



GUIDELINE FOR: CONSUMPTION DEVIATION APPLICATION FOR DEMAND SIDE PROGRAMMES

VERSION 2.1

Published: **June 2018**





Version history

Version	Effective date	Notes
1	21/09/2015	Market Guideline: Consumption Deviation Application for Demand Side Programmes
2	10/07/2017	Changes following release 1 of the Reserve Capacity Mechanism system (RCM 1.1)
2.1	13/06/2018	Updated to reflect changes to the Reserve Capacity Mechanism system (RCM 1.8)



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1. INTRODUCTION

1.1 Relationship with the Wholesale Electricity Market Rules

1.1.1 This guideline for Consumption Deviation Application for Demand Side Programmes (Guideline) relates to clause 4.26.2CA and Appendix 10 of the Wholesale Electricity Market Rules (WEM Rules). All references to the WEM Rules are current as at 1 July 2017.

1.2 Terminologies and definitions

1.2.1 A word or phrase defined in the Electricity Industry Act, the Electricity Industry (Wholesale Electricity Market) Regulations or the WEM Rules has the same meaning when used in this Guideline.

1.2.2 In addition the following defined terms have the meaning given in Table 1.

Table 1 Defined terms for this Guideline

Term	Definition
Consumption Deviation Application	Application from a Market Customer to AEMO to replace one or multiple Trading Intervals, which are considered unrepresentative of the consumption of a Load, for the purpose of determining the Relevant Demand of a Demand Side Programme in accordance with step 2(c) of Appendix 10 of the WEM Rules.
Consumption Deviation Interval	A Trading Interval for which AEMO has approved a Consumption Deviation Application for a Load.
NMI	National Meter Identifier of a Load.

1.3 Purpose of this Guideline

1.3.1 This Guideline describes the processes that:

- a) Market Customers must follow when submitting a Consumption Deviation Application (CDA) referring to a consumption reduction as described in step 2(c) of Appendix 10 of the WEM Rules, including:
 - i. the requirements and form of evidence a Market Customer should provide with a CDA;
 - ii. the format in which a CDA must be submitted; and
- b) AEMO follows in processing a CDA, including the criteria AEMO considers when deciding whether to accept or reject a CDA.

1.4 Associated Market Procedure and market documents

1.4.1 The Market Procedure: Individual Reserve Capacity Requirements¹ and the WEMS Market Participant Interface (MPI) User Guide² are associated with this Guideline.

¹ Available at: <http://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Procedures>.

² Available at: <http://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Participant-information/Guides-and-useful-information>.



2. APPLICATION PROCESS

2.1 CDA process for Relevant Demand

- 2.1.1 A Market Customer may submit a CDA for an Associated Load, where the Market Customer considers that the level of consumption of the Associated Load was reduced as a direct consequence of either:
- a) System Management's request;
 - b) maintenance being undertaken; or
 - c) an equipment failure.
- 2.1.2 Submissions under step 2.1.1 must be made through the WEMS MPI by navigating to the Reserve Capacity Mechanism (RCM) portal and selecting the Consumption Deviation Application tab.³
- 2.1.3 Each CDA must refer to only one NMI but may contain multiple Trading Intervals for that NMI and may cover multiple events falling into the categories outlined under step 2.1.1.

³ Further information on the MPI is provided in the WEMS MPI User Guide.



3. APPLICATION REQUIREMENTS

- 3.1.1 A CDA submitted under step 2.1.1 or 2.2.1 of this Guideline must include:
- a) A CSV file containing a list of all Trading Intervals when the respective Load experienced maintenance. A template for the CSV file can be downloaded through the RCM portal. The CSV file must not contain any information that conflicts with the information provided under step 3.1.1(b).
 - b) A written testimony from the operator of the Load which must contain the information specified in Table 2.

Table 2 Requirements for the written testimony submitted as part of a CDA

	Required information
i	Date of correspondence.
ii	Letterhead of the company including full company name and contact details.
iii	Specified NMI of the Load.
iv	A list of Trading Intervals where the Load’s consumption was reduced, including the reason for the reduction which must fall under any of the categories outlined in step 2.1.1.
v	The time and date where the event causing the Load’s consumption reduction commenced and ended for each of the events included in the list provided under (iv).
vi	Where an application is submitted for a consumption reduction due to maintenance or equipment failure: <ul style="list-style-type: none"> • a high level description of activities/issue including the typical duration and the frequency of this event; and • where the maintenance/failure lasts for more than one week, a detailed explanation along with any supporting evidence the Market Customer believes supports the consumption deviation.
vii	An explanation of how any of the events stated under iv, vi and vii resulted in the Load reducing its consumption including information regarding the expected consumption (MW) if the event had not occurred.
viii	Full name, details and signature of a senior authority employed by the operator of the Load.
ix	A Market Customer may provide additional information that it believes supports the claim (which may include maintenance records, invoices from suppliers/contractors) and hence will assist in the assessment of the CDA.
x	Where maintenance was planned ahead of the actual event, a Market Customer must provide additional information (which may include maintenance records, invoices) that it believes supports the planned maintenance.



4. CDA ASSESSMENT

4.1 Assessment of the completeness of the CDA

- 4.1.1 AEMO reviews each CDA received and determines whether it fulfils the following criteria to be considered eligible:
- the CDA must contain the CSV file and the written testimony in step 3.1.1; and
 - the written testimony must match the details of the CSV file and must include all the requirements stated in Table 2.
- 4.1.2 If AEMO does not consider a CDA eligible under step 4.1.1, AEMO may request additional information from the Market Customer to support the application, specifying a time and date by which the information must be provided to be considered.
- 4.1.3 Where AEMO requests further information under step 4.1.2 the Market Customer may, but is not obliged to, provide this information.
- 4.1.4 Where a Market Customer does not provide the information requested under step 4.1.2 within the specified timeframe, AEMO must reject the CDA.

4.2 Application assessment regarding Relevant Demand

- 4.2.1 If AEMO considers a CDA for an Associated Load regarding a DSP's Relevant Demand eligible under step 4.1.1, AEMO assesses the CDA as a whole and only accepts the CDA if all Trading Intervals in the CDA can be accepted as Consumption Deviation Intervals.
- 4.2.2 For the purpose of step 4.2.1, AEMO assesses, for each Trading Interval in the CDA, whether the following criteria are met:
- the Load in question was operating below the consumption level deemed to be representative of that Load;
 - the reduction in consumption was, in AEMO's reasonable opinion, due to the event stated in the CDA; and
 - where maintenance or an equipment failure is stated as the reason for the consumption reduction, AEMO must be satisfied that the information provided under step 3.1.1(b) relates to a maintenance activity or an equipment failure.
- 4.2.3 AEMO bases its decision under 4.2.2(a) on the assessment of whether the consumption in the relevant Trading Interval was lower than would be expected based on consumption under similar conditions. AEMO may perform analysis to quantify the expected consumption level, including:
- analysis of changes in consumption at the nominated start/end times of the event;
 - comparison of the consumption in the Trading Interval with consumption at the same time on adjacent days;
 - comparison of the consumption in the Trading Interval with consumption at the same time and on the same weekday in adjacent weeks/months;
 - comparison of the consumption in the Trading Interval with consumption at the same time on days of similar temperature and/or weather conditions; and



- e) any other analysis that AEMO considers relevant.
- 4.2.4 AEMO bases its decision under 4.2.2(b) on the evidence provided in the CDA by the Market Customer, and may consider the following:
 - a) sufficiency and plausibility of evidence that the maintenance activity or equipment failure took place during the Trading Interval; and
 - b) consistency of the written testimony with the reduction and duration of that maintenance activity or equipment failure.
- 4.2.5 AEMO may request further information to better inform the assessment under step 4.2.2 specifying a time and date by which the information must be provided to be considered in the assessment.
- 4.2.6 Where AEMO requests further information under step 4.2.5 the Market Customer may, but is not obliged to, provide this information.
- 4.2.7 Where a Market Customer does not provide the information requested under step 4.2.5 within the specified timeframe, AEMO assesses the CDA on the basis of the available information.
- 4.2.8 Where all Trading Intervals in a CDA meet the criteria outlined under step 4.2.2, AEMO accepts the Application.
- 4.2.9 Where any of the Trading Intervals in a CDA does not meet the criteria outlined under step 4.2.2, AEMO may request the Market Customer to revise the CDA, omitting the relevant Trading Intervals, specifying a time and date by which the revision must be made.
- 4.2.10 Where AEMO requests a revision under step 4.2.9 the Market Customer may, but is not obliged to, revise the information.
- 4.2.11 Where a Market Customer does not revise the CDA if requested under step 4.2.9 within the specified timeframe, AEMO must reject the CDA.
- 4.2.12 Upon accepting or rejecting a CDA, AEMO notifies the Market Customer of the decision and in case of a rejection provides a summary of the reason for the rejection.
- 4.2.13 Where AEMO accepts a CDA relating to a DSP's Relevant Demand, AEMO recalculates the Relevant Demand of the DSP, and in this calculation replaces the metered consumption of the 200 Calendar Hours with AEMO estimates of what the consumption of the Associated Load would have been if it had not been reduced. The effective date of the recalculated Relevant Demand is the Trading Day following AEMO's acceptance of the CDA.
- 4.2.14 Where AEMO recalculates a DSP's Relevant Demand due to accepting a CDA, AEMO publishes the recalculated Relevant Demand in the WEMS MPI on the date the recalculation becomes effective.