

WHOLESALE ELECTRICITY MARKET

Submission to Procedure Change Proposal

AEPC_2018_04 Facility Outages

Submitted by	
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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

Synergy appreciates the extensive consultation AEMO has conducted on this Procedure Change Proposal prior to the formal consultation period. This has allowed issues to be resolved quickly and clearly.

In reviewing this Procedure Change Proposal, Synergy has identified the following issues for AEMO's further consideration:

1. The unconditional availability requirement set out in Step 4.2.4. may conflict with a rule change proposal currently being developed by a Market Advisory Committee working group which aims to clarify exceptions to this requirement in the rules.

Step 4.2.4. only allows Outage Plans to be valid if "the Market Participant has reasonable grounds to expect the Facility to be available for dispatch, or capable of being put into that state, immediately prior to the commencement of the proposed outage".

However, proposed amendments to RC_2013_15 which are supported in principle by MAC representatives in the working group, would allow instances where an Outage Plan remains valid regardless of the relevant Facility's ability to be made available just prior to the proposed outage.

For example, the proposed amendments would introduce the concept of a 'lock-in' date, after which an approved Planned Outage may proceed even if the relevant Facility is 'availability-challenged'.

The relevant Facility would also be exempt from the availability requirement where a proposed Planned Outage immediately follows a Scheduled Outage (subject to some further conditions) – i.e., where the proposed Planned Outage is effectively an extension of a Scheduled Outage.

If Step 4.2.4. progresses unchanged, the Market Procedure may conflict with such exceptions and make an Outage Plan appear invalid, despite it being valid under the rules.

To prevent this conflict, Synergy suggests AEMO consider amending Step 4.2.4. to make it conditional and not apply where the rules provide exceptions to the requirement for facilities to be made available immediately prior to a Planned Outage.

2. The requirement set out by 4.2.5.(a) is relatively broad and may allow for impractical information requirements to be placed on Market Participants seeking approval for outages.

Step 4.2.5. states "An Outage Contingency Plan must include [...]: (a) the 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".

Returning a Facility to service from an outage is a complex process that may change dramatically depending on contingencies in the work schedule, what works are being executed, and what stages works are in when a unit is required to return for service.

As follows, depending on the level of detail being required by AEMO, planning and specifying the "steps" that would be taken to return a unit to service prior to the outage being completed, could be an impractical and futile task for Market Participants.

To prevent this situation, Synergy suggests AEMO consider reforming Step 4.2.5.(a) to narrow the information requirement and to more accurately and practically reflect the information AEMO is seeking to obtain via Outage Contingency Plans.

Please provide an assessment whether the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Rules.

Aside from the above issues, Synergy considers the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Rules.

Please indicate if the Procedure Change Proposal will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

If unchanged, there is a risk that the requirements associated Step 4.2.5.(a) may cause Synergy, other Market Participants and the Network Operator to incur costs for the reasons discussed above.

Aside from this issue, Synergy does not expect to incur significant costs as a result of this Procedure Change Proposal.

Please indicate the time required for your organisation to implement the changes, should they be accepted as proposed.

Provided the issue associated with Step 4.2.5.(a) is rectified as discussed, Synergy does not expect to expend significant time in implementing the changes necessary to comply with the Procedure Change Proposal.