



Independent Market Operator

**IMO's decision: Proposed Power
System Operation Procedure:**

**Operational Data Points for
Generating Plant**

Ref: PPLC0007

Date: 1 July 2009

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Independent Market Operator

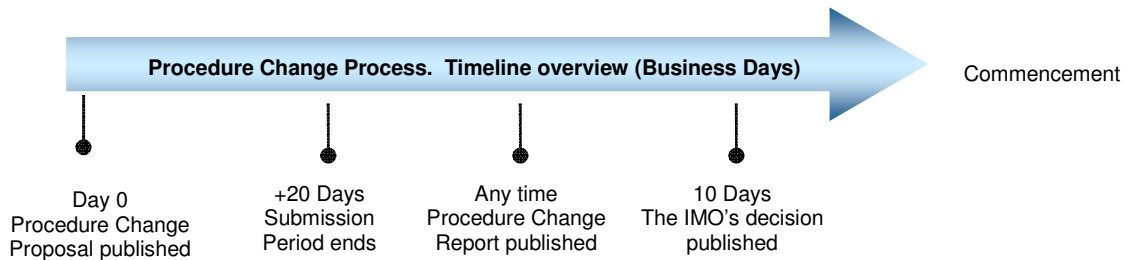
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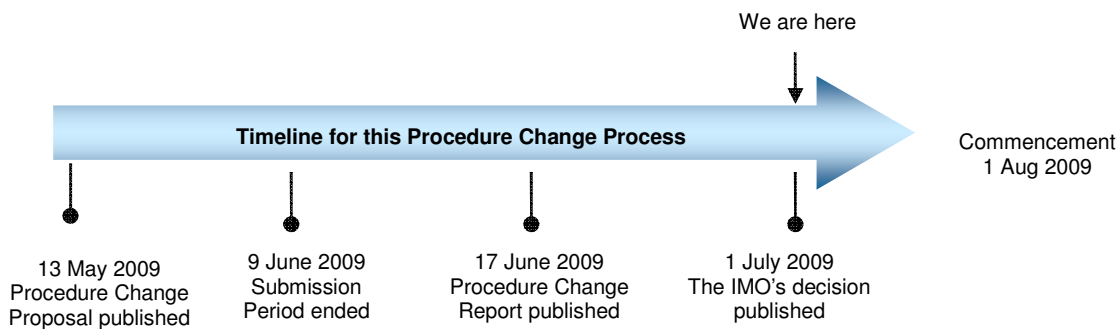
1. INTRODUCTION

On 13 May 2009, the Independent Market Operator (IMO) published a Procedure Change Proposal from System Management regarding the proposed new Power System Operation Procedure (PSOP): Operational Data Points for Generating Plant. The proposal has been processed according to the Procedure Change Process under clause 2.10 of the Wholesale Electricity Market Rules (Market Rules).

This process adheres to the following timelines:



The key dates in processing this Procedure Change Proposal are:



Clause 2.10.14 of the Market Rules requires the IMO to make a decision as to whether to approve a proposed Market Procedure or amendment to, or replacement for, the Market Procedure published by System Management. This approval is required within 10 Business Days of a Procedure Change Report being published.

This document, containing the IMO's decision on the proposed PSOP: Operational Data Points for Generating Plant (PPLC0007) is published, as required under clause 2.10.15 of the Market Rules.

The IMO's decision is to accept the proposed PSOP. The details of the IMO's assessment are set out in section 4 of this report.

All documents related to this proposed PSOP can be found on the IMO website: http://www.imowa.com.au/Attachments/MarketProcedures/ProcedureChange_PPCL0007.htm

2. THE PROCEDURE CHANGE PROPOSAL

2.1 *Details of the Proposal*

Section 3.3.4.1 and 3.3.4.2 of the Technical Rules deals with the requirements for Market Generators to provide operational data. This is for the purpose of monitoring and control of Generating Units connected in the South West interconnected system.

System Management contended that in order to provide a consistent approach to the provision of operational data, the new PSOP: Operational Data Points for Generating Plant is required. In particular, the new PSOP will provide details of System Management's minimum requirements for the operational data points to be submitted by Market Generators for their generating units.

3. PUBLIC CONSULTATION PERIOD

3.1 *Submissions received*

The public submission period was between 13 May 2009 and 9 June 2009. System Management received one submission from Landfill Gas & Power (LGP).

3.1.1 *Submission from Landfill Gas & Power*

LGP supported the new PSOP.

LGP submitted that it perceives that the PSOP is consistent with the Market Rules and, by extension, the Market Objectives.

LGP noted that the new PSOP will not impact on them adversely and could be implemented immediately.

4. THE IMO'S ASSESSMENT

In determining whether to approve the PSOP: Operational Data Points for Generating Plant the IMO assessed the proposed new PSOP for consistency with the provisions outlined in clause 2.9.3 of the Market Rules.

In particular, clause 2.9.3 outlines that Market Procedures must:

- be developed, amended or replaced in accordance with the process in these Market Rules;
- be consistent with the Wholesale Market Objectives; and
- be consistent with these Market Rules, the Electricity Industry Act and Regulations;

In accordance with clause 2.10.15(c) the IMO has also reviewed the commencement date proposed by System Management. This is to ensure that it will allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it.

The IMO's assessment is outlined in the following sections.

3.1 Wholesale Market Objectives

In accordance with clause 2.9.3(a).ii of the Market Rules, Market Procedures must be consistent with the Wholesale Market Objectives.

The steps described in the proposed PSOP: Operational Data Points for Generating Plant provide a consistent approach to the provision of operational data.

The IMO considers that the steps are drafted in such a way that does not change the operation or objectives of the Market Rules. As a result the IMO considers that the proposed PSOP: Operational Data Points for Generating Plant, as a whole, is consistent with the Wholesale Market Objectives.

3.2 Market Rules, the Electricity Industry Act and Regulations

In accordance with clause 2.9.3(a).iii of the Market Rules, Market Procedures must be consistent with the Market Rules, the Electricity Industry Act and Regulations.

The IMO considers that the proposed PSOP: Operational Data Points for Generating Plant is consistent, as a whole, with the Market Rules, the Electricity Industry Act and Regulations. The IMO also considers that the proposed new Market Procedure is consistent with all other Market Procedures.

3.3 Implementation of the new Power System Operation Procedure

In accordance with clause 2.10.15(c) of the Market Rules, when approving a proposed Market Procedure or amendment to or replacement for the Market Procedure from System Management, the IMO must notify System Management of a date and time for commencement. This date and time must, in the IMO's opinion, allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement the changes required by it.

The proposed PSOP: Operational Data Points for Generating Plant will not require Rule Participants, the IMO, or System Management to implement any procedural or system amendments before it can commence. Consequently, the IMO considers commencement at 08.00am on 1 August 2009 will allow Rule Participants sufficient time from the date of publication of System Management's Procedure Change Report to ensure compliance with the new PSOP.

3.4 Power System Operation Procedures Working Group



In making its decision the IMO has noted the process involved in producing the PSOP. In particular, the new PSOP: Operational Data Points for Generating Plant was discussed by the System Management PSOP Working Group (Working Group) at the 11 December 2009 meeting. The Working Group is a group appointed by the MAC to develop, consider, and assess changes to System Management Market Procedures which the Market Rules require System Management to develop.

The Working Group was in general support of the new PSOP. The Working Group did however make a number of recommendations which were adopted by System Management in the proposed PSOP. The amendments as agreed were:

- Section 4: amendment to state that the list of generation facilities is not limited to the current list in Section 4.
- Section 7: System Management to draft a provision which will give them discretion in specifying data points for existing facilities. (For grandfathering arrangements of existing plant).
- Section 7: additional clarification to allow existing and future facilities to be better distinguished.
- Section 8: amendment to the drafting of the guidelines and limitation to specify what the information will be used for (forecasting, system modelling etc...)
- Section 12.1: additional clarification of the alternative to normal implementation of the data points and the alternative to SCADA.
- Section 14: inclusion of a statement as to what point in time specified data points should be considered final and where in the design and development stage this conformation will lie.

System Management amended the sections as proposed by the Working Group. The changes were distributed to Working Group members for review out of session. No further changes were suggested. Therefore System Management proceeded to submit a formal Procedure Change Proposal.

4. THE IMO'S DECISION

The IMO's decision is to approve the new PSOP: Operational Data Points for Generating Plant as proposed by System Management in its Procedure Change Report.

4.1 *Reasons for the decision*

The IMO has decided to approve the new PSOP, as proposed by System Management, based on the IMO's assessment that the proposed PSOP:

- had the support of the Working Group, a group of representatives nominated by the MAC to assist the MAC in advising the IMO and System Management;
- is consistent with the Wholesale Market Objectives;
- is consistent with the Market Rules, the Electricity Industry Act and Regulations; and
- there are no procedural or system changes required prior to implementation.

Additional detail outlining the analysis behind the IMO's reasons is outlined in section 3 of this report.

5. THE NEW POWER SYSTEM OPERATION PROCEDURE

5.1 Commencement

The new PSOP: Operational Data Points for Generating Plant will commence at 08.00am on 1 August 2009.

5.2 Wording of the new Power System Operation Procedure

The wording of the new PSOP: Operational Data Points for Generating Plant, as proposed by System Management, is available on the IMO's website.

6. GENERAL INFORMATION ABOUT PROCEDURE CHANGES PROPOSALS

The IMO or System Management, as applicable, may initiate a Procedure Change Process by developing a Procedure Change Proposal. Rule Participants may notify the IMO or System Management, as applicable, where they consider an amendment or replacement of a Market Procedure would be appropriate (clause 2.10.1).

If Amending Rules require the IMO or System Management to develop new Market Procedures or to amend or replace existing Market Procedures, then the IMO or System Management, as applicable, is responsible for the development of amendments to or replacement for Market Procedures so as to comply with the Amending Rules (clause 2.10.3).