
Draft Rule Change Report RC_2010_25 and RC_2010_37: Calculation of the Capacity Value of Intermittent Generation

Submitted by

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Submission

1. Please provide your views on the proposal, including any objections or suggested revisions

LGP supports the IMO's decision to seek further submissions on proposed additional changes notwithstanding the fact that the further consultations is not provided for in the Market Rules.

In its second round submission, LGP qualified its support of the proposed rule changes according to concern over the appropriateness of the U Factor and the Load for Scheduled Generation.

The U Factor.

Nothing in the proposed changes to the U Factor provisions mitigate our concern that this appears to be only a subjective fudge factor designed to guarantee a more conservative outcome.

If a fudge factor is to be used for this purpose, we suggest that it should be simple and not shrouded in pseudo-science. We perceive no merit in adding the complexity of a subjective cap, especially given that the level of the cap is chosen to not affect any existing facility.

Load for Schedule Generation

LGP supports the proposed adjustments for Demand Side Management and New Facilities on the assessment of Intermittent Capacity.

However, we retain our concern about the use of LSG instead of Peak Periods, which is unaffected by these changes. We would also like to place on record our support of System Management's second round submission proposing a different approach based on Peak Periods. In particular, we quote from their submission as follows:

"System Management recommends as an alternative to the method proposed in the IMO's draft report, that an ambient condition based criteria be used for selecting the trading intervals for the average and adjustment values. It suggests selecting trading intervals during the last 3 years between 11 am and 7 pm on days where the Perth peak daily temperature is greater than or equal to 40 deg Celsius. System Management estimates there are 9 days or 144 trading intervals that would fall into this category. It understands that there may be a period of 3 years where this potentially could result in a small number of interval selected so a minimum numbers of days would be selected (say 5) where the number of years would be extended."

LGP supports assessment of this alternative.

If you require further information, please contact Dr Steve Gould on 0412 508 291