

Wholesale Electricity Market Submission to Rule Change Proposal

RC_2013_07 Correction of Minor and Typographical Errors

Submitted by

Name:	Grace Tan
Phone:	9427 5942
Fax:	9427 4228
Email:	Grace.tan@westernpower.com.au
Organisation:	System Management
Address:	
Date submitted:	2 October 2013

Submission

Submissions for Rule Changes should be submitted to:

Independent Market Operator Attn: Group Manager, Market Development PO Box 7096 Cloisters Square, Perth, WA 6850 Fax: (08) 9254 4399 Email: <u>market.development@imowa.com.au</u>

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

System Management supports this rule change which addresses numerous minor, typographical and manifest errors.

System Management notes that some of the minor changes proposed by RC_2013_07 relate to areas of the rules that could benefit from additional changes to that proposed. System Management has identified some of these issues below.



Ongoing Review of Minor, Typographical and Manifest errors

The IMO progressed this Rule Change Proposal via the Fast Track Rule Change Process on the grounds that it satisfies clause 2.5.9 of the Market Rules.

Significant analysis of the proposal was undertaken to understand its broad impacts on System Management. System Management would like the IMO to consider submitting these types of rule changes in smaller packages on a more frequent basis ie half yearly or alternatively progressing them using the Standard Rule Change process. This will provide adequate opportunity for participants to address all issues raised.

Proposed amendment to Market Rules 7.10.2(c)(ii)

It is not clear from the Market Rules who is responsible for monitoring a Facility's outage quantity against the associated dispatch non compliance (Market Rule 7.10.2(c)(ii)). System Management would like the IMO to consider where this obligation should lie.

If the IMO specifies that System Management is required to monitor Market Rule 7.10.2(c)(ii), it is likely that System Management will need to incur costs to accommodate system, procedure and process changes to meet this obligation.

Suggested amendments to other Market Rules relating to Forced Outages and Consequential Outages

The definition of Forced Outages in Market Rule 3.21.1 and Consequential Outages in Market Rule 3.21.2 states that these outages does not meet the System Management's scheduled outage approval criteria. Further notification of a Forced Outage or a Consequential Outage by a Market Participant to System Management of the outage must be made as soon as practicable after the fact.

System Management suggests the IMO amend Market Rule 3.18.2(f) to remove the reference to Market Rule 3.21 to clarify that Forced Outages and Consequential Outages are not considered Scheduled Outages.

Proposed amendment to Market Rules 3.3.2(a)(ii) and 3.2.5(a)

The IMO's intention of Market Rule 3.3.2(a)(ii) is not clear from the proposed wording. System Management suggests the IMO review the wording in light of current practice.

System Management is currently required to dispatch balancing facilities in accordance with the quantities that appear in the Balancing Merit Order taking into account Ramp Rate Limits included a Market Participant's Facility Balancing Submission (Market Rule 7.6.1C(a)). These Ramp Rate Limits may differ to the Facility's Standing Data Ramp Rate Limit. The proposed wording appears overly difficult to interpret and it is not clear whether it aligns with the requirements of Market Rule 7.6.1C.

The wording proposed in Market Rule 3.3.2(a)(ii) is identical to Market Rule 3.2.5(a) and the latter clause may also benefit from a review.



Suggested minor amendments to proposed amendments

System Management would like the IMO to consider the following suggested minor amendments:

Proposed Clause	Why is amendment required?	Suggested amendment
4.1	System Management notes the term 'Year X' used through Market Rule 4.1 is capitalised. However it is not classified as a defined term in Chapter 11 Glossary.	If the IMO intends for this term to be defined, System Management suggests including the definition of 'Year X' (Market Rule 4.1.3) in the Chapter 11 Glossary.
4.25A	The IMO removed the capitalisation of the term 'Verification Test'. System Management notes the term 'Verification Test' is specifically defined in Chapter 11 as 'Means a test conducted under clause 4.25A.'	System Management suggests the capitalisation of the term 'Verification Test' remain.
4.28C.2	See explanation for Market Rule 4.1 above	See suggested amendment for Market Rule 4.1 above
7B.1.5	The second sentence of this Market Rule 'System Management may update the forecast LFAS Quantity more than once' is superfluous as the first sentence of the Market Rule allows System Management to update the forecast at any time which implies that it can do so more than once.	System Management suggests the IMO consider removing the second sentence of this Market Rule.

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

System Management considers the proposed amendments will better address the Wholesale Electricity Market ('WEM') Objective (a).

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.

System changes may be required to align current practice to suggested Market Rule changes. System Management will work together with the IMO to determine a Gate 1 cost estimate and implementation timeframe for any required system, procedure or process changes.



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

The system development timeframe will be driven by the extent of changes required to align current practice to the amending Market Rules.

To the extent changes are required to accommodate suggested amendments, System Management expects it will require at least 5 months to facilitate internal and external (IMO & PSOP Working Group) consultation to progress PSOP amendments through the formal Procedure Change Process following the provision of the Final Rule Change Report.

