

# **System Management Submission: Five Year Outage Planning Review**

**31 August 2011**

System Management welcome the review and would support pursuing the recommendations in the draft report. While System Management has commented on earlier versions of the report, we made this submission to record our views on some of the findings.

## **Reserve Margin**

**Report 3.2.2, p.29:** “.....reserve margin is higher in the Summer and Autumn seasons. This is to be expected given the possibility of high temperature events causing a spike in demand during these times of the year.”

**SM:** The reserve margin is defined as the difference of the available generation and the demand. The peak demand curve in Figure 5 on p.31 shows that the load in spring and autumn is comparable. It appears the higher reserve margin observed for autumn is due to the other variables other than the demand.

The averaging of the peak demand on a seasonal basis may introduce distortion to the analysis. The peak demand curve in Figure 5 is low in quantum and may be a result of this averaging because of the variability of the actual demand particularly in summer.

## **Generation and Network Outage Planning and their Interacation**

**Report 4.1.3, p.37:** “.....from interviews with generators that .....generators are required to reschedule their outages as a consequence of a transmission outage.”

**SM:** The number of co-ordinated transmission and generation outages far exceeds the few difficult ones which resulted in a party to reschedule. There has also been improvement since the rule change that allows the Network Operator to have visibility on accepted generator outages. System Management agree to PA’s recommendation to check if ETAC has sufficient provisions to enhance the process.

## Outage Approval Timelines and Constraints

**Report 5.1, p.40:** “.....a generator may reduce the time it is out for a planned outage but not extend it creates an incentive to request more time than is likely to be needed in practice.”

**SM:** Reduction of an approved outage needs only be a notification to System Management via SMMITS provided it is two days prior to the commencement of the outage. An extension of a planned outage would require lodging a Proposed Outage Plan to SMMITS, which would be assessed to ensure compatibility with reliability and security. There have been many approved extensions.

**Report 5.2.1, p.41:** “.....Market Participants have an interest in having their planned outages approved as quickly as possible so that they can have the certainty they require to plan for their scheduled maintenance.”

**SM:** System Management had approved outages earlier than that specified in MR 3.19.2 ie two days prior to outage commencing after assessing the requests from the Market Participants. Should circumstances change that would require the cancellation of a planned outage, System Management would review all the planned outages for the period and an approve outage is still subject to cancellation.

**Report 5.5, p.48:** “.....an amendment to the PSOP relating to the timetable for approving requests for Day Ahead Opportunistic Maintenance has just been implemented....”

**SM:** The timetable has yet to be formalised when the PSOP for Facility Outage is next revised.

**Report 5.6.1, p.48:** “.....System Management to inform all affected participants on the outcome of their request no later than 12:15pm of the Scheduling day.”

**SM:** The Power System Operation Procedure: Facility Outages Clause 14.6: “System Management will not approve a request for a day-ahead Opportunistic Maintenance request after 12pm on the Scheduling Day.” System Management has been approving or rejecting such maintenance before 12 pm on the Scheduling Day. The Market Participant would have to refresh the Market Participant Interface to confirm the status of their request. Alternatively, the Market Participant may confirm via telephone the decision of System Management as described in Clause 14.8.

**Report 5.6.2, p.48:** “System Management should develop for consideration by the IMO proposed changes to Sections 13.5, 14.7 and 15.5 of the PSOP to the effect that the written declaration pertain to the period of the outage, rather than a period prior to the outage commencing.”

**SM:** This implies the conversion of forced outage to a planned outage. System Management is impartial to any decision by the IMO to review this and would agree to the outcome. Conversion of a forced outage to planned outage was permitted at the beginning of WEM but ceased in 2008 after consultation with the IMO and MAC on the pros and cons of this approach.

## **Information Disclosure and Bias**

**Report 6.3, p.53:** Figure 10 & 11

**SM:** The reference to coal generation is missing.