

**INVITATION FOR SUBMISSIONS  
2017 ANNUAL REVIEW OF TOLERANCE RANGES and  
REQUEST FOR FACILITY TOLERANCE RANGE**

## 1. Background

In accordance with clauses 2.13.6D and 2.13.6E of the Wholesale Electricity Market (WEM) Rules, System Management may determine the Tolerance Range and Facility Tolerance Range<sup>1</sup> to apply to Facilities for the purpose of System Management's reporting of alleged breaches of clauses 3.21 and 7.10.1 concerning Forced Outages and compliance with Dispatch Instructions under clause 2.13.6A.

Pursuant to clause 2.13.6D, System Management determined that the Tolerance Range will be calculated with the following formula:

**Tolerance Range = (+/-) MAX (6, MIN [5% NPC, 4\*ROC])**

*Where:*

**NPC:** Name plate capacity of the generator, expressed in MW (Market Rules Appendix 1(b)(ii))

**ROC:** Rate of Change or Ramp Rate of a Unit per minute (Market Rules Appendix 1(b)(v))

The Tolerance Range was derived from monitoring methodologies used in the National Electricity Market. For more information regarding the initial setting of the Tolerance Range formula please visit: <https://www.aemo.com.au/Datasource/Archives/Archive2119>

Since 1 July 2012 System Management has applied the above Tolerance Range formula to Scheduled Generators.

Historically a tolerance has not been applied to Non-Scheduled Generators primarily because these Facilities are usually subject to a maximum Dispatch Instruction, so any output below the target would be considered compliant and there is no need for a downwards tolerance. While a tolerance could be applied for upwards deviations where a Facility was dispatched to a target below its maximum capacity, it was not considered necessary at the time.

However, an obligation remains for System Management to monitor compliance with issued Dispatch Instructions, and in the absence of a Tolerance Range or a Facility Tolerance Range any deviation from a Dispatch Instruction, no matter how small, is flagged as a non-compliant event, a warning issued to the Market Participant as per clause 7.10.5(c) and a corresponding report given to the ERA pursuant to clause 7.10.7(a) of the WEM Rules.

Clause 2.13.6E of the WEM Rules provides that System Management may determine a Facility Tolerance Range to apply to a specific generation Facility in place of a Tolerance Range. Clause 4.3.2 of the Monitoring and Reporting Power System Operation Procedure (PSOP) provides that a Market Participant may request a Facility Tolerance Range where the Tolerance Range is not suited for its particular Facility.

During the 2015 review of the Tolerance Range, a submission was received from Collgar Wind Farm requesting that a Facility Tolerance Range be applied to its Facility, INVESTEC\_COLLGAR\_WF1, pursuant to clause 2.13.6E of the Market Rules. A Facility Tolerance Range of +6MW for INVESTEC\_COLLGAR\_WF1 was granted as it is consistent with the Tolerance Range applied to Scheduled Generators, in so far as it is equivalent to the minimum tolerance applicable to those Facilities.

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<sup>1</sup> A Facility Tolerance Range applies to an individual Facility in place of any Tolerance Range.

## 2. Annual Review

Clause 2.13.6G of the WEM Rules requires System Management to review the Tolerance Range and any Facility Tolerance Range at least annually. Given the ongoing Electricity Market Review and its proposed reforms, subject to the WA Government direction, together with the absence of any issues being raised in previous reviews, System Management is not proposing any change to the current Tolerance Range referred to in Section 1.

As part of this review, the Facility Tolerance Range of +6MW for INVESTEC\_COLLGAR\_WF1 will continue to be applied.

## 3. Request from Mumbida Wind Farm for a Facility Tolerance Range

In March 2017 Mumbida Wind Farm submitted a request to AEMO that a Facility Tolerance Range of 2.75MW be applied to its Facility, MWF\_MUMBIDA\_WF1, pursuant to clause 2.13.6E and clause 4.3.2 of the PSOP.

Mumbida's request for a Facility Tolerance Range stems from it receiving a high volume of non-compliant notifications for small deviations. These notifications are causing distraction from any material non-compliances that may occur.

## 4. Proposed Facility Tolerance Range for MWF\_MUMBIDA\_WF1

The Tolerance Range and Facility Tolerance Range is intended to minimise the need to report each and every variance from a Dispatch Instruction, given SCADA variations and other factors. In this regard the minimum Tolerance Range that can apply to Scheduled Generators as per the formula set out in section 1 of this paper is 6MW to take into account such deviations when reporting dispatch non-compliance to the ERA. (Note, the requirement under clause 7.10.1 of the WEM Rules for a Market Participant to comply with the most recently issued Dispatch Instruction applies irrespective of whether a Tolerance Range or Facility Tolerance Range has been set for that Market Participant's Facility).

System Management proposes to apply a Facility Tolerance Range of +6MW to MWF\_MUMBIDA\_WF1. Such a Facility Tolerance Range is consistent with the Tolerance Range applied to Scheduled Generators, in so far as it is equivalent to the minimum tolerance applicable to those Facilities. The proposed Facility Tolerance Range should ensure that notifications for insignificant Dispatch Instruction deviations are not issued to Mumbida. This is consistent with the regime currently applied to Scheduled Generators and consistent with the previous Facility Tolerance Range applied to INVESTEC\_COLLGAR\_WF1.

## 5. Invitation for Submissions

System Management invites submissions from Rule Participants on System Management's proposal to continue applying the existing Tolerance Range, as referred to in Section 1, and to continue applying the existing Facility Tolerance Range of +6MW for INVESTEC\_COLLGAR\_WF1.

System Management invites submissions from Market Participants on its proposal to set a Facility Tolerance Range of +6MW for MWF\_MUMBIDA\_WF1.

In accordance with section 4 of the PSOP: Monitoring and Reporting Protocol, the submission period for both must be at least six weeks from the publication date of this invitation for submissions.

Submissions must be provided to AEMO System Management by **5:00 PM (AWST) on 14 July 2017**.



Submissions are to be provided via email to: [wa.sm.operations@aemo.com.au](mailto:wa.sm.operations@aemo.com.au)

Please note that clauses 2.13.6D and 2.13.6E of the Market Rules require all submissions to be published on the Market Web Site no less than 14 Business days prior to the date from which the Tolerance Range or Facility Tolerance Range become effective.