



Independent Market Operator

**IMO's decision: Proposed Power
System Operation Procedure:**

**Operational Data Points for
Non-Western Power
Networks, Substations,
and Loads**

Ref: PPLC0008

Date: 1 July 2009

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Independent Market Operator

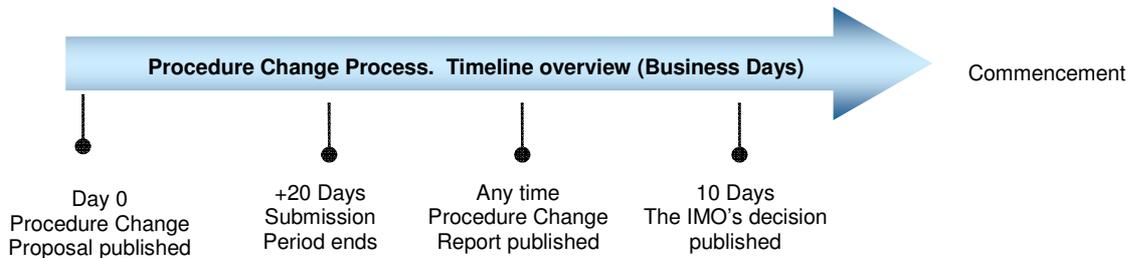
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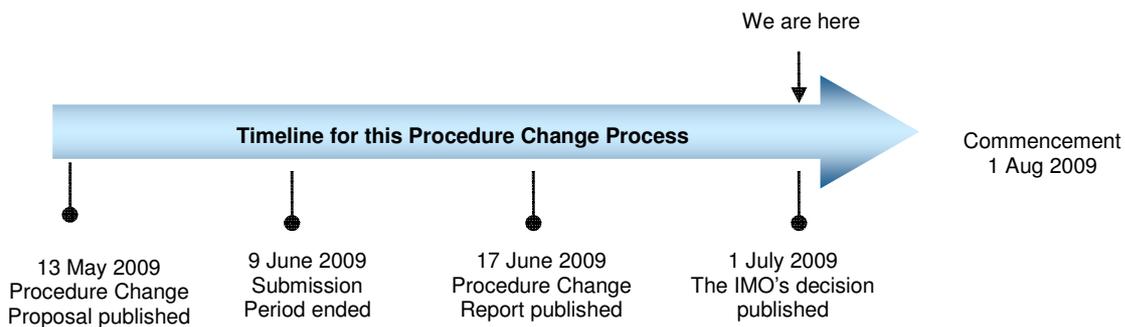
1. INTRODUCTION

On 13 May 2009, the Independent Market Operator (IMO) published a Procedure Change Proposal from System Management regarding the proposed new Power System Operation Procedure (PSOP): Operational Data Points for Non-Western Power Networks, Substations, and Loads. The proposal has been processed according to the Procedure Change Process under clause 2.10 of the Wholesale Electricity Market Rules (Market Rules).

This process adheres to the following timelines:



The key dates in processing this Procedure Change Proposal are:



Clause 2.10.14 of the Market Rules requires the IMO to make a decision as to whether to approve a proposed Market Procedure or amendment to or replacement for the Market Procedure published by System Management. This approval is required within 10 Business Days of a Procedure Change Report being published.

This document, containing the IMO's decision on the proposed PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads (PPLC0008) is published as required under clause 2.10.15 of the Market Rules.

The IMO's decision is to accept the proposed PSOP. The details of the IMO's assessment are set out in section 4 of this report.

All documents related to this proposed PSOP can be found on the IMO website: http://www.imowa.com.au/Attachments/MarketProcedures/ProcedureChange_PPCL0008.htm

2. THE PROCEDURE CHANGE PROPOSAL

2.1 *Details of the Proposal*

Section 3.3.4.1 and 3.3.4.2 of the Technical Rules deals with the requirements for Market Generators to provide operational data. This is for the purpose of monitoring and control of Generating Units connected in the South West interconnected system (SWIS).

System Management contended that to provide a consistent approach to the provision of operational data, the new PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads is required. In particular, the new PSOP will provide details of System Management's minimum requirements for the operational data points to be provided by Market Participants for their networks, substations, and loads.

3. PUBLIC CONSULTATION PERIOD

3.1 *Submissions received*

The public submission period was between 13 May 2009 and 9 June 2009. System Management received one submission from Landfill Gas & Power (LGP).

3.1.1 *Submission from Landfill Gas & Power*

LGP supported the new PSOP.

LGP submitted that it perceives that the PSOP is consistent with the Market Rules and by extension the Market Objectives.

LGP noted that the new PSOP will not impact on them adversely and could be implemented immediately.

4. THE IMO'S ASSESSMENT

In determining whether to approve the PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads the IMO assessed the proposed new PSOP for consistency with the provisions outlined in clause 2.9.3 of the Market Rules.

In particular, clause 2.9.3 outlines that Market Procedures must:

- be developed, amended or replaced in accordance with the process in these Market Rules;
- be consistent with the Wholesale Market Objectives; and
- be consistent with these Market Rules, the Electricity Industry Act and Regulations.

In accordance with clause 2.10.15(c) the IMO has also reviewed the commencement date proposed by System Management to ensure that it will allow sufficient time after the date of publication of the Procedure Change Report for Rule Participants to implement changes required by it.

The IMO's assessment is outlined in the following sections.

3.1 Wholesale Market Objectives

In accordance with clause 2.9.3(a).ii. of the Market Rules, Market Procedures must be consistent with the Wholesale Market Objectives.

The steps described in the proposed PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads provide a consistent approach to the provision of operational data.

The IMO considers that the steps are drafted in such a way that does not change the operation or objectives of the Market Rules. As a result the IMO considers that the proposed PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads as a whole is consistent with the Wholesale Market Objectives.

3.2 Market Rules, the Electricity Industry Act and Regulations

In accordance with clause 2.9.3(a).iii. of the Market Rules, Market Procedures must be consistent with the Market Rules, the Electricity Industry Act and Regulations.

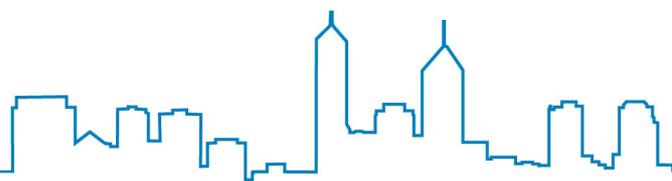
The IMO considers that the proposed PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads is consistent, as a whole, with the Market Rules, the Electricity Industry Act and Regulations. The IMO also considers that the proposed new Market Procedure is consistent with all other Market Procedures.

3.3 Implementation of the new Power System Operation Procedure

In accordance with clause 2.10.15(c) of the Market Rules, when approving a proposed Market Procedure or amendment to or replacement for the Market Procedure from System Management, the IMO must notify System Management of a date and time for commencement. This date and time must, in the IMO's opinion, allow sufficient time after the date of publication. Procedure Change Report for Rule Participants to implement the changes required by it.

The proposed PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads will not require Rule Participants, the IMO, or System Management to implement any procedural or system amendments before it can commence. Consequently, the IMO considers commencement at 08.00am on 1 August 2009 will allow Rule Participants sufficient time from the date of publication of System Management's Procedure Change Report to ensure compliance with the new PSOP.

3.4 Power System Operation Procedures Working Group



In making its decision, the IMO has noted the process involved in producing the PSOP. In particular, the new PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads was discussed by the System Management PSOP Working Group (Working Group) at the 11 December 2009 meeting. The Working Group is a group appointed by the MAC to develop, consider and assess changes to System Management Market Procedures which the Market Rules require System Management to develop.

The Working Group acknowledged that discussing the PSOP was outside the scope of the group as it does not apply to Market Participants within the SWIS.

4. THE IMO'S DECISION

The IMO's decision is to approve the new PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads as proposed by System Management in its Procedure Change Report.

4.1 *Reasons for the decision*

The IMO has decided to approve the new PSOP, as proposed by System Management, based on the IMO's assessment that the proposed PSOP:

- is consistent with the Wholesale Market Objectives;
- is consistent with the Market Rules, the Electricity Industry Act and Regulations; and
- there are no procedural or system changes required prior to implementation.

Additional detail outlining the analysis behind the IMO's reasons is outlined in section 3 of this report.

5. THE NEW POWER SYSTEM OPERATION PROCEDURE

5.1 *Commencement*

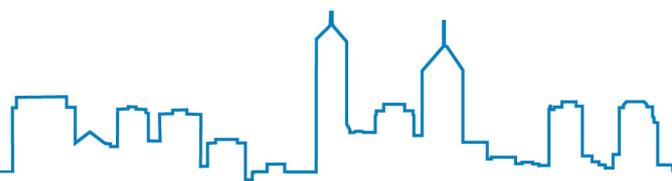
The new PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads will commence at 08.00am on 1 August 2009.

5.2 *Wording of the new Power System Operation Procedure*

The wording of the new PSOP: Operational Data Points for Non-Western Power Networks, Substations, and Loads, as proposed by System Management, is available on the IMO's website.

6. GENERAL INFORMATION ABOUT PROCEDURE CHANGES PROPOSALS

The IMO or System Management, as applicable, may initiate a 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 (clause 2.10.1).

If Amending Rules require 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 amendments to or replacement for Market Procedures so as to comply with the Amending Rules (clause 2.10.3).

