
Wholesale Electricity Market – Submission to Procedure Change Proposal PC_2011_05: Market Procedure for Reserve Capacity Testing

Submitted by

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Date submitted:	31 August 2011

Submission

Clause 2.10.7 of the Wholesale Electricity Market Amending Rules provides that any person may make a submission for a Procedure Change Proposal by filling in this Procedure Change Submission form.

Submissions for Procedure Changes that relate to the Power System Operation Procedures and IMO Market Procedures should be submitted to:

Independent Market Operator

Attn: Manager Market Development & System Capacity
PO Box 7096
Cloisters Square, Perth, WA 6850
Fax: (08) 9254 4399
Email: market.development@imowa.com.au

1. Please provide your views on the Procedure Change Proposal, including any objections or suggested revisions:

Synergy supports Procedure Change Proposal PC_2011_05, which amends the *Market Procedure for: Reserve Capacity Testing (Market Procedure)*. The Market Procedure outlines the steps which the IMO must follow in verifying and testing the operation of Facilities assigned Capacity Credits. The proposed amendments add a necessary and appropriate level of detail to the Market Procedure sufficient to inform Market Participants of the IMO's, System Management's and their own roles in respect of complying with rule requirements in relation to the testing of Facilities assigned Capacity Credits.

Synergy notes that the Market Procedure has been amended to delete references to Curtailable Load and where appropriate change those references to Demand Side Programme reflecting the impact of RC_2010_29 which commences from 1 October 2011. Synergy also notes that while the amendments take full account of the requirements in respect of testing Demand Side Programmes, occasionally such references have not been extended to include Dispatchable Load and Interruptible Load Facilities which can also be assigned Capacity Credits and would therefore be subject to Reserve Capacity Tests. In this regard Synergy recommends that the IMO consider including, where it believes it to be appropriate, such references in the following Market Procedure steps:

1.(a); 1.8.1(b); 1.8.7(b); 1.9.5 and 1.11.1.

Synergy acknowledges and supports the inclusion of step 1.11.1 as being a sound and necessary practice for the safe and secure operation of the system especially in respect of highly aggregated or large single load Demand Side Programmes. Accordingly, Synergy recommends that step 1.8.7(a) be made subject to step 1.9.5 to clearly and unambiguously signal to Market Participants the importance of providing the notification required under step 1.11.1.

Synergy notes under steps 1.11.4 and 1.11.5 that a Market Participant may request a re-test and recommends that the IMO consider including in the Market Procedure the actions it will take, if any, in respect of further adjusting Capacity Credits that were reduced in respect of previous Reserve Capacity Tests, where the re-test results in a value exceeding the reduced Capacity Credits. In Synergy's view, it is important for Market Participants to understand the implications and consequences, if any, of requesting a re-test under steps 1.11.4 and 1.11.5.

2. Please provide an assessment whether the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Amending Rules.

Synergy believes that the Procedure Change Proposal is consistent with the Amending Market Rules (RC_2010_29 and RC_2010_12) and the Market Objectives.

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

Synergy would not require any changes to IT or business systems, nor incur any organisational costs, as a consequence of adopting the proposed amended Market Procedure.

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

Synergy would be able to implement the proposed amended Market Procedure immediately.
