

# WHOLESALE ELECTRICITY MARKET

## Submission to Procedure Change Proposal

### AEPC\_2018\_04: Facility Outages

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### Submission

Clause 2.10.7 of the Wholesale Electricity Market Rules provides that any person may make a submission for a Procedure Change Proposal (including proposals developed by AEMO, the Economic Regulation Authority or the Rule Change Panel) by completing this Procedure Change Submission form.

Submissions should be provided by email to the nominated contact in the call for submissions published with the Procedure Change Proposal.

## Please provide your views on the Procedure Change Proposal, including any objections or suggested revisions

Alinta Energy (**Alinta**) welcomes the opportunity to provide a submission to the Australian Energy Market Operator (**AEMO**) on its *Procedure Change Proposal: AEPC\_2018\_04 Facility Outages (Procedure Change Proposal)*.

Alinta appreciates the highly consultative approach AEMO has followed in developing the Procedure Change Proposal. This approach has ensured that the majority of concerns raised by participants have been adequately addressed prior to the formal consultation stage.

### WA Supreme Court Judgement

Alinta understands that the Procedure Change Proposal seeks to, among other things, reflect the WA Supreme Court judgement in *Bluewaters Power 2 Pty Ltd -V- Australian Energy Market Operator Ltd (2017)* (**Supreme Court Judgement**). While Alinta had significant concerns in previous versions of the proposal, Alinta is now satisfied that steps 4.2.4(a) and 6.2.2 appropriately reflect the Supreme Court Judgement.

### Interrelationship between step 4.2.4(a) and step 8.2

However, as a consequence of the amendment to reflect the Supreme Court Judgement Alinta is concerned that participants will no longer be able extend a Planned Outage, despite the existence of step 8.2.1 in the Procedure Change Proposal.

The reason for this is that, while step 8.2.1 allows a Market Participant or Network Operator to request to extend the end time of a Planned Outage, it must be done following section 4.2 of the PSOP. The outworking of this is that an outage extension request will never be able to meet the availability requirements in step 4.2.4(a) - instead all extensions will need to be lodged as Forced Outages. This is contrary to how outage extensions have been managed in the past - as outlined in the presentation slides presented to the System Management Market Generation Forum, 13 January 2013, see below:

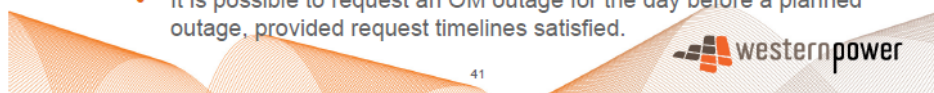
## Maintenance Outage Extensions

### • Planned Outages

- To extend a planned outage, a request must be made at least 2 days before the end of the outage.
- If the outage extension involves a transition from full outage to a partial outage, then there is a requirement that maintenance work will be continuing.
- Outage extensions that cross over to the summer period will be subject to summer planning criteria.

### • Opportunistic Maintenance Outages

- Can only span one trading day. Back to back OM outages not permitted.
- OM is not permitted to back onto a planned outage
- It is possible to request an OM outage for the day before a planned outage, provided request timelines satisfied.



Alinta is of the view that the ability to extend Planned Outages should remain, and to that end, supports the Rule Change Panel's proposal to include this as part of RC\_2013\_15 i.e. the explicit inclusion of an "Extension Outage" which is "a Planned Outage that immediately follows another Planned Outage and is exempt from the usual availability requirements". However, Alinta is concerned that there may be a significant period of time elapsing between the implementation of this Procedure Change Proposal and RC\_2013\_15, during which, participants may incur unnecessary Capacity Cost Refunds should they require a Planned Outage extension.

Alinta considers that this outcome is contrary to the Wholesale Market Objectives and may lead to participants requesting longer outages than would otherwise be needed in order to mitigate this risk.

Alinta requests AEMO consider amending the Procedure Change Proposal to address this issue and to continue to allow Planned Outage extensions to occur.

### **Minor issues**

In reviewing the Procedure Change Proposal, Alinta has identified the following minor issues for consideration by AEMO:

- **Steps 2.1.6, 2.1.7 and 2.1.8:**

Alinta considers that the order of steps 2.1.7 and 2.1.8 could be changed and suggests additional wording to each of these steps, as outlined below:

2.1.6. AEMO may update the Equipment List in circumstances including, but not limited to [Clause 3.18.2(b)]:

- (a) when a new Facility is registered or deregistered;
- (b) when there has been a change to any of the details for an item of equipment on the Equipment List; and
- (c) when AEMO considers that an existing item of equipment is no longer required to be included on the Equipment List.

2.1.7. AEMO must review the Equipment List at least once every 6 months. AEMO may update the Equipment List following this review.

2.1.8 Where the Equipment List is revised in either step 2.1.6 or step 2.1.7, AEMO must publish the revised Equipment List as soon as practicable [Clause 3.18.2(b)].

- **Step 4.2.3(b):**

Alinta considers that this step should refer to step 4.2.5, which is where the requirements for an Outage Contingency Plan are outlined, as outlined below:

4.2.3. An Outage Plan submitted under step 4.2.1 must include (among other matters) [Clause 3.18.6] an:

- (a) Outage Risk Assessment, being an assessment of risks that might extend the outage [Clause 3.18.6(e)]; and
- (b) Outage Contingency Plans, being contingency plans for the early return to service of the Facility or item of equipment [Clause 3.18.6(g)], as outlined in step 4.2.5.

- **Step 4.2.5:**

Given AEMO rarely requests that a Facility or item of equipment return to service before a proposed outage ends Alinta considers that this step should not require participants to provide more information than what is necessary or warranted. To that end, Alinta suggests the following amendment:

4.2.5. An Outage Contingency Plan must include the following details [Clause 3.18.6(g)]:

- (a) the high-level steps that the Market Participant or Network Operator will follow if AEMO requires the relevant Facility or item of equipment to return to service before the proposed outage end time specified in the Outage Plan;

...

- **Step 6.1.1:**

As currently drafted, step 6.1.1 could be interpreted to mean that a Forced Outage could be deemed to be Opportunistic Maintenance given a Forced Outage is also an "outage of a Facility or item of equipment, that is not a Scheduled Outage". To avoid this interpretation, Alinta suggests the following amendment:

6.1.1. Opportunistic Maintenance is an outage of a Facility or item of equipment, that is not a Scheduled Outage but requires System Management's approval, to be carried out during a Trading Day [Clause 3.19.2].

- **Step 9.1.3:**

Alinta suggests the following amendments to step 9.1.3:

9.1.3. A Market Participant may provide AEMO with a notice confirming details of the Consequential Outage within 15 calendar days, which must include including the information specified in clause 3.21.8 of the WEM Rules. If a Market Participant does not provide System Management with a notice in accordance with clause 3.21.8, then the outage will be deemed not to be a Consequential Outage [Clause 3.21.10].