

Wholesale Electricity Market – Submission to Procedure Change Proposal PPCL0013 Power System Operation Procedure: Dispatch

Submitted by

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Submission

Clause 2.10.7 of the Wholesale Electricity Market Rules (Market 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 should be submitted to:

Western Power Networks - System Management Division

Attn: Alistair Butcher, Market Strategic Development Manager

GPO Box L921 Perth WA 6842 Fax: (08) 9427 4228

Email: market.development@westernpower.com.au

Submissions for Procedure Changes that relate to IMO Market Procedures should be submitted to:

Independent Market Operator

Attn: Manager Market Development and System Capacity

PO Box 7096

Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4339

Email: market.development@imowa.com.au



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

On 20 August 2009 the Independent Market Operator (IMO) published, on behalf of System Management, a proposed amended Power System Operation Procedure (PSOP): Dispatch. In its Procedure Change Proposal System Management submitted that the changes:

- Better reflect the performance of market functions;
- Better reflect changes to the Market Rules which have occurred since the commencement of the Market on 21 September 2006;
- Represent a consensus outcome of the System Management PSOP Working Group (Working Group) and discussions held with the IMO; and
- Are consistent with the Market Objectives.

The PSOP contains a provision (section 10.5 step 8) to the effect that where there is a failure to agree on an issue, the IMO is required to make a binding decision within two Business Days of receiving comments. At the Working Group meeting held 19 June 2009 the IMO noted that it did not consider that the two Business Day timeframe in section 10.5 would be sufficient or practicable. The IMO agreed with System Management to consider an appropriate timeframe further out of session and to submit its recommendation during the public consultation process to ensure transparency.

The IMO considers that a timeframe of 10 Business Days would be more practical because:

- the potential that either party may present further evidence when providing comments on the IMO's draft recommendation which would need to be adequately investigated by the IMO:
- a binding decision is, by its nature, not open to review. It is essential that adequate time is made available for proper consideration of such issues;
- sufficient time is required to allow for the IMO to follow its internal processes and procedures, including appropriate consultation and sign-off with senior staff members and IMO officers. Ten Business Days is considered sufficient for this, taking into account the relatively small number of IMO staff members who are likely to be involved in this process, and the effect of absences and other commitments; and
- other similar provisions in the Market Rules, for example the Dispute Resolution Process outlines in section 2.19 of the Market Rules has no specified timeframe.

The IMO considers that providing 10 Business Days for a binding decision to be issued will ensure that the best possible outcome can be achieved in the incidence of any disputes arising over the PSOP: Dispatch.