR2.27 - Determining Loss Factors Procedure, section 1.3
2.27.4(b).i	IMO must announce plan to audit loss factor calculation	MR2.27 - Determining Loss Factors Procedure, section 1.4
2.27.4(b).ii	IMO must audit loss factor calculation	MR2.27 - Determining Loss Factors Procedure, section 1.4
2.27.5	IMO must continue to use equivalent Loss Factor from the previous year until the Network Operator has provided the IMO with the new Loss Factor	MR2.27 - Determining Loss Factors Procedure, step 12
2.27.6	IMO must document standards to be used in determining Loss Factors	
<b>2.28 - Rule Participants</b>		
2.28.13	IMO must determine the class of person not covered by previous sub-sections	
2.28.16	IMO may determine that a person is exempted from the requirement to register, and apply conditions.	Rule Participant Exemption to Register, section 2
2.28.16A(b)	IMO must register Intermediary as Rule Participant	Rule Participant Exemption to Register, section 2.1.2
2.28.16B	IMO may determine that a person is exempted from the requirement to register under specific conditions	Rule Participant Exemption to Register, section 2.1.2
<b>2.29 - Facility Registration Classes</b>		

Clause	Obligation	Procedure
2.29.9	IMO may determine that a person is exempted from the requirement to register a facility and apply conditions.	
2.29.10	The IMO must exempt a person from the requirement to register a generating system	
<b>2.30 - Facility Aggregation</b>		
2.30.1A	For each Capacity Year the IMO may only accept an application for Facility Aggregation once with respect to each Facility.	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
2.30.4	IMO must consult with SM and the Network Operator when assessing an application for Facility aggregation.	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
2.30.5	IMO may only allow aggregation if no adverse effect on SM's ability to manage the Power System	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
2.30.8	IMO must inform relevant Rule Participant of date when aggregated facilities will be considered to be disaggregated.	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
2.30.10(b)	IMO may require Rule Participant to provide Standing Data when aggregated facility is disaggregated	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
2.30.11	IMO must document the facility aggregation and disaggregation process	Market Procedure for: Facility Registration, Facility de-Registration and Facility Transfer, section 1.4.3
<b>2.30A - Exemption from Funding Spinning Reserve</b>		
2.30A.2	IMO must exempt Intermittent Generator meeting certain ramping conditions from funding Spinning Reserve costs	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf</a> , section 1.6 step 27
2.30A.3	IMO must consult with System Management when assessing exemption	List of events.xls, Exemption from Funding Spinning Reserve Cost
2.30A.5	IMO must inform Market Participant and include facility in Appendix	

Clause	Obligation	Procedure
	2	
2.30A.6	IMO must document the Spinning Reserve costs exemption process in the Registration Procedure.	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf</a> , section 1.6 step 27
<b>2.30B - Intermittent Load</b>		
2.30B.3	IMO must require that applicant to register Intermittent Load provide specified information	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Facility%20Registration%20Procedure.pdf</a> , talks of general stuff to do with intermittent loads
2.30B.4	IMO must use the information provided by Market Customer under clause 2.30B.3	
2.30B.6	IMO must accept an application for Load to be Intermittent Load if conditions are met	
2.30B.7	IMO may cease to treat a Load as an Intermittent Load and require it to modify its Standing Data	
2.30B.8	IMO must consult with SM in determining whether Load is Intermittent Load.	
<b>2.30C - Rule Commencement and Registration Data</b>		
2.30C.1	IMO must not require registration prior to commencement of relevant Market Rules	
2.30C.3	IMO must notify Rule Participants of changes to Standing Data	
<b>2.31 - Registration Process</b>		
2.31.1	IMO must maintain Registration Forms on the Market Web Site	
2.31.3	IMO must acknowledge receipt of participant or facility registration application.	In the various Registration Procedure documents

Clause	Obligation	Procedure
2.31.5	IMO must consult SM and may consult Network Operators	various facility documents, eg Facility Registration, section 2.3.2
2.31.6	IMO must notify the schedule of acceptance process for facility registration	
2.31.7	IMO may determine that a test required under Market Rules is not necessary	
2.31.10	IMO must accept or reject application	
2.31.11	IMO must include certain information in the notice to the applicant	General Registration Event, section 2.2.2
2.31.12	IMO must give reasons for rejection	General Registration Event, section 2.3.4
2.31.13	IMO may reject an application only if specified conditions are met	
2.31.21	IMO must maintain a register of Rule Participants and Registered Facilities	
2.31.22	IMO must only indicate that it can facilitate participation in a Rule Participant class or Facility Class is System Management actually can	
2.31.23	IMO must document the registration, de-registration and transfer process in the Registration Procedure	
<b>2.32 - Rule Participant Suspension and Deregistration</b>		
2.32.1	IMO must issue a suspension notice to a participant	MR2.37-2.43 - Prudential Procedure, section 4.3.1
2.32.2	IMO must copy suspension notice to all rule participants	MR2.37-2.43 - Prudential Procedure, section 4.3.2 step 1
2.32.3	IMO may specify directions the Rule Participant must comply with to give effect to the Suspension Notice	
2.32.4	IMO may reject Submission and/or withhold payments due to a	MR2.37-2.43 - Prudential Procedure, section 4.3.2 step 2

Clause	Obligation	Procedure
	defaulting Rule Participant	
2.32.5	IMO must withdraw a suspension notice	MR2.37-2.43 - Prudential Procedure, section 4.3.4 step 1
2.32.6	IMO may apply to ERB to deregister a suspended Rule Participant	MR2.37-2.43 - Prudential Procedure, section 4.3.3 step 1
2.32.7	IMO must de-register a rule participant	MR2.37-2.43 - Prudential Procedure, section 4.3.3 step 2
2.32.9	IMO may require NO to disconnect suspended/deregistered facilities	MR2.37-2.43 - Prudential Procedure, section 4.3.2 step 3
2.32.9	IMO must request NO reconnected previously suspended Facilities	
<b>2.33 - The Registration Forms</b>		
2.33.1	Rule Participant registration form (2.31.1(a)) must require an applicant to provide certain information	<a href="http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20Register%20for%20WEMS%20access%20form_rev6.doc">http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20Register%20for%20WEMS%20access%20form_rev6.doc</a>
2.33.2	Rule Participant de-registration form (2.31.1(b)) must require an applicant to provide certain information	<a href="http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20De-Register%20as%20a%20Participant%20v1.doc">http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20De-Register%20as%20a%20Participant%20v1.doc</a>
2.33.3	Facility registration form (2.31.1(c)) must require an applicant to provide certain information	<a href="http://www.imowa.com.au/Attachments/Prudential/Application_to_Register_a_Facility_Name_20070605.pdf">http://www.imowa.com.au/Attachments/Prudential/Application_to_Register_a_Facility_Name_20070605.pdf</a>
2.33.4	Facility de-registration form (2.31.1(d)) must require an applicant to provide certain information	<a href="http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20De-Register%20a%20Facility%20v1.doc">http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20De-Register%20a%20Facility%20v1.doc</a>
2.33.5	Facility transfer form (2.31.1(e)) must require an applicant to provide certain information	<a href="http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20Transfer%20a%20Facility%20v1.doc">http://www.imowa.com.au/Attachments/MarketForms/Application%20to%20Transfer%20a%20Facility%20v1.doc</a>
<b>2.34 - Standing Data</b>		
2.34.1	IMO must maintain a record of Standing Data and provide it to SM.	
2.34.5	IMO must confirm receipt of request for standing data change	
2.34.6	IMO may request further information from a Rule Participant	

Clause	Obligation	Procedure
	regarding a change in Standing Data	
2.34.7	IMO may reject a change	
2.34.8	IMO must notify participant of acceptance/rejection of standing data change	
2.34.9	IMO must give reasons for rejection	
2.34.11	IMO may require a Rule Participant to provide updated Standing Data	
2.34.12	IMO must consult with SM before requesting updated Standing Data	
2.34.13(b)	IMO may temporarily substitute data until Rule Participant updates Standing Data	
2.34.14	IMO must commence using revised Standing Data	
<b>2.36 - Market Systems Requirements</b>		
2.36.1	IMO must keep a record of version of software	
2.36.5	IMO must document data and It interface requirements in the relevant procedure, and comply with that procedure.	
2.36.6	IMO may require Market Participants to submit information using software systems tot the IMO specifies, and may reject information that is submitted by any other method.	
<b>2.37 - Credit Limit</b>		
2.37.1	IMO must determine a credit limit for each Market Participant.	MR2.37-2.43 - Prudential Procedure, section 2.2.1
2.37.2	IMO may revise credit limits	MR2.37-2.43 - Prudential Procedure, section 3.2

Clause	Obligation	Procedure
2.37.3	IMO must review Market Participant credit limits	MR2.37-2.43 - Prudential Procedure, section 3.2
2.37.4	IMO must take into account specified matters when determining a credit limit	MR2.37-2.43 - Prudential Procedure, section 3.2
2.37.6	IMO must determine Credit Limit for each NO that funds a Network Control Service Contract	
2.37.7	IMO must review Network Operator credit limits	
2.37.8	IMO must notify MP and NO of credit limit (including details)	
2.37.9	IMO must develop guidelines in the Prudential Procedure for determining expected value of transaction.	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Prudential%20Requirements%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Prudential%20Requirements%20Procedure.pdf</a> , section 5
<b>2.38 - Credit Support</b>		
2.38.5	IMO must pay accumulated interest each month at the daily Bank Bill rate.	
<b>2.41 - Trading Margin</b>		
2.41.3	IMO may reject Submission if it could result in the Trading Margin of the Market Participant being exceeded	
2.41.4	IMO may notify Market Participant at any time of the level of their Trading Margin	
<b>2.42 - Margin Call</b>		
2.42.1	IMO may issue a Market Call Notice to a Market Participant	MR2.37-2.43 - Prudential Procedure, section 3.1.1 step 5
2.42.5	IMO may cancel a Margin Call Notice at any time	
2.42.7	IMO must review and increase credit limit	MR2.37-2.43 - Prudential Procedure, section 3.1.2 step 9

Clause	Obligation	Procedure
<b>2.43 - Prudential Market Procedure</b>		
2.43.1	IMO must develop a Prudential Procedure	
<b>2.44 - Minister's Emergency Powers</b>		
2.44.1	IMO must comply with Minister's request to suspend the Market	
2.44.2	IMO must lift suspension	
2.44.3	IMO must notify Market Participants of any suspension or lifting of suspension	
2.44.4	IMO may give direction to Market Participants during a suspension	

### A.3 CHAPTER 3

Clause	Obligation	Trigger	Procedure
<b>3.8 - Investigating Incidents in the SWIS</b>			
3.8.2	IMO must coordinate investigation of incidents on the SWIS (where IMO considers investigation warranted)	SM notifies IMO of incident (clause 3.8.1)	MR3.8 - Investigation of Incidents II.0, section 2.1.1
3.8.3	IMO must publish report on an investigation	Completion of investigation described in clause 3.8.2	MR3.8 - Investigation of Incidents II.0, section 2.1.3 step 6
3.8.4 to 3.8.6	IMO must initiate rule/procedure changes or requires SM to do same (if required)	Completion of investigation described in clause 3.8.2	MR3.8 - Investigation of Incidents II.0, section 2.1.3 step 8
<b>3.11 - Determining and Procuring Ancillary Service Requirements</b>			

Clause	Obligation	Trigger	Procedure
3.11.6	IMO must audit Ancillary Service Requirements	Submission of revision by SM (under this clause 3.11.6)	MR3.11 - Ancillary Services Requirements Procedure, section 1.2
3.11.12	IMO must audit Ancillary Services plan	Submission by SM (clause 3.11.11)	MR3.11 - Ancillary Services Requirements Procedure, section 1.4
3.11.13	IMO must publish approved report	Completion of audit (clause 3.11.12)	MR3.11 - Ancillary Services Requirements Procedure, section 1.4 step 13
<b>3.15 - Review of Ancillary Service Requirements Process and Standards</b>			
3.15.1	IMO, assisted by SM, must review basis for setting ancillary service requirements (includes public consultation)	As required	
3.15.2	IMO must publish report on review	IMO completes review of basis for setting ancillary service requirements (clause 3.15.1)	
3.15.3	If report recommends a rule change, IMO must make a Rule Change Proposal		
<b>3.16 - Medium Term PASA</b>			
3.16.9	IMO must publish MT PASA report provided by SM	SM provides IMO report (this clause, 3.16.9)	<a href="http://www.imowa.com.au/10_5_1_n_mt_pasa.htm">http://www.imowa.com.au/10_5_1_n_mt_pasa.htm</a>
<b>3.17 - Short Term PASA</b>			
3.17.2	IMO must publish ST PASA report	SM provides IMO report (Rule 317.1)	<a href="http://www.imowa.com.au/10_5_1_o_st_pasa.htm">http://www.imowa.com.au/10_5_1_o_st_pasa.htm</a>
<b>3.18 - Outage Scheduling</b>			
3.18.2.e	IMO must publish list of equipment on	SM provides IMO report (this clause	<a href="http://www.imowa.com.au/%5CAttachments">http://www.imowa.com.au/%5CAttachments</a>

Clause	Obligation	Trigger	Procedure
	outage list provided by SM	3.18.2.e)	%5CSMReports%5COutagePlanningList.pdf
3.18.3.b	IMO must consult with SM, MP or NO on inclusion of facility on list	Participant request reassessment (Rule 3.18.3.a)	
3.18.3©	IMO may give a direction to SM that a Facility should not remain on the list		
3.18.15.e	IMO must consult with SM, MP or NO on outage and reaches a conclusion	Participant applies for re-assessment (Rule 3.18.5.b)	
3.18.15(f)	IMO may give direction to SM that the Outage Plan should be scheduled in SM's outage schedule		
3.18.18	IMO, assisted by SM, must review basis for outage planning		
3.18.19	IMO must publish report on review	Completion of review (clause 3.18.18)	
3.18.20	IMO must initiates rule/procedure changes (if required)	Completion of review (clause 3.18.18)	
<b>3.19 - Outage Approval</b>			
3.19.12.e	IMO must determine amount of outage compensation and/or informs participant for reasons for its determination	Participant applies for outage compensation (Rule 3.19.12.a)	MR3.20 - Outage Compensation Procedure, section 4.1
3.19.12(f)(ii)(1)	IMO must endeavour to not recover more than \$50,000 in any Trading Month		0 MR3.20 - Outage Compensation Procedure, section 4.2
<b>3.22 - Settlement Data</b>			
3.22.1	IMO must provide information to settlement		



**A.4 CHAPTER 4**

Clause	Obligation	Procedure
<b>4.1 - Reserve capacity cycle</b>		
4.1.4	IMO must advertise an EoI for Reserve Capacity	SC 02 - Calling for EOIs for New Capacity - Master, section 1.1
4.1.5	IMO must allow time for EoI responses	SC 03 - Processing of EOIs for New Capacity - Master, section 1.2.2 step 5
4.1.6	IMO publishes EOI response summary	SC 03 - Processing of EOIs for New Capacity - Master, section 1.2.4
4.1.7	IMO must accept applications for certification of Reserve Capacity	
4.1.8	IMO publishes statement of opportunities report	SC 04 - Statement of Opportunities Report - Master
4.1.9	IMO release reserve capacity info pack to EOI respondents	SC 05 - Reserve Capacity Information Pack - Master, section 1.2.3
4.1.10	IMO publishes reserve capacity info pack	SC 05 - Reserve Capacity Information Pack - Master, section 1.2.3
4.1.11	IMO ceases to accept applications for certification of Reserve Capacity	SC 06 - Certification of Facilities - Master, section 1.1
4.1.12	IMO notifies RC certification applicants of certified capacity	SC 06 - Certification of Facilities - Master, section 1.1
4.1.15	IMO notifies MP of approved bilateral trades	
4.1.16	IMO announces if RC auction needed	
4.1.17	IMO must accept submissions of Reserve Capacity Offers	
4.1.18.a	IMO runs the RC auction	

Clause	Obligation	Procedure
4.1.18.b	IMO publishes RC auction results	
4.1.19	IMO commence review of Max Reserve Capacity Price	
4.1.21	IMO notifies participant that RC security deposits not required	
4.1.24	IMO publishes IRCR	
4.1.27	IMO notifies MP that RC security deposit no longer required once operational	
4.1.28	IMO updates and publishes IRCR values monthly	
4.1.29	Dates applicable to prices	
4.1.32	IMO must publish any extended date and time made under clause 4.1.	
<b>4.2 - Expression of interest process</b>		
4.2.2	IMO must prepare a Request for EoI	SC 02 - Calling for EOIs for New Capacity - Master
4.2.3	REoI is to be made available on website or by application	
4.2.4, 4.2.5	IMO must advertise the REoI, and may continue to publish it	SC 02 - Calling for EOIs for New Capacity - Master, section 1.2.3
4.2.7	IMO must publish the following information	SC 03 - Processing of EOIs for New Capacity - Master, section 1.2.3
<b>4.3 - Information to be included in Request for Expression of Interest</b>		
4.3.1	Various pieces of information are to be included	SC 02 - Calling for EOIs for New Capacity - Master, section 1.2.2 step 3
<b>4.5 - Long Term PASA</b>		

Clause	Obligation	Procedure
4.5.1	To be performed annually	
4.5.2(a)-(e)	Must take into account the factors	
4.5.2A	IMO must determine an estimate of Reserve Capacity to cover Intermittent Loads	
4.5.3	IMO requests LT PASA information from participants	
4.5.5	May request from non-participants	
4.5.6	IMO must review information provided and may seek clarification	
4.5.7	IMO must treat all information provided as confidential	
4.5.8	IMO may generate its own data where data provided is inadequate	
4.5.9	Planning criteria	
4.5.10	IMPO must use the assembled information to assess whether capacity can meet planning criteria, and forecast the Reserve Capacity Target.	
4.5.11	IMO must publish Statement of Opportunities Report for a Reserve Capacity Cycle	
4.5.12	Data to be contained in the availability curve	
4.5.13	Data to be contained in the SOO	
4.5.14	IMO must document its procedure for conducting reviews and must comply with that procedure	
4.5.15	IMO must review Planning Criterion and its peak load forecast method	

Clause	Obligation	Procedure
4.5.16	IMO must invite submissions	
4.5.17	IMO must make a draft review report available for comment	
4.5.18	IMO must publish a final report	
4.5.19	IMO must initiate rule/procedure changes (if required)	
4.5.20	IMO must make sure that any 3rd party is familiar with its methodology and approve any variation in the process to be used with that 3rd party	
<b>4.7 - Reserve capacity information pack</b>		
4.7.1	IMO must release Reserve Capacity information Pack to those who provided EoI	SC 05 - Reserve Capacity Information Pack - Master, section 1.2.3
4.7.2	IMO must publish Reserve Capacity Information Pack on the Market Web Site	SC 05 - Reserve Capacity Information Pack - Master, section 1.2.3
4.7.3	Information to be in the Info pack	SC 05 - Reserve Capacity Information Pack - Master, section 1.2.2
<b>4.9 - Process for applying for certification</b>		
4.9.4	IMO must specify the form of applications for certification of Reserve Capacity (implied).	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a>
4.9.5 (c)	IMO must confirm Reserve Capacity information that was previously conditionally assigned	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.8 step 13
4.9.5(d)	IMO must process re-lodged application without regard for the Conditional Certified Reserve Capacity	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.8 step 13

Clause	Obligation	Procedure
4.9.6	IMO must notify an application of receipt of RC certification request	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.5 step 8
4.9.8.a	IMO notifies applicant for current position	SC 06 - Certification of Facilities - Master, 'sending written notification of CRC" <b>NOTE incorrectly states that no date is specified for this</b>
4.9.8.b	IMO notifies applicant for conditional certification of result	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a>
4.9.9	IMO must advise applicant of RC information	SC 06 - Certification of Facilities - Master, 'sending written notification of CRC"
4.9.10	IMO must document the procedure that Market Participants must follow in applying, and that it will follow in assessing applications.	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a>
<b>4.11 - Setting certified reserve capacity</b>		
4.11.1	IMO must apply specified principles in assigning Certified Capacity Reserve	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , various sections
4.11.2	IMO must decide whether to accept nomination of alternative RC method	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.9
4.11.3A	How the IMO must determine the Relevant Level	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.9
4.11.4	IMO must indicate applicable Availability Class	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.10, 1.13

Clause	Obligation	Procedure
4.11.5	IMO may seek information from NOs to confirm accuracy of data but must only disclose the name of the Facility.	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.8
4.11.6	IMO must accredit and manage at least 2 experts to prepare reports on estimated RC of Intermittent Generators.	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , section 1.5 step 8
4.11.9	IMO must review information provided by Western Power under clause 4.11.8	
<b>4.12 - Setting reserve capacity obligations</b>		
4.12.3	IMO must use information to set Reserve Capacity Obligation Quantity for each Facility for each Trading Period.	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , various sections
4.12.4	IMO must use specified principles to establish Reserve Capacity Obligation Quantity	<a href="http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf">http://www.imowa.com.au/Attachments/Approved%20Procedure%20for%20Certification%20of%20Reserve%20Capacity.pdf</a> , various sections
<b>4.13 - Reserve capacity security</b>		
4.13.6	IMO must pay interest	
4.13.8	IMO must develop a Market Procedure dealing with Reserve Capacity and must comply with it.	
4.13.9.a	IMO must cancel the certified reserve capacity for bilateral trade facility	
4.13.9.b	IMO must cancel the certified reserve capacity for auction facility	
4.13.10.a	IMO notifies participant that security no longer required (clause 4.1.21) and returns security deposit	

Clause	Obligation	Procedure
4.13.10.b	IMO returns RC security deposit for a facility that has achieved 100% of its obligation	
4.13.10.c	IMO returns RC security deposit for a facility that only achieved 90% of its obligations	
4.13.11	When IMO ceases security deposit it must allocate revenue between various costs in settlement	
<b>4.14 - Participant auction and bilateral declaration</b>		
4.14.5	IMO calculates EGC peak summer load - which must be traded bilaterally	
4.14.6	IMO must reject one Facility if more than one proposed for the same site	
4.14.7.a	IMO must validate bilateral trade submissions and endeavour to resolve matter with participant	
4.14.7.b	IMO must inform participant if bilateral trade submission ok	
4.14.7.c	If IMO cannot make sense of bilateral trade declaration submission, move to a default	
4.14.8	Obligations to terminate	
4.14.9	IMO must notify each Market Participant of the quantity of Certified Reserve Capacity that it can trade bilaterally.	
<b>4.15 - Confirmation or cancellation of RC auctions</b>		
4.15.1	IMO must publish notice cancelling Reserve Capacity Auction, and other Reserve Capacity information	

Clause	Obligation	Procedure
4.15.2	IMO must publish notice of Reserve Capacity auction	
<b>4.16 - Maximum reserve capacity price</b>		
4.16.1	IMO must publish Maximum Reserve Capacity Price	
4.16.3	IMO must annually review the value of the Maximum Reserve Capacity Price.	SC 01 - Determination of Maximum Reserve Capacity Price, section 1.2.2 step 1
4.16.4	IMO must assess the appropriateness of values specified in the rule	SC 01 - Determination of Maximum Reserve Capacity Price, section 1.2.2 step 2
4.16.5	IMO must propose a revised value for the Maximum Reserve Capacity Price.	SC 01 - Determination of Maximum Reserve Capacity Price, section 1.2.2 step 3
4.16.6	IMO must widely publicise and make available draft report on maximum reserve capacity price (and request submissions)	SC 01 - Determination of Maximum Reserve Capacity Price, section 1.2.3
4.16.7	IMO develops final RC price and submits it, report and submission to ERA	SC 01 - Determination of Maximum Reserve Capacity Price, section 1.2.3 step 1
4.16.8.b	IMO "makes" the new max RC price by publishing notice of it on web site	
<b>4.17 - RCA submission process</b>		
4.17.1	IMO must prescribe a Reserve Capacity Auction form and post it on the Web Site	
4.17.3	IMO must confirm receipt of Reserve Capacity Offer (and indicate acceptance/rejection)	
4.17.4	IMO may reject a RC offer	
4.17.5	IMO to arrange resubmission of offer	

Clause	Obligation	Procedure
4.17.8	IMO may not accept a RC Offer submitted out of time	
4.17.9	IMO must document RC Auction process in the RC Procedure, and must comply with it.	
<b>4.19 – RCA Clearing</b>		
4.19.3	IMO must not accept RC offers from 2 or more Facilities that cannot be simultaneously scheduled, and instead must apply methodology from Appendix 3.	
4.19.5	IMO must publish RC Price and scheduled quantity	
<b>4.20 - Capacity Credits</b>		
4.20.2	IMO must confirm receipt of Capacity Credit submissions (and indicate acceptance/rejection)	Capacity Credit Allocation Procedure (market), section 1.7.3
4.20.3	IMO may only reject a notice that is inconsistent with the Market Rules	Capacity Credit Allocation Procedure (market), section 1.7.2
4.20.4	IMO must give reasons for rejecting a notice.	Capacity Credit Allocation Procedure (market), section 1.7.2
<b>4.21 - Short term price arrangements</b>		
4.21.1	IMO grants ST SPAs	
<b>4.22 - Long term price arrangements</b>		
4.22.3	IMO adjusts LT SPA values for inflation	
<b>4.23A - Capacity credits and facility registration</b>		
4.23A.1	Steps the IMO must convert stuff associated with WP generation plant	

Clause	Obligation	Procedure
4.23A.2	Steps the IMO must take in performing allocations under 4.23A.1	
4.23A.3	IMO re-allocation of capacity credits	
4.23A.4	IMO may aggregate capacity credits	
<b>4.24 - Supplementary reserve capacity</b>		
4.24.1	IMO activates supplementary capacity process	SC 16 - Supplementary Reserve Capacity, section 1.1
4.24.2.a	IMO tenders for supplementary capacity	SC 16 - Supplementary Reserve Capacity, section 1.2.2.1
4.24.2.b	IMO negotiates for supplementary capacity or tender	SC 16 - Supplementary Reserve Capacity, section 1.2.2.2
4.24.5	IMO cannot call a tender more than 6 months before event	SC 16 - Supplementary Reserve Capacity, section 1.2.4.2
4.24.6	IMO must advertise tender	SC 16 - Supplementary Reserve Capacity, section 1.2.4.6
4.24.7	IMO must prescribe a tender form	SC 16 - Supplementary Reserve Capacity, section 1.2.4.3
4.24.8	How the IMO must determine the result of a call for tenders	SC 16 - Supplementary Reserve Capacity, section 1.2.5
4.24.9	IMO not under an obligation to accept any tender	SC 16 - Supplementary Reserve Capacity, section 1.2.5.7
4.24.10	IMO must supply specified information to suppliers with whom it negotiates direct	SC 16 - Supplementary Reserve Capacity, section 1.2.6.2
4.24.11	IMO must endeavour to minimise the cost of eligible services	SC 16 - Supplementary Reserve Capacity, section 1.2.5.8
4.24.12	IMO must maintain standard form Supplementary Capacity Contract	SC 16 - Supplementary Reserve Capacity, section 1.2.7.1
4.24.15	IMO must recover full costs of Supplementary Capacity Contracts	SC 16 - Supplementary Reserve Capacity, section 1.2.9.2
4.24.16	IMO provides Supplementary Capacity Contract data to SM	SC 16 - Supplementary Reserve Capacity, section 1.2.8.1
4.24.17	IMO must not provide certain information to SM for any eligible	SC 16 - Supplementary Reserve Capacity, section 1.2.8.2

Clause	Obligation	Procedure
	service.	
4.24.18	IMO must documents its procedures and follow them.	SC 16 - Supplementary Reserve Capacity.doc
<b>4.25 - Reserve capacity testing</b>		
4.25.1	IMO observes or tests facility complying with its RC obligations	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.7.1
4.25.2.b	IMO requires SM to perform a test	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.7.6
4.25.3	IMO must not subject a Facility to a test for RC	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.7.8
4.25.4	IMO requires retest after a test failed	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.9.9
4.25.4A to 4.25.4D	Process that IMO must follow when a Participant applies for a reduction in capacity credits	Internal Procedure: SC 0X - Reduction of Capacity Credits Assigned to a Facility
4.25.5 to 4.25.7	IMO requires third test to be performed	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.9.13
4.25.11	IMO publishes report on testing and test delays	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Testing%20Procedure.pdf</a> , section 1.11.1
4.25.13	IMO must monitor on-site fuel storage	
4.25.14	IMO must document the procedure for RC tests and must follow that procedure	Reserve Capacity Testing Procedure
<b>4.26 - Financial implications of failure to supply RC</b>		
4.26.1A	IMO must calculate Forced Outage refund for each Facility	

Clause	Obligation	Procedure
4.26.1B	IMO must calculate Forced Outage refund for each Participant	
4.26.2	IMO must determine capacity shortfall in RC relative to RC Obligation Quantities	
4.26.2B	IMO must set the factor in RCOQ(p,d,t)	
4.26.3	IMO must determine Capacity Cost Refund	
4.26.4	IMO must apply any revenue to Market Customers	
4.26.5	IMO must record temperature data	
<b>4.27 - Reserve Capacity performance monitoring</b>		
4.27.1	IMO daily monitoring of RC performance	SC 11 - Performance Monitoring - Master, section 1.1
4.27.2	IMO must make monthly assessment of RC market performance	SC 11 - Performance Monitoring - Master, section 1.2.1
4.27.3	IMO must require poor performers to file reports	SC 11 - Performance Monitoring - Master, section 1.2.2 step 3
4.27.6	IMO must consult SM on the implications of the report	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf</a> , section 1.6.9
4.27.7	IMO updates data in submitted report	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf</a> , section 1.6.10
4.27.9	IMO notifies market of very bad performance and triggers tighter requirements on poor performers	<a href="http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf">http://www.imowa.com.au/Attachments/IMOProcedures/Reserve%20Capacity%20Performance%20Monitoring%20Procedure.pdf</a>
4.27.12	IMO must document its procedure for performing RC monitoring and must follow that procedure	Reserve Capacity Performance Monitoring Procedure
<b>4.28 - Funding RC</b>		

Clause	Obligation	Procedure
4.28.1 to 4.28.5	IMO determines targeted and shared reserve capacity costs	
4.28.6	IMO must publish date and time for which RC requirements cover	
4.28.7	IMO must publish initial RC requirements for each market customer	
4.28.7A	IMO must set the Intermittent Load RC Requirement to apply for the first Trading Month of the Capacity Year for each Intermittent Load for which a Market Customer provided information	
4.28.8B	IMO must accept a nomination for capacity	
4.28.9	IMO must only accept the load measured by an interval meter in the list provided under clause 4.28.8(a)	
4.28.10	IMO must only take into account a MW reduction that results from Demand Side Management measures specified in clause 4.28.8(b) if the measures would have lowered peak consumption	
4.28.11	The IMO must determine and publish an updated Individual Reserve Capacity Requirement for each Market Customer by the date and time specified in clause 4.1.28(b) where this Individual reserve Capacity Requirement:	
4.28.11A	IMO may apply different values so long as it preserves the ratio of peak demand associated with RC Requirement to RC Requirement.	
4.28.12	IMO may apply different values of RCR and peak load	
4.28.13	IMO must publish document the process	
<b>4.28A - Intermittent load refunds</b>		
4.28A.1, 4.28A.2	IMO must calculate Intermittent Load refund. IMO must record temperature data.	

Clause	Obligation	Procedure
4.28A.3	IMO must document its procedures in the Reserve Capacity Procedure and follow that procedure.	
<b>4.28B - Small generators</b>		
4.28B.4, 2.28B.6	IMO processes application for capacity credits for small generator	
4.28B.8	IMO must publish document the process	Treatment of Small Generators Procedure
<b>4.29 - Settlement</b>		
4.29.3	IMO prepares monthly RC settlement data	
4.29.4	IMO must adjust quantities specified in clause 4.29.3(d)	

## A.5 CHAPTER 5 NETWORK CONTROL SERVICES PROCUREMENT

Clause	Obligation	Procedure
<b>5.1 - Obligations and definitions</b>		
5.1.3	IMO must not enter into Network Control Service Contract except following tender process or with approval of Minister (for Market Commencement).	
5.1.4	IMO must seek to carry out expression of interest and other processes in a way that minimises its costs	
<b>5.2 - Procurement requirements</b>		
5.2.2	IMO may extend the contracted period	

Clause	Obligation	Procedure
5.2.3	IMO calls for Expressions of Interest for Network Control Service	Network Control Service Procedure (market), section 1.2
5.2.6	IMO notifies NO and respondents of outcome of EOI	
5.2.7	IMO publishes need for a tender	Network Control Service Procedure (market), section 1.2
<b>5.3 - NCS certification</b>		
5.3.6	IMO certifies Network Control Service or rejects	Network Control Service Procedure (market), section 2.2.13
5.3.9	IMO must publish document the process	Network Control Service Procedure (market)
<b>5.4 - NCS tenders</b>		
5.4.1	IMO publishes timeline for certification and tender process	Network Control Service Procedure (market), section 3.2.1
5.4.3	IMO issues invitation to tender	Network Control Service Procedure (market), section 3.2.3
5.4.8	IMO must seek to achieve lowest total cost of tenders	Network Control Service Procedure (market), section 3.2.7
5.4.9	IMO must accept tender in relation to entire quantity offered	Network Control Service Procedure (market), section 3.2.11
5.4.10	IMO informs NO and tenders of tender outcome	Network Control Service Procedure (market), section 3.2.5
5.4.11	IMO must execute network control service contract	Network Control Service Procedure (market), section 3.2.13
5.4.14	IMO must document procedure it followed in carrying out Network Control Service Procedure and follow that procedure	Network Control Service Procedure
<b>5.5 - Contract conditions</b>		
5.5.1	IMO develops a standard form Network Control Service contract	Network Control Service Procedure (market), section 4.1
5.5.2	IMO must consult with SM	
5.5.4	IMO must consult with SM	Network Control Service Procedure (market), section 4.3

Clause	Obligation	Procedure
<b>5.6 - NCS control compliance</b>		
5.6.1	Testing processes etc to be defined in the contract	
5.6.2	IMO and SM must follow procedures in the contract	
5.6.3	Procedure to be followed after failure of a NCS	
<b>5.7 - NCS dispatch</b>		
5.7.1	IMO must provide SM with details of network control service contract	
<b>5.8 - NCS contract payment</b>		
5.8.2	IMO must pay Market Participant the monthly Network Control Service Contract payment as per Chapter 9.	
5.8.4	IMO bills NO for estimated cost of tender process	Network Control Service Procedure (market), section 5
5.8.5 to 5.8.7	IMO determines actual cost of tender and settles difference between this and estimate with NO	Network Control Service Procedure (market), section 5
<b>5.9 - Settlement data</b>		
5.9.1	IMO must provide information to settlement	

## A.6 CHAPTER 6 THE ENERGY MARKET

Clause	Obligation	Procedure
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Clause	Obligation	Procedure
<b>6.2 - Bilateral Submission Timetable and Process</b>		
6.2.2, 6.2.2A	Standing Bilateral Submission and revised Standing Bilateral Submission	Daily Operations Procedure Manual, section 1.3.3 step 1 & step 2
6.2.3, 6.2.4C, 6.2.8	IMO must communicate Bilateral Submission quantities and confirm cancellations	Daily Operations Procedure Manual, section 1.3.3 step 2 & step 3
<b>6.2A - Standing Bilateral Submission Timetable and Process</b>		
6.2A.2, 6.2.8	IMO must communicate acceptance of data, and confirm any cancellation	Daily Operations Procedure Manual, section 1.3.6 step 2
6.2A.5	IMO must communicate acceptance of data, and confirm any cancellation	
<b>6.3A - Information to Support the Bilateral and STEM Submission Process</b>		
6.3A.1.a	IMO must publish Load forecasts	Daily Operations Procedure Manual, section 1.3.2 step 2
6.3A.1.b	IMO must publish Information to support STEM	Daily Operations Procedure Manual, section 1.3.3 step 3
6.3A.2, 6.3A3	IMO must calculate, publish and update Participant and facility limits, capacity credits, energy to be called on, outages, etc	Daily Operations Procedure Manual, section 1.3.2 step 5
6.3A.4	IMO must update its calculations and release them	Daily Operations Procedure Manual, section 1.3.2 step 5
<b>6.3B - STEM Submissions and Timetable Process</b>		
6.3B.1A,	If IMO holds standing STEM submission it must make it the STEM submission.	Daily Operations Procedure Manual, section 1.3.4 step 1 NOTE: wrong rule number written in procedure
6.3B.1B	IMO must adjust standing STEM submission to make it valid.	Daily Operations Procedure Manual, section 1.3.2 step 4
6.3B.3	IMO must communicate with Market Participant when data received	Daily Operations Procedure Manual, section 1.3.4 step 2

Clause	Obligation	Procedure
6.3B.7B	IMO must confirm any cancellation and remove relevant data	Daily Operations Procedure Manual, section 1.3.4 step 2
6.3B.8	Where no stem submission accepted, IMO must record that none received	
<b>6.3C - Standing STEM Submission Timetable Process</b>		
6.3C.3	IMO must communicate to MP whether it accepts standing STEM submission data, and revise the data if accepted	Daily Operations Procedure Manual, section 1.3.4 step 2
6.3C.6C	IMO must confirm cancellation and remove relevant data	Daily Operations Procedure Manual, section 1.3.4 step 2
<b>6.4 - The STEM Auction Timetable and Process</b>		
6.4.1	IMO must run STEM auction and determine results	Daily Operations Procedure Manual, section 1.3.4 step 4
6.4.2	IMO informs SM of net contract positions	Daily Operations Procedure Manual, section 1.3.4 step 5
6.4.3	IMO sends STEM results to market participants	Daily Operations Procedure Manual, section 1.3.4 step 5
6.4.5	IMO must follow up if participant does not acknowledge receipt of STEM results	Daily Operations Procedure Manual, section 1.3.4 step 5
6.4.6	IMO may extend STEM auction timetable	Daily Operations Procedure Manual, section 1.3.4 step 1
6.4.7	Once published under clause 6.4.3, STEM Clearing Prices cannot be altered	
<b>6.5 - Resource Plan Submission Timetable and Process</b>		
6.5.1	IMO may extend Resource Plan Submission timetable	Daily Operations Procedure Manual, section 1.3.5 step 1
6.5.2	IMO must communicate whether it accepts data and if it does, revise the Resource Plan Submission	Daily Operations Procedure Manual, section 1.3.5 step 2
6.5.3	IMO receive by email or fax	Daily Operations Procedure Manual, section 1.3.5 step 2

Clause	Obligation	Procedure
6.5.4	IMO must prepare Default Resource Plan	Daily Operations Procedure Manual, section 1.3.5 step 1
<b>6.5A - Balancing Data Submission Process and Timetable</b>		
6.5A.1	IMO may extend Balancing Data Submission timetable	Daily Operations Procedure Manual, section 1.3.5
6.5A.1A	Where IMO holds standing Balancing Data that conforms, it must make it the Balancing Data Submission for the Trading Day	Daily Operations Procedure Manual, section 1.3.5
6.5A.2	IMO must communicate with Market Participant as to whether Submission accepted	Daily Operations Procedure Manual, section 1.3.5
<b>6.5C - Standing Resource Plan Submission Timetable and Process</b>		
6.5C.2	IMO must communicate with Market Participant as to whether it accepts received data and must revise the Standing Resource Plan Submission	
6.5C.3	Applies only for that day	
6.5C.5	IMO must confirm any cancellation of Standing Resource Plan Submission and remove the relevant data	
<b>6.6 - Format of STEM Submission and Standing STEM Submission Data</b>		
6.6.10, 6.6.11	IMO must assess an application for a Scheduled Generator to be treated as dual-fuel capable and notify decision	
6.6.12	IMO must notify a Market Participant if it does not approve a dual-fuel application	
<b>6.9 - The STEM Auction Process</b>		
6.9.1	IMO must run STEM auction each Trading day	
6.9.3	IMO must determine STEM offers and bids	

Clause	Obligation	Procedure
6.9.4	IMO must not determine a STEM offers bids or price curves for a Market Participant that has not made a STEM submission	
6.9.5	IMO must determine aggregate STEM bid curve	
6.9.6	IMO must determine aggregate STEM offer curve	
6.9.7	IMO will determine STEM Clearing Price	
6.9.8	IMO will determine STEM Clearing Quantity	
6.9.9, 6.9.10	IMO must schedule all STEM bid price-quantity pairs.	
6.9.11, 6.9.12	IMO must schedule all STEM offer price-quantity pairs.	
<b>6.10 - Suspension of the STEM</b>		
6.10.1	IMO must suspend the STEM auction for a Trading Interval	Operational Contingency Procedure Manual, section 1.1
6.10.2	No one can buy or sell, no price set	Operational Contingency Procedure Manual, section 2.3
<b>6.12 - The Dispatch Merit Order</b>		
6.12.1	IMO produces dispatch merit orders	Daily Operations Procedure Manual, section 1.3.5 step 4
<b>6.14 - Calculation of MCAP, UDAP and DDAP</b>		
6.14.1	IMO must calculate and publish MCAP, UDAP and DDAP	Daily Operations Procedure Manual, section 1.3.7 step 3
6.14.1A	IMO may extend timetable for publication of 6.14.1 prices	Daily Operations Procedure Manual, section 1.3.7
6.14.2(a)	IMO must determine MCAP as the value for the equivalent Trading Interval	Daily Operations Procedure Manual, section 1.3.7 step 3
6.14.7	Once published, prices under 6.14.1 cannot be altered	Daily Operations Procedure Manual, section 1.3.7

Clause	Obligation	Procedure
<b>6.16 - Metering Schedule</b>		
6.16.1	IMO must determine the meter schedule	
<b>6.18 - Commitment Compensation</b>		
6.18.1	IMO will pay Commitment Compensation to a Market Participant	
<b>6.19 - Market Advisories</b>		
6.19.2, 6.19.3	IMO must issue a Market Advisory for future potential events that will or are likely to significantly impact on market operations	
6.19.4	Withdrawal of market advisory	
6.19.6	Market Advisory must contain certain things	
6.19.10	IMO must follow any documented Contingency Market Procedure	
<b>6.20 - Energy Price Limits</b>		
6.20.2	Maximum STEM Price updated annually	Monthly Operating Procedure Manual, section 1.2
6.20.3	Alternative Maximum STEM Price updated monthly	Monthly Operating Procedure Manual, section 1.2

## A.7 CHAPTER 7 DISPATCH

Clause	Obligations	Procedure
<b>7.2 Load Forecasts</b>		
7.2.3C	IMO must arrange for SM to provide Load Forecast and Loss Factors information by extended deadline	Daily Operations Procedure Manual, section 1.3.2 step 1

Clause	Obligations	Procedure
7.2.3D	IMO must confirm receipt of submissions from SM (forecasts and ancillary service)	Daily Operations Procedure Manual, section 1.3.2 step 1
<b>7.3 - Outages</b>		
7.3.6	IMO must arrange for SM to provide information about outages by extended deadline	Daily Operations Procedure Manual, section 1.3.3 step 3
7.3.7	IMO must confirm receipt of submissions from SM (outage)	Daily Operations Procedure Manual, section 1.3.3 step 3
<b>7.4 - Resource Plans</b>		
7.4.1	IMO provides SM with resource plans	
7.4.3	If no confirmation from SM (resource plans), IMO contact SM and apply alternative communication method	
<b>7.5 - Dispatch Merit Orders and Fuel Declarations</b>		
7.5.1	IMO provides SM with dispatch merit orders	Daily Operations Procedure Manual, section 1.3.5 step 4 NOTE: manual refers to incorrect section in Rules
7.5.3	If no confirmation from SM (dispatch merit orders) IMO contact SM and apply alternative communication method	Daily Operations Procedure Manual, section 1.3.5 step 4 NOTE: manual refers to incorrect section in Rules
<b>7.6 - The Dispatch Criteria</b>		
7.6.10	IMO provides SM with details of Reserve Capacity Obligations	Daily Operations Procedure Manual, section 1.3.8 step 2 NOTE: this talks of "pushing data to settlement", is this providing SM with the details?
7.6.11	IMO provides SM with details of Supplementary Capacity Contracts	Daily Operations Procedure Manual, section 1.3.8 step 2 NOTE: this talks of "pushing data to settlement", is this providing SM with the details?

Clause	Obligations	Procedure
<b>7.6A - Scheduling and Dispatch of the Electricity Generation Corporation</b>		
7.6A.9	SM must get IMO approval of confidential procedures	
7.6A10	Refusal criteria	
<b>7.12 - Status Reports</b>		
7.12.2	IMO publishes SM dispatch process report	
<b>7.13 - Settlement and monitoring data</b>		
7.13.1B	IMO may extend timetable for SM to provide data under 7.13.1	Daily Operations Procedure Manual, section 1.3.7

## A.8 CHAPTER 8 WHOLESALE MARKET METERING

Clause	Obligation	Procedure
<b>8.3 - Meter Registry</b>		
8.3.2	IMO notifies MDA that it requires confirmation of meter data in registration process	Nothing found although I would expect that this is covered in Participant de/registration manuals
8.3.4	IMO must notify MDA if it registers /deregisters a facility	Nothing found although I would expect that this is covered in Participant de/registration manuals
8.3.6	IMO must confirm receipt of MDA notification of changes	Not found in Metering Procedure Manual
8.3.7	IMO must make alternative arrangements for submission of information	Not found in Metering Procedure Manual
<b>8.4 - Meter Data Submission</b>		
8.4.4	IMO provides confirmation of receipt of metering data	Done automatically by IT system?
8.4.5	IMO must make alternative arrangements for submission of information	Not found in Metering Proc Manual
<b>8.5 - Notices of Disagreement and Disputed Meter Data</b>		
8.5.1	IMO must inform MDA of notices of disagreements related to meter data	Not found in Metering Procedure Manual
<b>8.6 - Format of Meter Data Submissions</b>		
8.6.2	IMO must document the format of meter data submissions in the Settlement Procedure	Not found in Metering Procedure Manual

## A.9 CHAPTER 9 SETTLEMENT

Clause	Obligation	Procedure
<b>9.1 - Settlement Conventions</b>		
9.1.1	IMO may declare that part of a Trading Day is to be treated as if that part were a full Trading Day	
9.1.2d	IMO must include in Settlement Statements and Invoices the additional amounts contemplated by 9.1.2(c) (GST)	
9.1.4	IMO must perform all settlement calculations	
<b>9.2 - Settlement procedure</b>		
9.2.1	IMO must document the settlement procedure	
<b>9.3 - Data Collection</b>		
9.3.1	IMO must use certain information in performing settlement obligations	Settlement Procedure (market), section 1.7
9.3.3	IMO must determine Metered Schedule for each Facility and Non-Dispatchable Load for each Trading Interval.	Settlement Procedure (market), section 1.7
9.3.4A	IMO must determine a single Metered Schedule for a Trading Interval for Non-Dispatchable Loads without interval meters	Settlement Procedure (market), section 1.7
9.3.7	IMO must determine the Consumption Share (pm) for Market Participant	Settlement Procedure (market), section 1.7
<b>9.4 - Capacity Credit Allocation Process</b>		
9.4.2	IMO must prescribe a Capacity Credit Allocation Submission form and publish it on the Market Web Site	

Clause	Obligation	Procedure
9.4.5	IMO confirms receipt of a Capacity Credit Allocation from a capacity credit holder	
9.4.6	IMO must arrange for submitting Market Participant to provide valid Capacity Credit Allocation by mutually agreed means	
9.4.7	IMO confirms receipt of a Capacity Credit Allocation from a capacity credit holder	
9.4.8	IMO must accept a Capacity Credit Allocation Submission unless inconsistent with the requirements of clause 9.5	
9.4.9	IMO must identify each Market Participant that has had more Capacity Credits allocated to it than are required to cover its Individual Reserve Capacity Requirement.	
9.4.10	IMO request participants to modify Capacity Credit allocation	
9.4.12	IMO revokes Capacity Credit Allocation	
9.4.13	IMO must notify Market participants of capacity credits	
<b>9.16 - Settlement Cycle Timelines</b>		
9.16.1.a	IMO issues STEM settlement statements and invoices	Settlement Procedure (market), section 1.5
9.16.2.a	IMO must publish settlement cycle timeline	Settlement Procedure Manual, section 1.1.5
9.16.2.(b).i	Capacity Credit Allocation window opens	Settlement Procedure (market), section 1.5
9.16.2.(b) ii	Capacity Credit Allocation window closes	Settlement Procedure (market), section 1.5
9.16.2.(b)iii	Deadline for IMO to contact participants who need to modify allocations	Settlement Procedure (market), section 1.5
9.16.2.b.iv	Deadline for participants to make modifications	Settlement Procedure (market), section 1.5

Clause	Obligation	Procedure
9.16.2.b.v	Deadline for IMO to finalise reserve capacity allocations	Settlement Procedure (market), section 1.5
9.16.2.c	Non-STEM Settlement Statement Date	Settlement Procedure (market), section 1.5
9.16.2.d	Invoicing Date	Settlement Procedure (market), section 1.5
9.16.2.e	Non-STEM Settlement Date	Settlement Procedure (market), section 1.5
9.16.2.f	Non-STEM Settlement Disagreement Deadline	Settlement Procedure (market), section 1.5
9.16.3	IMO must undertake settlement adjustments	Settlement Procedure (market), section 1.5
9.16.4	IMO must publish settlement adjustment dates	Settlement Procedure Manual, section 1.1.5
9.16.4.a	Commencement date for settlement adjustment	Settlement Procedure (market), section 1.5
9.16.4.b	The date of release of adjusted STEM and non-STEM settlement statements	Settlement Procedure (market), section 1.5
9.16.4.c	The day that invoices reflecting adjusted statements released	Settlement Procedure (market), section 1.5
9.16.4.d	Adjusted settlement statement settlement day	Settlement Procedure (market), section 1.5
9.16.4.e	Deadline for notice of disagreements on adjusted settlement	Settlement Procedure (market), section 1.5
<b>9.17 - STEM Settlement Statements</b>		
9.19.1	IMO must recalculate amounts when undertaking an Adjustment Process	Settlement Procedure (market), section 1.5
9.19.2	IMO must record both values where data is modified and provide an explanation	
9.19.4	IMO may use current version of software to recalculate amounts as part of Adjustment Process	

Clause	Obligation	Procedure
<b>9.20 - Notices of Disagreement</b>		
9.20.2	IMO confirms receipt of notice of disagreement	Settlement Procedure Manual, section 6.3.1.3
9.20.3	IMO makes alternative arrangement for submission of Notice of Agreement	
9.20.5	IMO passes on notice of disagreement to other parties	
9.20.5.c	IMO requires MDA or SM to investigate accuracy of item in dispute	
9.20.6	IMO must determine a value for any input or review calculations for outputs of the settlement process	
9.20.7	IMO must respond to party that raised notice of disagreement	Settlement Procedure Manual, section 6.5.4.1
<b>9.22 - Invoicing and Payment</b>		
9.22.1.	Invoices must be issued to Rule Participants by the IMO in accordance with the timelines specified under clauses 9.16.1, 9.16.2, and 9.16.4.	Settlement Procedure Manual, section 4.5.1
9.22.3	IMO must maintain an account with an institution that meets the requirements of clause 2.38.6(a)	
9.22.4	IMO must nominate an ETF facility to be used for settlement	
9.22.8	IMO must pay participants	
9.22.9	IMO must establish a separate fund for Service Fee Settlement Amounts	
9.22.11	IMO may apply money from the separate fund to meet the costs incurred in carrying out its functions and obligations.	
<b>9.23 - Default</b>		

Clause	Obligation	Procedure
9.23.4	IMO issues cure notice	
9.23.5	IMO may extend deadline for remedying suspension event (major event)	
9.23.6	IMO may extend deadline for remedying suspension event (minor event)	
9.23.7	IMO may issue a suspension notice	
<b>9.24 - Settlement in Default Situations</b>		
9.24.1	IMO may draw down Credit Support	Operational Finance Procedure Manual, section 3.3.1
9.24.2.a	IMO may draw down Credit Support (where required to disgorge, repay an amount)	
9.24.2.b	Adjustment of Reconciliation Amount	
9.24.3	IMO must apply funds according to specified hierarchy of payment	Operational Finance Procedure Manual, section 3.3.1
9.24.4	IMO makes pro-rata payment of late payment (within 5 BDs)	
9.24.5	IMO must raise a default levy	
9.24.6	IMO notifies participants of their default levy	
9.24.8	IMO completes payment	
9.24.9	IMO reallocates Default Levies raised during the financial year.	
9.24.10	IMO recovers shortfall after raising a Default Levy.	

**A.10 CHAPTER 10 INFORMATION POLICY**

Clause	Obligation	Procedure
<b>10.1 Record Retention</b>		
10.1.1	IMO must develop and publish a list of all information that Market Participants must retain	
<b>10.2 Information Confidentiality Status</b>		
10.2.3	IMO must have regard to the principles stated in clause 10.2.3	
10.3.1	IMO must maintain a Web Site	MR10.5 - Publish to Web Procedure.doc
10.3.5	IMO must document protocols for SM and IMO to change the Web Site	MR10.5 - Publish to Web Procedure.doc
10.4.1	IMO must make information and documents available on application by any person who is a member of the correct confidentiality class.	
10.5.1	IMO must publish specified information as public information	
10.6.1	IMO must publish specified information as SWIS Restricted information	
10.7.1	IMO must publish specified information as Rule Participant Restricted information	
10.8.1	IMO must publish specified information as Rule Participant Dispatch Restricted information	
10.8.2	IMO must set the confidentiality status of all EGC information as Rule Participant Dispatch Restricted information	

