
Wholesale Electricity Market – Procedure Change Proposal

Change requested by

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Organisation:	System Management
Address:	
Date submitted:	3 March 2011
Urgency:	Procedure change process, clause 2.10 of the Market Rules
Procedure change title:	Revised PSOP: Dispatch
Market Procedure(s) affected:	PSOP: Dispatch (effective 1 April 2010)

Introduction

The IMO or System Management, as applicable, may initiate the 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.

If an Amending Rule requires 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, amendment of or replacement for, Market Procedures so as to comply with the Amending Rule.

Market Procedures:

- (a) must:
 - i. be developed, amended or replaced in accordance with the process in the Market Rules;
 - ii. be consistent with the Wholesale Market Objectives; and
 - iii. be consistent with these Market Rules, the Electricity Industry Act and Regulations; and
- (b) may be amended or replaced in accordance with clause 2.10 and must be amended or replaced in accordance with clause 2.10 where a change is required to maintain consistency with Amending Rules.

The objectives of the market are:

- (a) to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system;
- (b) to encourage competition among generators and retailers in the South West interconnected system, including by facilitating efficient entry of new competitors;
- (c) to avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions;
- (d) to minimise the long-term cost of electricity supplied to customers from the South West interconnected system; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

Submissions on the Procedure Change Proposal can be posted, faxed or emailed to:

Independent Market Operator

Attn: Manager Market Administration
 PO Box 7096
 Cloisters Square, Perth, WA 6850
 Email: marketadmin@imowa.com.au

However, the IMO prefers to receive submissions by email using the submission form available on the IMO website:

http://www.imowa.com.au/10_5_1_b_procedure%20change%20proposal.htm

Details of Procedure Change Requested

1. Provide a reason for the proposed new, amended or replacement Market Procedure:

In early 2010 System Management proposed an amendment to the Dispatch Power System Operation Procedure ('PSOP') to require all operators of independent power producer ('IPP') generators to use reasonable endeavours to provide System Management their intended dispatch profiles per a minute by minute resolution each Scheduling Day prior to the respective Trading Day. This procedure change proposal became effective on 1 April 2010.

This procedure change proposal is read in conjunction with System Management's proposal for establishing a formal Tolerance Range to apply to all Facilities for the purposes of System Management's resource plan monitoring obligations required under the Market Rules.

System Management further developed the application of this reasonable endeavours requirement above to allow Market Participants the opportunity to provide a more accurate indication of their Facility's intended operations via provision of either:

- A minute by minute daily dispatch profile; or
- A daily algorithm,

to System Management by 3pm on the Scheduling Day prior to the Trading Day.

Where either of these proposed operational plans are provided to System Management in accordance with the minimum requirements stated in the Dispatch PSOP, System Management may use this operational plan in place of System Management's default constant linear interpolation from the previous and following target megawatt output of a Facility's resource plan for a Trading Day, when monitoring Market Participant real time resource plan compliance in accordance with the Market Rules.

A formal Tolerance Range and Facility Tolerance Range(s) (if applicable) determined in accordance with the Monitoring and Reporting Protocol PSOP and mandated under the Market Rules must be incorporated into System Management's resource plan compliance monitoring in accordance with either:

- A minute by minute daily dispatch profile;
- A daily algorithm; or
- Default linear interpolation (determined by System Management).

System Management continuously seeks to improve the integrity and accuracy of the Power System Operation Procedures, and has incorporated some minor and typographical amendments.

The proposed concept underlying these amendments have been subject to consultation within the System Management Power System Operation Procedure Working Group (constituted under the auspices of the MAC) and with the Independent Market Operator.

It is the view of System Management that the amended procedure is consistent with the Market objectives.

2. Provide the wording of the new or amended Procedure *(as applicable)*

The amended Procedure, Power System Operation Procedure: Dispatch is attached.

Procedure Change No.: PPCL0018

Received date: 3 March 2011