Wholesale Electricity Market – Procedure Change Proposal

Change requested by

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| Organisation: | System Management |
| Address: | 8 Joel Terrace, East Perth |
| Date submitted: | 21 June 2013 |
| Urgency: | Procedure change process, clause 2.10 of the Market Rules |
| Procedure change title: | Revised PSOP: Commissioning and Testing |
| Market Procedure(s) | PSOP: Commissioning and Testing |
| affected: | |

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:
 - 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;
- 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.

<u>Submissions</u> 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/procedure-changes

Details of Procedure Change Requested

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

The IMO recently progressed two rule changes relating to Commissioning as follows:

| Rule Change | Key amendments | Commencement Date |
|-------------|--|-------------------|
| RC_2012_15 | Removed the four month restriction on Commissioning Test Periods for new generating systems | 1 March 2013 |
| RC_2012_12 | Clarified the application of the term 'Commissioning Test Plan' Shortened the Commissioning Test Plan application period to 7 trading days before the proposed test start, with the 7 day timing requirement being on a 'best endeavours' basis Enables System Management to reject a Commissioning Test Plan if received less than 20 trading days prior to start | 1 April 2013 |

To ensure alignment with the amendments introduced by RC_2012_12 and RC_2012_15, System Management is proposing a number of changes to the PSOP: Commissioning and Testing, including:

- The term Commissioning Test used throughout the PSOP has been changed to Commissioning Test Plan.
- The revised timing requirement (7 days best endeavours) relating to the submission of a Commissioning Test Plan has been included.
- The reference to Market Rule 3.21A.7 has been updated within the PSOP to reflect the removal of the four month restriction on Commissioning Test Periods for new generating systems.
- Section 2.4.2b iii has been inserted to require a new Commissioning Test Plan if an extension of an existing Commissioning Test Plan is required.
- Section 2.5 has been amended to provide System Management with the ability to issue an Operating Instruction on the Trading Day for a Commissioning Test (The current PSOP allows System Management to only issue an Operating Instruction on the previous Trading Day – Scheduling Day).

- APPENDIX A: COMMISSIONING TEST PLAN STANDARD FORM TEMPLATE has been updated to clarify the **Test Period** as referring to the Trade Date.
- APPENDIX A: COMMISSIONING TEST PLAN STANDARD FORM TEMPLATE has been updated to require further information. In particular, Appendix A has been revised to include the requirement for a Participant to specify whether the Commissioning Test is for a generating system that has undergone significant maintenance or for a new generating system and provide details pertaining to this.
- Minor revisions have also been made to correct typographical errors and improve consistency throughout the PSOP.

An opportunity has also been taken during the update of the PSOP: Commissioning and Testing, to expand APPENDIX C: GUIDELINES FOR ADDITIONAL ANCILLARY SERVICES DURING COMMISSIONING TESTS to better differentiate between the Load Following and Spinning Reserve requirements during commissioning in line with the Ancillary Services Report.

Load Following for Maximum Ramp Rate tests has been updated to include "Plus ramp range" in addition to Normal Load Following. These changes have been included due to commissioning activities carrying a greater risk to Power System Security and Reliability.

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

The amended Procedure, Power System Operation Procedure: Commissioning and Testing is attached with changes marked up.

Procedure Change No.: PPCL0025

Received date: 21 June 2013