

Independent Market Operator

SM PROCEDURE CHANGE AND DEVELOPMENT GROUP

Minutes

Meeting No.	3
Location:	IMO Office, Level 22, 221 St Georges Terrace, Perth
Date:	Tuesday 4 November 2008
Time:	Commencing at 2.00pm to 4.15pm

Attendees		
Phil Kelloway	System Management (Chair)	
Wesley Medrana	Synergy	Proxy for Jenni Conroy
Stephen Maclean	Synergy	Proxy for Jenni Conroy
Alistair Butcher	System Management	
Grace Tan	System Management	
Nick Walker	Verve Energy	
Troy Forward	IMO	
William Street	IMO	
Fiona Edmonds	IMO	Minutes

Apologies		
Rene Kuypers	Babcock & Brown Power	
Bill Bowyer	Renewable Power Ventures	
James Heng	Perth Energy	
Andrew Sutherland	Griffin Group	

Item	Subject	Action
1.	<p>WELCOME AND APOLOGIES / ATTENDANCE</p> <p>Noted apologies from Rene Kuypers, Bill Bowyer, Andrew Sutherland and James Heng.</p> <p>The Chair opened the meeting and welcomed members to the third meeting of the SM Procedure Change and Development Group, appointed by the Market Advisory Committee (MAC) to assist MAC in commenting upon System Management procedures.</p>	<p>Chair</p>
2.	<p>MINUTES OF PREVIOUS MEETING/ACTIONS ARISING</p> <p>Agenda Item 1. Chairship: System Management proposed to amend the wording in the previous minutes to say "System Management will propose to the MAC to replace Murray Caston as Chair".</p> <p>Agenda Item 4. Security PSOP: System Management have amended the procedure to take into account the changes suggested in the last meeting. This was circulated to members for review. No further changes were received. System Management will submit a formal rule change proposal in the next 2 weeks.</p> <p>No other actions were outstanding</p>	<p>System Management</p>
3.	<p>POWER SYSTEM OPERATION PROCEDURE (PSOP) REVIEW. FACILITY OUTAGES</p> <p>A draft amended Power System Operation Procedure: Facility Outages had been circulated and Working Group members were invited to express their views on the amendments.</p> <p>The meeting suggested the following amendments:</p> <ul style="list-style-type: none"> • Section 5.1.1: System Management (SM) agreed to come up with a revision to clarify a time aspect for compiling and maintaining a list, as it was agreed that this is a broad term. It was suggested by the Working Group that it may be appropriate to include the term "...by exception" or "within a reasonable amount of time" or "reviewed from time to time". • Section 5.2.1: Inclusion of "s" in 1 (d). SM agreed that it should read, "... in excess of 10MW<u>s</u>; and" • Section 5.2.1: A change of wording from "may" to "should where applicable". SM agreed for the paragraph to read "Notwithstanding requirement of the Market Rule the list of equipment may<u>should where</u> applicable include ." • Section 5.2.2: Remove apostrophe " 's ". SM agreed that it should read, "... capacity rating less than 10MW<u>s</u>..." • Section 6: The IMO will consider the provisions as to whether they confer powers beyond those given in the Market Rules. System Management also suggested that 	<p>System Management</p>

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	<p>the IMO reviews clause 3.18 in its totality as part of its consideration.</p> <ul style="list-style-type: none"> • Section 9: System Management to consider including cost considerations as criteria for outage decisions. It is noted in the Market Rules but stating the criteria may help increase transparency • Section 10.1: Discussion over the legal differences between “Best Endeavours” and “Reasonable Endeavours”. The IMO wants to look further into these differences. • Section 11: Discussion over SM needing clarity over repercussions from stopping an outage which has been applied for. • Section 12.3: SM to include further information about the number. For example “...where contact details will be advised from time to time.” • Section 13.5 SM to include the “... the authorised personnel included in the relevant contact list...” to ensure that the information is coming from an acceptable party • SM to review Section 12.3 in the old procedure which specifies 10am as the time. If no reason for exclusion it should be included in the amended procedure • Section 18.3: A change of wording from “must” to “should”. SM agreed for the paragraph to read “The relevant Market Participant or Network Operator must <u>should</u> regularly...” • Section 19.3. The IMO will review this section as they have previously not supported this view. 	
4.	<p>POWER SYSTEM OPERATION PROCEDURE (PSOP) REVIEW. ANCILLARY SERVICES</p> <p>A draft amended Power System Operation Procedure: Ancillary Services had been circulated and Working Group members were invited to express their views on the amendments.</p> <p>The meeting suggested the following amendments:</p> <ul style="list-style-type: none"> • Section 7.1.4: Removal of the “...(with the exception of year 1 when transitional arrangements apply).” SM agreed to this removal. • Section 7.3.3: A change of wording from “should” to “must”. SM agreed for the paragraph to read “The request for tenders should <u>must</u> be accompanied by:” • Section 7.3.4: SM agreed to work on including an additional point which outlines they must develop and 	<p>System Management</p>

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	<p>maintain internal procedures governing competitive tenders.</p> <ul style="list-style-type: none"> • Section 8.2.1: SM to consider including Market Rules extract • Section 8.3.2: SM need to determine what normal industry practice is for “High Risk” . The working group suggested that it may be pertinent to propose a rule change to better define high risk rather than making this amendment to the operating procedure. <p>System Management will update the draft Ancillary Services PSOP with track changes and provide the document to the Working Group for review out of session.</p> <p>System Management was advised that all changes will be run past the IMO’s Legal Manager to determine if they stretch beyond the scope of the Market Rules.</p>	
5.	<p>OTHER BUSINESS</p> <p>Four PSOP’s namely PSOP: Operational Data Points for Generating Plant and PSOP: Operational Data Points for Non-Western Power Networks and Substations, PSOP: MT PASA and PSOP: ST PASA, will be distributed to committee members before the next meeting.</p>	Chair
6.	<p>NEXT MEETING</p> <p>Thursday 11th December 2008. Commencing from 2.00-4.00pm</p>	Chair

Closed

The chair declared the meeting closed at 4:15pm.