



**System Management**

**Procedure Change Report**  
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**Title: Commissioning and Testing**

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## INTRODUCTION

This document is the Procedure Change Report for System Management's proposed amendments to the Power System Operating Procedure: Commissioning and Testing

- This proposal was subject to consultation with the System Management Procedure Change and Development Working Group via email between 31 May 2013 and 14 June 2013.
- This proposal was first published on the IMO website on 28 June 2013.
- A request for submissions to the proposal was published on 01 July 2013 with a deadline of 26 July 2013.
- This Procedure Change Report is submitted to the IMO for publication on 31 January 2014.
- This proposed amended procedure is to commence at 8:00 am on 1 March 2014.
- Commencement is pending approval by the IMO. Market Rule 2.10.14 requires the IMO to make its decision within 10 Business days of this Report being published.

## THE WORDING OF THE AMENDED POWER SYSTEM OPERATING PROCEDURE

The amended procedure is attached to this Report.

## THE REASON FOR THE PROCEDURE CHANGE

In 2013 the IMO progressed two rule changes relating to Commissioning as follows:

Rule Change	Key amendments	Commencement Date
RC_2012_15	<ul style="list-style-type: none"> <li>• Removed the four month restriction on Commissioning Test Periods for new generating systems</li> </ul>	1 March 2013
RC_2012_12	<ul style="list-style-type: none"> <li>• Clarified the application of the term 'Commissioning Test Plan'</li> <li>• Shortened the Commissioning Test Plan application period to 7 trading days before the proposed test start, with the 7 day timing requirement being on a 'best endeavours' basis</li> <li>• Enables System Management to reject a Commissioning Test Plan if received less than 20 trading days prior to start</li> </ul>	1 April 2013

To ensure alignment with the amendments introduced by RC\_2012\_12 and RC\_2012\_15, System Management is proposing a number of changes to the PSOP: Commissioning and Testing, covering the following:

- The term Commissioning Test used throughout the PSOP has been changed to Commissioning Test Plan.
- The revised timing requirement (7 Trading Days best endeavours) relating to the submission of a Commissioning Test Plan has been included in the informational box in section 2.1.
- Paragraph 2.1.3 (now Paragraph 2.3.5) has been amended to reflect the restriction on System Management approving a Commissioning Test Plan after 8:00 am on the Scheduling Day prior to the commencement of the Commissioning Test Plan as introduced by amended MR 3.21A.9.
- Paragraph 2.1.3 has been reallocated to Paragraph 2.3.5 as it represents a condition preventing System Management from approving a Commissioning Test Plan.
- The reference to Market Rule 3.21A.7(c) in the informational box in section 2.3 has been deleted to reflect the removal of the four month restriction on Commissioning Test Periods for new generating systems.
- Reference Market Rule 3.21A.7(d) of System Management's ability to reject a Commissioning Test Plan received less than 20 Trading Days in advance has been added to the informational box in section 2.3
- Section 2.3.6 has been added to reflect the broadened requirement for System Management and the Market Participant in situations where a Commissioning Test Plan has not been approved to agree to an alternative time as per MR 3.21A.10(a)ii and iii.
- Section 2.4.2.b.ii has been amended to clarify that a revised Commissioning Test Plan may be submitted where a Facility cannot conform to an approved Commissioning Test Schedule but so long as the revised plan is submitted in accordance with the timing requirements contained in MR 3.21A.9.

System Management has taken the opportunity to also make the following amendments to the PSOP:

- Section 2.4 has been amended to reflect a Market Participant requirement (MR 3.21A.6) to inform System Management when it no longer plans to conduct a Commissioning Test.
- Section 2.5 has been amended to provide System Management with the ability to issue an Operating Instruction on the Trading Day for a Commissioning Test (The current PSOP allows System Management to only issue an Operating Instruction on the previous Trading Day – Scheduling Day).
- APPENDIX A: COMMISSIONING TEST PLAN STANDARD FORM TEMPLATE has been deleted and corresponding updates have been made to section 2.1 to refer Market Participants to the template located on the System Management webpage.
- APPENDIX B: GUIDELINES FOR ADDITIONAL ANCILLARY SERVICES DURING COMMISSIONING TESTS has been amended to better clarify the Load Following and Spinning Reserve requirements during commissioning.
- Minor revisions have also been made to correct typographical errors and improve consistency throughout the PSOP.

## THE MARKET ADVISORY COMMITTEE

The Market Advisory Committee (MAC) did not meet regarding this procedure change proposal.

However, the proposed amendments have been subject to consultation with the System Management Procedure Change and Development Working Group (SM Working Group) via email which concluded on 14 June 2013. Feedback received from the SM Working Group was incorporated into the PSOP prior to it entering into the formal Procedure Change process.

## SUBMISSIONS

The IMO received three submissions regarding this procedure from Alinta Energy, Verve Energy and Community Energy as part of Section 2.6 of the Market Procedure: Procedure Administration.

### Alinta Energy submitted:

Alinta Energy's Comments	System Management's Response
<p>Step 2.1.3 – The obligation to report a potential breach of the timing requirement for applying for a commissioning test through to the IMO appears to be no longer relevant given the changes to clause 3.21A.4 that were implemented by the Amending Rules from RC_2012_12. Additionally System Management no longer has an indirect requirement under clause 2.13.9(gA) to monitor compliance with clause 3.21A.4 as a result of the amendments to clause 3.21A.2 (a Civil Penalty provision for which System Management is required to monitor compliance). That is clause 3.21A.2 no longer makes reference to the timing requirements under clause 3.21A.4, but rather simply requires that any commissioning activities are undertaken in accordance with an approved Commissioning Test Plan.</p> <p>More broadly, System Management's comments (provided in the relevant comment box) don't appear to reflect the less rigid requirements for applying for a Commissioning Test Plan to be approved that were intended by RC_2012_12. For example the new rules do not preclude a generator applying for a Commissioning Test Plan to be approved within a shorter time period; this is particularly relevant where a participant is seeking a revision to an already approved Commissioning Test Plan.</p> <p>The intent of RC_2012_12 was to enable more flexibility to generators when undertaking commissioning activities. In particular it was intended that generators should be able to seek a revision to Commissioning Test Plan where additional time was required to complete the relevant tasks or if additional tests were required. This enhanced flexibility does not seem to have been reflected in the proposed revised PSOP.</p>	<p>The obligation has been removed from the PSOP.</p>
<p>Step 2.1.4 – Related to the comments provided above, it is unclear that there is sufficient heads of power provided under the Market Rules for System Management to incorporate a requirement to not approve any Commissioning Test Plan received less</p>	<p>This paragraph (now 2.3.5) has been amended to be consistent with clause 3.21A.9 which in effect precludes System Management from approving a Commissioning Test Plan after 8:00 am on the</p>

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<p>than 2 days prior to the commencement date of the test. The proposed 2 day requirement is also inconsistent with the statement made by the IMO in the Draft Rule Change Report that there may be circumstances where it is appropriate for System Management to approve a test received within 2 days of its commencement.</p> <p>Alinta suggests that System Management confirms whether this restriction on its ability to approve plans, particularly any revised plans, is consistent with the Amending Rules implemented by RC_2012_12.</p>	<p>Scheduling Day prior to the proposed test commencement.</p>
<p>Step 2.3.6 – The reference should be to MR3.21A.10(a)(ii) and (iii).</p>	<p>Changes have been made to the PSOP to include the missing rule reference.</p>
<p>Step 2.4.2(b) – The references should be to the “most recently approved Commissioning Test Plan” to ensure any revisions are taken into account. This will also ensure consistency with the new terminology of clause 3.21A.13.</p>	<p>Changes have been made to the PSOP to include “their most recently approved Commissioning Test Plan” under Section 2.4.2.</p>
<p>Step 2.4.2(b)(iii) - System Management should confirm that this requirement to submit a new Commissioning Test Plan is consistent with the revised definition of a Commissioning Test Plan under the rules (i.e. includes both an existing and revised Commissioning Test Plan) and more broadly the intention that revisions to plans could be requested by participants.</p> <p>More generally Alinta suggests that the final drafting of clause 3.21A.13(b) of the Market Rules has created some confusion as to whether there can be revisions to extend the timeframes of an already approved Commissioning Test Plan and might benefit from further refinement.</p>	<p>System Management has removed paragraph 2.4.2(b)(iii). System Management has also outlined later in this report some of the issues concerning the potential uncertainty introduced by RC_2012_12.</p>
<p>Step 2.5.1 – The wording of this step should reflect the revised definition of a Commissioning Test provided under clause 3.21A.1 of the Market Rules, i.e. that it is a “series of activities...” More broadly the revised definition of Commissioning Test should be applied across the entire PSOP to ensure consistency.</p>	<p>System Management has updated the wording as suggested.</p>

**Verve Energy submitted:**

<b>Verve Energy’s Comments</b>	<b>System Management’s Response</b>
<p>Verve Energy notes that the original intent of RC_2012_12 was to enable more flexibility to generators when undertaking commissioning activities. For example, the description of the rule change proposal stated that generators would be able to seek revisions to previously approved Commissioning Test Plans where additional time was required to complete the relevant tests or if additional tests were required.</p> <p>However, this flexibility does not seem to be appropriately reflected in the proposed revised PSOP. Specifically, step 2.4.2(b)(iii) of the PSOP states that if the conditions require an extension of the Commissioning Test</p>	<p>System Management has removed paragraph 2.4.2(b)(iii). System Management has also outlined later in this report some of the issues concerning the potential uncertainty introduced by RC_2012_12.</p>

<p>Period, then a new Commissioning Test Plan must be submitted in accordance with Section 2.1 of PSOP (as opposed to simply revising an already approved Commissioning Test Plan). Verve Energy requests that System Management undertake a thorough review of the proposed revised PSOP to ensure that the additional flexibility contemplated by RC_2012_12 is appropriately reflected.</p>	
<p>Step 2.1.3 outlines that System Management must notify the IMO of a potential breach of clause 3.21A.4 of the Market Rules if a Commissioning Test Plan is submitted after the timing requirement as outlined in this clause. Verve Energy notes that clause 2.13.9(gA) outlines System Management's monitoring obligations and, in relation to commissioning, System Management is required to only monitor participant's compliance with clauses 3.21A.2, 3.21A.12 and 3.21A.13(a) not clause 3.21A.4.</p>	<p>This obligation has been removed from the PSOP.</p>
<p>Step 2.1.4 – Verve Energy notes that during the first submission period for RC_2012_12 System Management requested that the IMO consider embedding in the Market Rules a requirement similar to that outlined in step 2.1.4 of the Commissioning and Testing PSOP. In response to this request, the IMO noted in its Draft Rule Change Report<sup>3</sup> that it “does not consider it necessary to specify...a requirement for a Commissioning Test Plan be submitted for approval at least 2 days prior” and that there “may be exceptional circumstances where it both possible and desirable for System Management to approve a Commissioning Test Plan within 2 days of its commencement”. As such, Verve Energy does not consider that there is sufficient heads of power provided under the Market Rules for System Management to incorporate a requirement to not approve any plans received less than two days prior to the commencement date of the tests. As such, Verve Energy recommends that this step be removed from the PSOP.</p>	<p>This paragraph (now 2.3.5) has been amended to be consistent with clause 3.21A.9 which in effect precludes System Management from approving a Commissioning Test Plan after 8:00 am on the Scheduling Day prior to the proposed test commencement.</p>
<p>Relationship with Market Rules – step 2 of this section notes that references to particular clauses of the Market Rules are current as of Balancing Market Commencement Day. Verve Energy considers this should be updated to refer to either the most recent version of the Market Rules or the version of the Market Rules which contain the relevant amendments relating to the commissioning rule changes that this revised PSOP is implementing (i.e. 1 April 2013).</p>	<p>Noted, this has now been amended to include reference to a date.</p>
<p>Related documents – Verve Energy does not agree that the Reserve Capacity Testing Market Procedure is a related document that should be read in conjunction with this PSOP. This PSOP merely states that Reserve Capacity Testing should be done under</p>	<p>Noted, the reference to the “Reserve Capacity Testing Market Procedure” has been removed from Related Documents within the PSOP.</p>

<p>the Reserve Capacity Testing Market Procedure.</p>	
<p>Scope – Verve Energy suggests that the following amendments be made to the text in the explanatory box contained in this section:</p> <ul style="list-style-type: none"> <li>• Add "or Facility Tolerance Range" after "Tolerance Range" to reflect that specific Facilities may have a Facility Tolerance Range which differs from the general Tolerance Range (as determined by System Management under clause 2.13.6E(b)(iii) of the Market Rules); and</li> <li>• Amend the reference from "Verve Energy" to "Verve Energy Balancing Portfolio".</li> </ul>	<p>System Management has made the following changes;</p> <ul style="list-style-type: none"> <li>• "or Facility Tolerance Range" has been added to the Informational Box under Scope.</li> <li>• The reference to "Verve Energy" has been changed to the "Balancing Portfolio" to reflect RC_2013_18 for the Verve/Synergy merger.</li> </ul>
<p>Step 2.2.3 – Verve Energy questions how this obligation relates to the obligation under clause 3.21A.4(d) or the Market Rules. From the drafting of this step it would seem that this is a general obligation on all Market Participants to inform System Management of the operating person(s) authorised to communicate with it regarding commissioning activities, regardless of whether the Market Participant intends to undertake commissioning activities.</p>	<p>Noted, System Management has removed Step 2.2.3 as the communication details of the operating person(s) is already included in Commissioning Test Plan standard form template.</p>
<p>Section 2.3 explanatory box –</p> <ul style="list-style-type: none"> <li>• Verve Energy considers that the exact wording of clauses 3.21A.3 and 3.21A.7 is not required to be included as part of the explanatory box – noting that when referencing other rules in the PSOP the full wording is not repeated. Verve Energy considers that it is only necessary to retain the interpretation of significant maintenance and the last paragraph in the explanatory box.</li> <li>• The interpretation of significant maintenance is outlined as "to mean maintenance work without which the Facility cannot be reasonably assured of operating at a satisfactory level for its full output as found on the Western Power website". Verve Energy is not certain what "as found on the Western Power website" is specifically referring to, and as such, requests clarification.</li> </ul>	<ul style="list-style-type: none"> <li>• Noted, although the full wording of the Market Rules may not be required, given the nature of the provisions set out in these clauses, the exact wording of clauses 3.21A.3 and 3.21A.7 of the Market Rules have been included as a point of reference.</li> <li>• The reference to "as found on the Western Power website" has now been amended to "as found on the IMO's Website" and now also includes the URL to the section of the IMO's website where the facility information is located.</li> </ul>
<p>Step 2.3.6 – The reference should be to clause 3.21A.10(a)(ii) and (iii).</p>	<p>Changes have been made to the PSOP to include the missing rule reference.</p>
<p>Step 2.5.1 – The wording of this step should reflect the revised definition of a Commissioning Test as outlined in clause 3.21A.1 of the Market Rules i.e. that it is a "series of activities..." as opposed to "For each Test or series of successive Tests".</p>	<p>System Management has updated the wording as suggested.</p>



Appendix A – Should “Trade Date” be “Trading Day”.	Appendix A has been removed and replaced with a link to the Commissioning Test Plan template on the System Management webpage. The webpage template has been updated to better reflect the Market Rule terminology of Trading Day.
General – the PSOP refers to “Test” (capitalised) in a number of instances. Verve Energy notes that neither the Market Rules, nor the PSOP define “Test”.	Noting that the term “Test” is defined within the Market Rules as either a Commissioning Test or a Reserve Capacity Test, the references to “Test” within the PSOP have been changed to ‘Commissioning Test’ to reflect the purpose of this PSOP.

### Community Energy submitted:

Community supports the Procedure Change Proposal on the grounds that it updates the existing procedure to reflect recent Rule Changes and clarifies operating requirements.

## AMENDMENT TO THE POWER SYSTEM OPERATION PROCEDURE FOLLOWING PUBLIC CONSULTATION

Amendments have been made to the PSOP: Commissioning and Testing taking into account comments from both Alinta Energy and Verve Energy following the formal submission to the IMO. These amendments have been made in consultation with the IMO who also provided feedback during the process, including the following comments:

IMO's comments	System Management's Response
Paragraph 2.1.3 of the PSOP concerning System Management notifying the IMO of potential breaches of the 7 day best endeavours timing requirement is not consistent with the Market Rules.	Paragraph 2.1.3 has been removed from the PSOP.
Paragraph 2.1.4 of the PSOP which provided a 2 day minimum approval period is not consistent with the Market Rules.	Paragraph 2.1.4 (now 2.3.5) has been amended to be consistent with MR 3.21A.9 which in effect precludes System Management from approving a Commissioning Test Plan after 8:00 am on the Scheduling Day prior to the proposed test commencement.
Alignment and clarity of the terms used in Appendix C to ensure consistency with the Market Rules	The definition of the Normal LF and Normal SR used in Appendix C (now Appendix B) has been aligned with the relevant Market Rules and for the purposes of Appendix B, set as defined terms
Early in the procedure change process the IMO suggested 'It may be appropriate to remove the Commissioning Test Plan Proforma from the	The Commissioning Test Plan template has been removed from Appendix A and corresponding updates have been made to section 2.1 to refer Market

appendix and instead link to a public website. This will improve accessibility for Market Participants and remove the need for a Procedure Change if/when you need changes to the template for some reason'.	Participants to the template located on the System Management webpage.
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In reviewing the amendments to the PSOP: Commissioning and Testing System Management has noted that the revised definition of Commissioning Test Plan introduced by RC\_2012\_12, has created some uncertainty. This is due to the definition now referring to both an 'original' or 'revised' Commissioning Test Plan, as applicable.

The revised definition creates issues with the following clauses:

- MR 3.21A.13(b): Alinta in their comments suggested that '.....the final drafting of clause 3.21A.13(b) of the Market Rules has created some confusion as to whether there can be revisions to extend the timeframes of an already approved Commissioning Test Plan and might benefit from further refinement'.

In particular, the amended Rules were intended to provide greater flexibility with clause 3.21A.13 intended to allow a Market Participant to request a revision to its Commissioning Test Plan (RC\_2012\_12). The final implemented version of clause 3.21A.13 does not make this clear due to the expanded definition of Commissioning Test Plan applying to both a new or revised test.

- MR 3.21A.7(d): It is unclear whether System Management is able to reject a revised Commissioning Test Plan where it has had inadequate time to consider it. This is due to the use of the term 'prior to the start date of the proposed Commissioning Test' within MR 3.21A.7(d). In the usual case where a revision is sought after the approval and commencement of the Commissioning Test Plan, the Commissioning Test is no longer a proposed test. The IMO has confirmed that it will log the need for a minor and typographical rule change in respect of this issue.
- MR 3.21A.9: This clause effectively precludes System Management from approving a Commissioning Test Plan submitted later than 8:00am on the Scheduling Day prior to the test commencement. It is unclear whether this clause is intended to apply to revised Commissioning Test Plans submitted in the usual case after the approval and commencement of the original Commissioning Test Plan.
- MR 3.21A.16: This clause requires System Management to provide the IMO by 8.30 am each day approved Commissioning Test Plans for the Trading Day following the current Scheduling Day. It is unclear how and if this clause should apply to any revised Commissioning Test Plans received after 8.30 am where the revision relates to the Trading Day following the current Scheduling Day.

This lack of certainty has therefore created difficulties in revising the PSOP to ensure alignment with the Rules. As a result System Management has taken a conservative approach to revising the PSOP: Commissioning and Testing System pending further discussions with the IMO with the view to addressing the above issues.

The amendments made in response to feedback during the public consultation phase together with additional amendments made from further consultation with the IMO have been highlighted in yellow in the attached PSOP to differentiate from the previous marked up changes.

## **IMPLEMENTATION**

System Management recommends this amended procedure commence at 8:00 am 1 March 2014.

The above date, in System Management's opinion, allows sufficient time after the date of publication of the IMO's approval of the Procedure Change Proposal under clause 2.10.14, for Rule Participants to implement changes required by this Proposal.

Commencement is pending approval by the IMO. Market Rule 2.10.14 requires the IMO to make its decision within 10 Business days of this Report being published. This decision will include the final commencement date.