
Wholesale Electricity Market Rule Change Proposal

Change requested by

Name:	Alistair Butcher
Phone:	9427 5787
Fax:	9427 4228
Email:	Alistair.butcher@westernpower.com.au
Organisation:	System Management
Address:	
Date submitted:	20 October 2009
Urgency:	Normal
Change Proposal title:	Provision of Information to the IMO
Market Rule(s) affected:	Clause 3.21.7, 7.13.1A, 9.20.5

Details of the proposed Market Rule Change

1. Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

RC_2007_15 (Provision of information to the IMO) sought to resolve issues with the provision of Forced Outage information to System Management, by extending the timeframe by which full and final information must be provided by Participants. In particular, clause 3.21.7, which created a deadline by which full and final Forced Outage information must be provided to the IMO, also became the deadline whereby a Rule Participant is in breach of clause 3.21.4, the obligation to provide Forced Outages to System Management (which carries a Category C civil penalty).

This Rule Change was also intended to create a final gate-closure for this information for the purposes of the Notice of Disagreement process. If a deadline does not exist, System Management's obligations are unclear and may have to revisit outage notifications years after the event.

As an example, consider the following scenario:

1. Market Participant notifies System Management of unavailability on Trading Day.
2. Market Participant does not provide any final information to System Management by the timeframe identified in clause 3.21.7 (ie 15 calendar days).
3. System Management alleges a breach of Market Rules 3.21.4 and 3.21.7 against the Participant.
4. The first Non-STEM Settlement is completed without the information pertaining to the Forced Outage (2 months after the relevant Trading Day).
5. The Market Participant provides revised Forced Outage information to System Management for the relevant Trading Day.
6. The Market Participant issues a Notice of Disagreement regarding the Non-STEM Settlement.
7. The IMO requires System Management to investigate the accuracy of the Forced Outage information provided by System Management to the IMO for the relevant Trading Day, in accordance with clause 9.20.5 (c).

Clause 9.20.5 (c), as currently drafted states that the IMO must require the Metering Data Agent or System Management (as applicable) to investigate the accuracy of the item and to provide a response by the time specified under paragraph (b):

- i. reporting on the actions taken to investigate the accuracy of the item; and
- ii. if applicable, a revised value for the item, which may be a revised value, that the Metering Data Agent or System Management (as applicable) considers to be in compliance with these Market Rules and accurate.

In System Management's opinion and the intention of RC_2007_15, clause 3.21.7 imposed a final deadline for the provision of information to System Management. However, there is a risk that clause 9.20.5(c) may be interpreted as requiring System Management to retain and report forced outages lodged at any time after the 15 calendar day gate closure imposed in clause 3.21.7. This would also allow a Market Participant to, through a Notice of Disagreement, evade the obligations surrounding the timely provision of Forced Outages

System Management now seeks to remove this potential.

2. Explain the reason for the degree of urgency:

System Management submits that the above rule changes proceed under the standard rule change process.

3. Provide any proposed specific changes to particular Rules: (for clarity, please use the current wording of the Rules and place a ~~strikethrough~~ where words are deleted and underline words added)

Market Rule 3.21.7

A Market Participant or Network Operator must provide full and final details of the relevant Forced Outage or Consequential Outage as follows:

- (a) Notwithstanding the requirements of clause 3.21.4 that a relevant Market Participant or Network Operator must inform System Management of a Forced Outage or Consequential Outage as soon as practical, a Market Participant or Network Operator must provide full and final details of the relevant Planned Outage, Forced Outage or Consequential Outage to System Management no later than fifteen calendar days following the Trading Day;
- (b) for the purposes clause 9.20.5(c) ii., in regard to information provided by System Management to the IMO in accordance with clause 7.13.14, the details provided by a Market Participant to System Management in accordance with clause 3.21.7(a) will be deemed to be:
 - (i) in compliance with the Market Rules;
 - (ii) accurate; and
- (c) nothing in clause 3.21.7(b) limits the functions of the IMO under these Market Rules, including to revise a value for an item included in a Notice of Disagreement.

Market Rule 7.13.1A

System Management must provide the IMO with the following data for a Trading Day by noon on the fifteenth Business Day following the day on which the Trading Day ends:

- (a) the MWh quantity of non-compliance by the Electricity Generation Corporation by Trading Interval; and
- (b) the schedule of all Planned Outages, Forced Outages and Consequential Outages provided to System Management in accordance with clause 3.21.7 relating to each Trading Interval in the Trading Day by Market Participant and Facility;

Market Rule 9.20.5

If a Notice of Disagreement relates to information provided to the IMO by a Metering Data Agent or System Management then as soon as practical, but not later than five Business Days after the IMO confirms receipt of the Notice of Disagreement, the IMO must:

...

- (c) subject to clause 3.21.7(b), require the Metering Data Agent or System Management (as applicable) to investigate the accuracy of the item, and to provide a response by the time specified under paragraph (b) by:
 - i. reporting on the actions taken to investigate the accuracy of the item; and
 - ii. if applicable, providing a revised value for the item, which may be a revised value, that the Metering Data Agent or System Management (as applicable) considers to be in compliance with these Market Rules and accurate.

4. Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:

The proposed Rule changes would promote the economically efficient, safe and reliable production and supply of electricity in the SWIS.

System Management's and Participant's obligations would increase in certainty, removing administrative costs from uncertainty and costly legal interpretation.

5. Provide any identifiable costs and benefits of the change:

Benefits:

- Increase in certainty and clarity of obligations for System Management and Participants.
- Reduced overall costs for Participants.
- Fewer discrepancies in settlement data.

Costs:

- None.
-