Status Report prepared under clause 7.12 of the Market Rules by System Management

22 December 2011 – 21 March 2012

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1 Introduction

1.1 System Management

Western Power is established under section 4(1)(b) of the *Electricity Corporations Act 2005* and has the functions conferred under section 41 of that act.

Part 9 of the *Electricity Industry Act 2004* makes provision for a wholesale electricity market and provides for the establishment of Market Rules.

One of the core functions undertaken by Western Power is the management of the electricity transmission and distribution networks. Regulation 13 of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* provides that the Market Rules may confer on an entity the function of operating the SWIS in a secure and reliable manner.

Clause 2.2 of the *Wholesale Electricity Market Amending Rules (September 2006)* (**Market Rules**) confers this responsibility upon the segregated ("ring fenced") business unit of Western Power known as System Management. Amongst these responsibilities, the functions of System Management are to:

- release information required by the Market Rules;
- monitor rule participants compliance with the Market Rules relating to dispatch and power system security and power system reliability; and
- provide regular reports to the IMO and other market participants.

Included in the requirement to monitor and report is this Status Report, described in clause 7.12 of the Market Rules.

1.2 Status Report

System Management has prepared this report pursuant to its obligations under clause 7.12 of the Market Rules, for the period 22 December 2011 to 21 March 2012.

2 Issuance of Dispatch Instructions

During the period, System Management issued a total of 207 Dispatch Instructions to Market Participants.

Of these, 8 were "minimum MW" instructions, 149 were "target MW" instructions, and 50 were instructions to return to the Resource Plan.

3 Non-compliance with Dispatch Instructions

No instances of non-compliance with Dispatch Instructions occurred.

4 Transmission constraints

A "transmission constraint" refers to the configuration of the transmission network that has an effect or potential effect of constraining or otherwise varying the output of a generator. The resultant situation has a generation facility either decrease output, or not increase output as it would if the constraint did not exist.

System Management has identified zero instances of potential or actual transmission constraints during the relevant period that meet the definition above. This does not include any potential or actual transmission constraints arising because of commercial decisions taken by market participants. This also does not include situations where a generator is unable to operate due to planned or unplanned Network outages.

5 Shortfalls in Ancillary Services

No instances of shortfalls in Ancillary Services occurred.

6 Involuntary curtailment of load

No instances of involuntary curtailment of load requiring major rotational load shedding occurred.

7 High Risk Operating State

Five instances of a High Risk State occurred.

On 18 January 2012, faults on a transmission network resulted in load rejection. A High Risk State was called commencing interval 13:2 and ending interval 7:2 on 19 January 2012. System Management issued seven Dispatch Instructions during this period.

On 20 January 2012 (Trading Day 19 January 2012), faults on a transmission network resulted in load rejection. A High Risk State was called commencing interval 4:1 and ending interval 7:2. System Management issued four Dispatch Instructions during this period.

On 22 February 2012 due to an excessive loss of generation a High Risk State was issued commencing interval 12:1 and finishing 18:1. System Management issued 16 Dispatch Instructions during this period.

On 13 March 2012 due to the unavailability of important transmission protection devices and a high risk of instability for high load transfers, a High Risk State was called commencing interval 8:1 and ending on 19 March 2012 (Trading Day 18 March) interval 8:1. During this period System Management issued nine Dispatch Instructions.

On 19 March 2012 System Management issued a continuation of the High Risk State as per the previous Dispatch Advisory being caused by the unavailability of an important transmission protection device and a high risk of instability for high load transfer. The High Risk State was extended to commence interval 8:2 on 19 March 2012 and ended on 23 March 2012 (Trading Day 22 March) at interval 7:2. During this period System Management was not required to issue any Dispatch Instructions and no further action was taken.

8 Emergency Operating State

No instances of an Emergency Operating State occurred.

9 Equipment Tests

One instance of an approved Equipment Test by System Management.

A Market Participant followed an approved Equipment Test Plan for a facility commencing Trading Day 16 January 2012 at interval 08:00 and finishing at 07:30 on 17 January 2012.