

Curtailable Load Dispatch for Network Control Services - Market Rule Restrictions

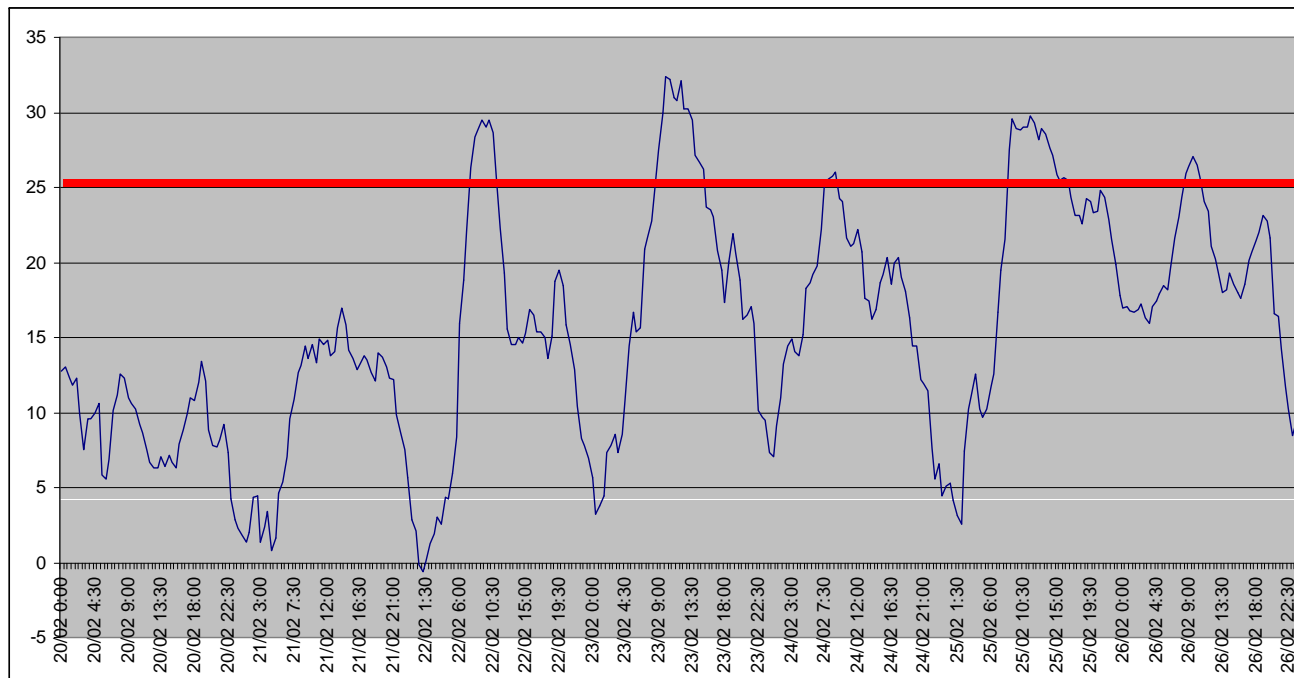
Presentation Market Advisory Committee
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Current Issue

A Network Operator must, under the access code, seek local generation and demand side options as alternatives to network investment (e.g. build a new transmission line). These services are procured under a Network Control Service (NCS) Contract which sets out the dispatch requirements to defer network investment. (e.g. 3 hours a day during weekdays).

These services need to be dispatched when the local demand exceeds the network capability.



Current Issue

The dispatch is performed by System Management under the Market Rules and as advised by the Network Operator.

Currently System Management may only dispatch curtailable loads in accordance with the Reserve Capacity Obligation Quantity (RCOQ) which restricts dispatch to 2 days in succession and the availability class (24, 48, 72 or 96 hours per capacity year). This is given in Market Rule 7.6.10

As such the Market Rules restrict the operation of the NCS contract. This means that the viability of the demand side options is reduced as it can not provide an alternative to network investment (e.g. a transmission line is normally >99% available without any restriction), even though it may be willing to meet the dispatch requirements.

Way Forward

System Management believes a rule change is required to give it the ability to dispatch in accordance with the NCS contract without RCOQ restrictions.

It intends to obtain feedback at the June 8 MAC meeting to whether a rule change is required.

System Management envisages a rule change similar to the following

“7.6.10. Where a Market Participant has Capacity Credits granted in respect of a Curtailable Load:

(a) the IMO must provide System Management with the details of the Reserve Capacity Obligations to enable System Management to dispatch the Curtailable Load.

(b) System Management may issue directions to the Curtailable Load in accordance with the Reserve Capacity Obligations or in accordance with its Network Control Service Contract”