Facility Dispatch
- Curtailable/Dispatchable Loads

Presentation Market Advisory Committee 11 May 2011

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## **Issue Statement**

"There is a manifest error in the rules in relation to the dispatch of Curtailable Loads".

## **Current Issue**

Curtailable Loads (and Dispatchable loads) <a href="mailto:can.not">can.not</a> specify their fuel nominations (liquid or non-liquid). As such Curtailable loads are set to the Non-liquid group for the dispatch order used by System Management. Curtailable loads may bid up to the Alternative Maximum STEM price. This gives rise to a manifest error in the rules, in that there is two different dispatch merit orders to increase supply

Market Rule 7.6 Appendix 1

Based on Fuel Nomination Based On Price Cap

1. Verve Non Liquid 1. Verve Non Liquid

IPP Non Liquid and Curtailable Load
 2. IPP Non Liquid (capped @ Max STEM Price - 336\$/MWh)

3. Verve Liquid 3. Verve Liquid

4. IPP Liquid 4. IPP Liquid and Curtailable Load (capped @ Alternative Max STEM Price Cap - 520 \$/MWh)

## **Way Forward**

- 1. System Management clarifies its issue with the current rules at MAC
- MAC notes System Managements concerns
   That is "There is a manifest error in the rules in relation to the dispatch of Curtailable Loads".
- 3. MAC discusses the issue providing feedback
- 4. Subject to initial feedback a rule change is proposed by System Management or IMO

Note System Management believes if curtailable loads are in group 4 the following rule change would overcome this error

"7.6.3A For the purpose of 7.6.3, the issuing of a dispatch instruction to a Curtailable Load or to a Dispatchable Load shall constitute that Facility using Liquid Fuel."