
**Wholesale Electricity Market
Rule Change Proposal Submission Form**

<RC_2012_04 Consequential Outage Correction>

Submitted by

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Submission

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

Verve Energy supports Tesla Corporation's Rule Change Proposal to amend the definition of a Consequential Outage to be either the result of:

- a Forced Outage to another Rule Participant's equipment; or
- a Planned Outage to a Network Operator's equipment.

However, in reviewing the Rule Change Proposal, Verve Energy has identified the following minor issues (presented in order of importance) for further consideration by the Independent Market Operator (IMO).

Additional amendment to the Consequential Outage definition

In reviewing the Rule Change Proposal Verve Energy considers that the definition of Consequential Outage could be further amended to cover an additional scenario whereby a Rule Participant's Facility suffers an outage which was caused by a Consequential Outage to another Rule Participant's or a Network Operator's equipment (and the outage cannot be directly attributed to the originating Forced Outage). Verve Energy's suggested additional amendments to Tesla's proposal are in red and are underlined:

3.21.2. A Consequential Outage is an outage of a Facility or item of equipment on the list described in clause 3.18.2 for which no approval was received by System Management, but which System Management determines:

- (a) was caused by a Forced Outage to another Rule Participant's equipment and would not have occurred if the other Rule Participant's equipment did not suffer a Forced Outage; or
- (b) was caused by a Planned Outage to a Network Operator's equipment and would not have occurred if the Network Operator's equipment did not undertake the Planned Outage,
- ~~(b) — would not have occurred if the other Rule Participant's equipment did not suffer a Forced Outage,~~
- (c) was caused by a Consequential Outage to another Rule Participant's or a Network Operator's equipment and would not have occurred if the other Rule Participant or Network Operator's equipment did not suffer the Consequential Outage.

but excludes any outage deemed not to be a Consequential Outage in accordance with clause 3.21.10.

Proposed amendment to the section heading in the Market Rules

Section 3.21 of the Wholesale Electricity Market Rules (Market Rules) covers the definitions, processes and reporting requirements for both Forced Outages and Consequential Outages, yet the section heading just refers to Forced Outages.

To assist with clarity and enhance the integrity of the Market Rules, Verve Energy recommends that the IMO consider amending the section heading to refer to both Forced Outages and Consequential Outages:

3.21. Forced Outages and Consequential Outages

Should the IMO agree with Verve Energy's recommendation, then the table of contents would also need to be updated to reflect this change.

Should clause 3.21.2 be amended to refer to both clause 3.18.2 and clause 3.18.2A?

Clause 3.21.4 outlines the process a Market Participant or Network Operator must undertake if a Facility or item of equipment that is on the list described in clause 3.18.2 or a Facility or generation system to which clause 3.18.2A relates suffers a Forced Outage or Consequential Outage. However, the definitions of Forced Outage and Consequential Outage (outlined in clauses 3.21.1 and 3.22.2 respectively) only refer to clause 3.18.2. Verve Energy considers that clause 3.21.1 and 3.22.2 should be amended to refer to both clause 3.18.2 and 3.18.2A (added words are underlined):

3.21.1. A Forced Outage is any outage of either a Facility or item of equipment on the list described in clause 3.18.2 or a Facility or generation system to which

clause 3.18.2A relates that has not received System Management's approval, including:

...

- 3.21.2. A Consequential Outage is an outage of either a Facility or item of equipment on the list described in clause 3.18.2 or a Facility or generation system to which clause 3.18.2A relates for which no approval was received by System Management, but which System Management determines:

...

Consequential amendments to the Power System Operation Procedure (PSOP): Facility Outages

In reviewing the Rule Change Proposal, Verve Energy has also reviewed the PSOP: Facility Outages (resulting from PPCL0023) to assess whether any additional amendments need to be made as a result of Tesla Corporation's Rule Change Proposal.

Verve Energy considers that the PSOP does not need any additional amendments to ensure its consistency with the Rule Change Proposal. However, while undertaking this review Verve Energy considers that paragraph 12.1 should refer to clause 3.21.4 of the Market Rules (it was amended to refer to clause 3.21.7 of the Market Rules during the Procedure Change Process for PPCL0023). Verve Energy considers that this is a minor amendment and only needs to be updated when the PSOP is next reviewed/updated.

2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives.

Verve Energy agrees with Tesla Corporation's assessment that the Rule Change Proposal would improve Wholesale Market Objectives (a) and (d).

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

Verve Energy would not require any changes to its IT or business systems, nor incur any organisation costs as a consequence of adopting the changes (either as proposed by Tesla Corporation or amended as suggested by Verve Energy).

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

Verve Energy does not need to undertake any actions to implement this Rule Change Proposal.
