



31 August 2011

Independent Market Operator
Attn: Group Manager, Market Development
PO Box 7096
Cloisters Square, PERTH, WA 6850
Sent via email: market.development@imowa.com.au

Dear Group Manager,

ERM Submission - 5 Year Outage Planning Review Draft Report

ERM welcomes the opportunity to provide comment on the Five Year Outage Planning Review – Draft Report (Report) prepared by PA Consulting Group (PA Consulting) for the Independent Market Operator (IMO). Having reviewed the Report we make the following comments.

Opportunistic maintenance

PA Consulting suggests there is no reason why opportunistic maintenance should be restricted to a single trading day. The Report recommends rewording of RULE MR 3.19.3A(b) to allow Opportunistic Maintenance to be granted over a 24 hour period irrespective if maintenance overlaps trading days. ERM would further add to this questioning the restriction of a 24 hour timeframe. If reserve margin allows ERM sees no reason why the window for opportunistic maintenance could not be extended. Further to this ERM sees no reason why single facility participants should be precluded from receiving approval for opportunist maintenance under clause 3.19.2(b)ii of the Market Rules.

Applying for opportunistic maintenance or a planned outage whilst Facility is unavailable

Whilst the Market Rules are silent on availability, there is uncertainty around the interpretation of clause 13.5 “Approval of Scheduled Outages” contained in the Power System Operation Procedure: Facility Outages (PSOP Facility Outages). Clause 13.5 can be interpreted such that a Facility must be available prior to an outage. Such a restriction prohibits a Facility on a forced outage to apply for a planned outage. The Report highlights the inefficiency of this requirement noting:

“generators are compelled to make their plant available again as soon as possible, so as to minimise Capacity Refund payments. Specifically, it encourages them to make short term temporary fixes to the problem, then apply for an outage to fix the problem properly whereas it would have made most sense to fix the problem properly in the first instance”

ERM, has via the RDIWG supported the position that System Management should approve outages on the basis of maintaining adequate reserve margin and should not include current plant availability in the approval criteria. ERM recommends the removal of clause 13.5 from the PSOP Facility Outages, and clause 3.19.2(b)ii of the Market Rules.

Information disclosure

ERM supports a greater level transparency of information regarding planned and forced outages.

Should further information or clarification of points raised in this submission be required please do not hesitate to contact our office.

Yours sincerely,

[sent via email]

Ingrid Tuffin
Commerical Analyst
ERM Power Generation Pty Ltd