

Wholesale Electricity Market Rule Change Proposal Submission

RC_2014_03: Administrative Improvements to the Outage Process (Call for Further Submissions)

Submitted by:

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Submissions on Rule Change Proposals can be sent by:

Email to: rcp.secretariat@rcpwa.com.au

Post to: Rule Change Panel
Attn: Executive Officer
C/o Economic Regulation Authority
PO Box 8469
PERTH BC WA 6849

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

Alinta Energy welcomes the opportunity to provide a submission to the Rule Change Panel on its *Call for Further Submissions (CFFS)* for the *Administrative Improvements to the Outage Process* Rule Change Proposal (RC_2014_03).

Alinta is supportive of any proposal that aims to reduce complexity and improve transparency and, in that respect, is broadly supportive of the concepts outlined in the CFFS.

Alinta considers that the proposed amendments represent an improvement over the current outage process. Furthermore, Alinta commends the consultative process that has been undertaken in developing the proposed amendments.

Issue	Question	Alinta Response
<p>Certainty and Transparency of Network Outages</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <ol style="list-style-type: none"> 1. Any concerns or suggestions regarding the proposed use of triggering outage notifications to provide Market Participants with greater certainty and transparency about the effects of triggering outages. 	<p>Alinta supports the proposal to implement a requirement for System Management to issue a triggering outage notification.</p> <p>If Market Generators are obliged to reflect triggering outage notifications in their Balancing Submissions, then the information proposed to be included in these Dispatch Advisories is necessary. Alinta notes that under the current arrangements, the foreseeable constraints information provided to Market Generators is often insufficient to inform their Balancing Submissions.</p> <p>Alinta considers that the proposal to oblige Market Generators to reflect triggering outage notifications in their Balancing Submissions would require an expansion of the function of Dispatch Advisories compared to its current definition in the WEM Rules. This is because a Dispatch Advisory would become a communication by which Market Generators must comply, whereas the Glossary of the WEM Rules currently defines a Dispatch Advisory as a “communication by System Management to Market Participants and Network Operators that there has been, or is likely to be, an event that will require dispatch of Demand Side Programmes or Facilities Out of Merit, or will restrict communication between System Management and any of the Market Participants or Network Operators.”</p>
<p>Late Changes to Triggering Outages</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <ol style="list-style-type: none"> 2. Any concerns or suggestions regarding the proposed restrictions on late changes to foreseeable constraints. 	<p>In the scenario where a foreseeable constraint is lifted within 2.5 hours of the relevant Trading Interval, Alinta suggests (as an alternative to dispatching Non-Scheduled Generators as if the constraint had not been lifted) that System Management instead lift the constraint on Non-Scheduled Generators gradually. This would avoid the</p>

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	<ol style="list-style-type: none"> 3. Whether System Management should be required to ensure that the dispatch of Non-Scheduled Generators is consistent with their foreseeable constraints. 4. How Non-Scheduled Generator capacity should be removed from service before a Consequential Outage and returned to service after a Consequential Outage. 5. Whether a Network Operator should be able to reduce the period of a triggering outage (for the purposes of its performance statistics) if it notifies System Management too late for System Management to update the associated foreseeable constraints. 	<p>issues presented by the 'unrestricted ramping' of Non-Scheduled Generators.</p>
<p>Ex-Ante Forced Outages</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <ol style="list-style-type: none"> 6. Whether a Rule Participant should be obliged to notify System Management if it is aware that its Outage Facility will suffer a Forced Outage soon. 7. Whether triggering outage notifications for network Forced Outages that are triggering outages should be optional or mandatory, and if mandatory, what materiality thresholds should apply (if any). 	<p>Alinta supports obliging a Network Operator to report, on an ex-ante basis, Forced Outages of its equipment that are triggering outages. Alinta considers these obligations should be proportional to the current obligations of Market Generators to reflect impending Forced Outages in their Balancing Submissions. As follows, Alinta supports the proposal to extend the use of mandatory triggering outage notifications and foreseeable constraints to cover network Forced Outages that directly affect Market Generators.</p> <p>If it is necessary to apply a threshold to these reporting requirements, Alinta suggests that it be aligned with the threshold for Non-Scheduled Generator Forced Outage reporting requirements. Under this approach, a notification would be required if the triggering outage is estimated to curtail the minimum of 10% of a given generator's nameplate capacity or 10MW of generation capacity. However, Alinta recognises that it may be difficult for the Network Operator to estimate the impact of outages of its equipment on Market Generators' facilities.</p>

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		Alinta would not support a material expansion of Market Generators' existing obligations to give ex-ante notice of Forced Outages. Alinta reserves its right to make further comment on this issue in a future submission.
Consequential Outage Periods that Exceed the Foreseeable Constraint Period	The Rule Change Panel seeks feedback from stakeholders on: 8. Any additional reasons why a Consequential Outage associated with a triggering outage might need to extend outside the period of the foreseeable constraint.	No comment.
Ex-Ante Outages and Reserve Capacity Tests	The Rule Change Panel seeks feedback from stakeholders on: 9. Any concerns about restricting the proposed exemption from a Reserve Capacity Test to situations where System Management has notified a Market Participant of a foreseeable constraint on its Facility, or where the Market Participant has notified System Management that its Facility will be subject to a Forced Outage in the relevant period.	No comment.
Summary of Potential Changes to the Proposed Amending Rules	The Rule Change Panel seeks feedback from stakeholders on: 10. What Any concerns or suggestions regarding the proposed definition for the maximum sent out capacity Standing Data items in Appendix 1 (b)(iii) and Appendix 1 (e)(iiiA). 11. Any concerns about the proposed changes to the method used for capturing unadjusted outage quantities for Scheduled Generators in SMMITS. 12. Viable alternatives to the Rule Change Panel's proposed approach for reporting unadjusted outage quantities for Scheduled Generators that have failed to comply with an instruction from System Management (e.g. where a	Alinta is supportive of the intent of the Rule Change Panel's proposed changes to improve and simplify the administration of the outage process. However, Alinta would like to assess this more fully once the proposed Amending Rules are available, and as such, reserves its right to make further comment on this issue in a future submission.

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	<p>Scheduled Generator trips off during a Trading Interval, fails to synchronise when expected or fails to achieve the output levels specified in its Dispatch Instructions).</p> <p>13. Any concerns about the proposed changes to the method used for capturing unadjusted outage quantities for Non-Scheduled Generators in SMMITS.</p> <p>14. Any suggestions or concerns about the proposed changes relating to the calculation of capacity-adjusted outage quantities.</p> <p>15. Any concerns about the proposed removal of the requirement to report a Forced Outage because of a failure to comply with instructions during an approved Commissioning Test.</p>	
<p>Use of Outage Quantities in the Market Rules</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <p>16. Any concerns or suggestions regarding the proposed allocation of outage quantity types to provisions of the Market Rules.</p>	<p>Alinta is supportive of the intent of the proposed amendments to:</p> <ul style="list-style-type: none"> - define the unadjusted and capacity-adjusted outage quantity calculations for a Facility and Trading Interval; - clarify where unadjusted versus capacity-adjusted outage quantities should be used; and - require AEMO to use the most up to date outage information available at the time for its calculations. <p>However, Alinta would like to assess this more fully once the proposed Amending Rules are available, and as such, reserves its right to make further comment on this issue in a future submission.</p>
<p>Outage Rates</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <p>17. Any concerns or suggestions regarding the proposed Planned Outage Rate, Forced Outage Rate and Equivalent Planned Outage Hours calculations.</p>	<p>Alinta would like to assess this more fully once the proposed Amending Rules are available, and as such, reserves its right to make further comment on this issue in a future submission.</p>

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<p>Consequential Outages Caused by Non-Equipment List Network Equipment</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <p>18. Whether clause 3.21.2 should be amended to extend the criteria for a Consequential Outage to include triggering outages of any item of equipment that is part of a Network, not just those items that are included on the Equipment List.</p>	<p>Alinta supports amending 3.21.2 to include in the criteria for a Consequential Outage, triggering outages of any item of equipment that is part of a network, not just those items that are included on the Equipment List, if these items cause triggering outages above a reasonable threshold. Alinta considers that if a facility's output is de-rated due to a Planned or Forced Outage of any item of equipment that is part of a network, then that facility should be eligible to apply for a Consequential Outage, regardless of whether the relevant items of network equipment are on the Equipment List. The market should also receive ex-ante notification of this triggering outage, where appropriate.</p> <p>Alinta notes that under AEMO's current interpretation of 3.21.2A. of the WEM Rules, Market Generators are also ineligible to apply for a Consequential Outage where a Planned or Forced Outage of network equipment de-rates the output of their Constrained Access Facilities (which has flow on impacts for certification of these facilities). As a result, if either the proposed obligation for:</p> <ul style="list-style-type: none"> - the Network Operator and System Management to issue a triggering outage notification, or - the Market Generator to reflect that notification in its Balancing Submission and Consequential Outage request, <p>is linked with the likelihood of the outage to cause a 'Consequential Outage' as defined in the rules, then the Network Operator and System Management would be exempt from issuing the triggering outage notification where it relates to a Constrained Access Facility; and the affected facility would not be required to transmit this information in its Balancing Submission. This would diminish RC_2014_03's effectiveness in its objective to improve</p>

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		<p>transparency of triggering outages. To prevent this outcome, Alinta suggests that 3.21.2A be amended such that Market Generators are eligible to apply for Consequential Outages where a Planned or Forced Outage of network equipment causes a triggering outage of their Constrained Access Facilities.</p>
<p>Reporting Forced Outages in SMMITS.</p>	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <ol style="list-style-type: none"> 19. Whether the time periods in the proposed obligation to report extended Forced Outages in SMMITS (i.e. to report within 24 hours if the outage period exceeds 24 hours) is appropriate or whether different time periods should be used. 20. Whether the proposed deadlines for reporting Forced Outages for Non-Intermittent Generators with Capacity Credits provide an appropriate balance between prudential risk and administrative burden; and if not, what deadlines would provide a better balance. 21. Any concerns about the proposed requirement to update existing Forced Outage records within 1 Business Day of receiving more accurate information about the end time or outage quantity. 22. Any concerns about the proposed 9-month deadline for late changes to Forced Outage details in SMMITS. 23. Any reasons why stricter deadlines should be imposed on Outage Facilities that are not Scheduled Generators or Non-Scheduled Generators. 	<p>Alinta supports the intent of the proposed additional changes which it understands is to limit the administrative burden on Market Generators by allowing them to group most of their Forced Outage reporting into no more than two batches per week. However, Alinta would like to assess this more fully once the proposed Amending Rules are available, and as such, reserves its right to make further comment on this issue in a future submission.</p> <p>Regarding the proposed requirement for a Rule Participant to keep records of its reasons for reporting a Forced Outage or making any changes to a Forced Outage record after the 15-day deadline, and to make those records available to AEMO or the ERA if requested; Alinta suggests that System Management allow Rule Participants' to maintain these records within its outage reporting system. This would lower the administrative burden on Rule Participants by obviating the need for them to develop their own systems and clearly outline what information is required to ensure compliance.</p>

Issue	Question	Alinta Response
Requesting Consequential Outages in SMMITS	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <p>24. Under what circumstances (apart from the late submission of a Consequential Outage request as suggested by Bluewaters) would a Rule Participant need to be able to update a Consequential Outage after the normal 15-day deadline.</p> <p>25. Any concerns about the proposed 9-month deadline for late changes to Consequential Outage requests in SMMITS.</p>	No comment.
Transitional Requirements	<p>The Rule Change Panel seeks feedback from stakeholders on:</p> <p>26. What transitional provisions would need to be included in the Amending Rules to support the implementation of this Rule Change Proposal.</p>	Alinta would prefer to review the draft amendments, in full, before it assesses what transitional provisions would need to be included in the Amending Rules to support the implementation of this Rule Change Proposal.