

Independent Market Operator

System Management PSOP Working Group

Minutes

Meeting:	5
Location:	IMO Board Room Level 3, Governor Stirling Tower, 197 St Georges Terrace, Perth
Date:	Friday 22 May 2009
Time:	Commencing at 9.00am until 11.00pm

Members in Attendance		
Alistair Butcher	System Management	Chair (Proxy for Phil Kelloway)
Rene Kuyper	Infigen Energy	
Bill Truscott	Alinta	
Nick Walker	Verve Energy	
James Heng	Perth Energy	
Wesley Medrana	Synergy Energy	
Steve Gould	Landfill Gas & Power (LGP)	
Jacinda Papps	Independent Market Operator (IMO)	Proxy for Troy Forward
Fiona Edmonds	IMO	
Also in Attendance		
Matthew Fairclough	System Management	
Grace Tan	System Management	
Sam Dodd	Infigen Energy	
Ken Phua	IMO	Minutes
Apologies		
Andrew Stevens	Griffin Energy	
Peter Ryan	Griffin Energy	Member
Phil Kelloway	System Management	Member

Item	Subject	Action
1.	<p>WELCOME</p> <p>The Chair opened the System Management Power System Operation Procedure (PSOP) Working Group meeting and welcomed members into the meeting.</p> <p>Rene Kuypers noted that “Babcock & Brown Wind Partners” had been renamed “Infigen Energy”.</p>	
2.	MEETING APOLOGIES / ATTENDANCE	

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	Apologies for Peter Ryan and Andrew Stevens from Griffin Energy and from Phil Kelloway from System Management.	
3.	<p>MINUTES OF PREVIOUS MEETING / ACTIONS ARISING</p> <p>The Chair provided the Working Group with a synopsis of work completed since the previous meeting. It was noted that all actions from the previous meeting had been completed.</p> <p>The PSOP Working Group agreed that the minutes from the previous meeting were a true and accurate record.</p>	
4.	<p><u>Cleansing of Generation Facility MWh output data PSOP</u></p> <p>The PSOP Working Group considered the amended Cleansing of Generation Facility MWh output data PSOP. System Management noted that the original PSOP largely contained copies of the relevant Market Rules. Noting that the risk with this is that the PSOPs can easily become out of date as the Market Rules evolve (via the Rule Change Process).</p> <p>Section 2: Relationship with the Market Rules</p> <p>Clause 3: LGP suggested the use of the term “reasonable endeavours” as opposed to “best endeavours”. System Management noted that in Western Australia there is no legal difference between reasonable or best endeavours.</p> <p>Section 5: Description of the MW and MWh Data retrieval system</p> <p>Clause 1: It was noted that appendix I contains an overview of the SCADA data retrieval and cleansing process. This appendix is an overview and does not constitute part of the PSOP. The IMO questioned the process for amending the appendix should it require updating. System Management noted that this would still go through the Procedure Change Process.</p> <p>Section 6: Integrity of SCADA and Associated Equipment</p> <p>Synergy queried what defines a minor gap versus a major gap in real data referred to in section 6.3, for the purposes of Section 7 - Automatic Interpolation Process.</p> <p>System Management noted that this is not part of the procedure change proposal.</p> <p>Section 8: Cleansing of MWh Data Provided Through SCADA System</p> <p>Clause 1: System Management is currently reviewing this procedure in light of the Metering Code.</p> <p>Clause 8: System Management agreed to amend “alterative” to “alternative”.</p>	

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	<p>Clause 9: LGP queried the use of the term “may”. System Management noted that it may use a different method to derive the value of MWh or go to the Meter Data Agent, dependent on the values provided by SCADA and the nature of the SCADA failure. The Working Group agreed to retain the use of the word “may”.</p> <p>Section 9: Alternative Sources of MWh Data</p> <p>Clause 2: The IMO noted and System Management agreed to amend to read “When System Management uses MW or MWh data from an alternative source, the process by which this data is <u>derived</u> must be made available to the IMO.”</p> <p>Section 9.1: Alternative MWh data source for Non-EGC data</p> <p>Clause 1: Synergy queried whether System Management had considered the Metering Code when considering this data to ensure that contradictions between SCADA data and the Metering Code are minimised. System Management noted that it didn’t see an explicit link to the Code, nor did it see a prohibition either.</p> <p>System Management and Synergy agreed to review this to ascertain whether there is an issue with regards to the Metering Code. Synergy and System Management to advise the Working Group of the outcomes of its investigation.</p> <p>Section 10: Provision of MWh data to IMO</p> <p>Clause 2: System Management agreed to amend to read “...data will be provided through System Management’s <u>the</u> System Management’s...”.</p> <p>Section 11: Provision of alternative MWh metering data by Market Generators</p> <p>For clarity, System Management agreed to amend to read “Market Generators must provide copies of the MWh data recorded at the MWh interval meters installed at their Generation Facilities available to System Management when System Management seeks this data as an alternative data source.”</p> <p>Section 11.1. IPP Revenue Meter Data</p> <p>Clause 4: It was noted that System Management is required by the Market Rules to provide cleansed data to the IMO. In order to do this System Management requires the data from IPPs as soon as practicable, but no later than two business days after the request.</p> <p>Infigen Energy noted that SCADA’s loss factor is adjusted and provided for in 4 second interval while meters are 10 minute</p>	

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	<p>intervals’.</p> <p>Section 11.2: EGC Generator Unit MWh Interval Metering</p> <p>Clause 6: The IMO queried where System Management derived the authority to request that the EGC make their meters available to inspection by System Management on request. System Management responded noting that it needs a level of confidence, therefore it needs to ensure that the EGC meters are accurate.</p> <p>The IMO queried whether the one Business Days notice was enough for Verve Energy. It was agreed that the PSOP would be amended to three Business Days to allow Verve Energy enough time to ensure it could comply with this obligation.</p> <p>Section 11.3: Calibration of SCADA derived MWh data against EGC MWh meter data</p> <p>Clause 1: System Management noted this is not specified under the Market Rules, but that it is both prudent and necessary to undertake this from time to time. .</p> <p>Other:</p> <p>The IMO suggested the inclusion of a Glossary as part of the PSOP given the high number of technical terms used. System Management agreed but noted that this would be for explanatory purposes and not constitute part of the PSOP.</p> <p>System Management to make the changes to the PSOPs, as agreed, including the addition of the Glossary. Once complete, this PSOP will be formally submitted into the Procedure Change Process.</p>	
5.	<p><u>Commissioning and Testing PSOP</u></p> <p>System Management noted that the Commissioning and Testing PSOP has undergone significant amendments.</p> <p>System Management stated that this procedure has been developed and amended in accordance with clause 3.21A of the Market Rules.</p> <p>System Management specifically noted the following with regards to the PSOP:</p> <ul style="list-style-type: none"> ○ The PSOP provides a standard form Commissioning Test plan in appendix 1; ○ The Reserve Capacity testing section, from the original PSOP, has been removed as System Management considers that this is dealt with adequately in the Market 	

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	<p>Rules;</p> <ul style="list-style-type: none"> ○ The equipment testing section of the PSOP has been removed as this is only used by EGC and System Management does not consider that it has the right to approve equipment tests; and ○ An “other testing” section has been added to the PSOP in section 5.6. <p>Section 5. Commissioning Tests for Verifying Generator Output Capability</p> <p>Infigen Energy pointed out that generation facilities not registered as Market Participants cannot deal directly with System Management and need to communicate through their agent. It was noted that the National Electricity Market has similar problems. Infigen Energy noted that its major concern is with the rejection of approvals for outages which can affect planning and hence affect costs. Alinta noted that a generation Facility not registered as a Market Participant is not obligated to the market financially which transfers that risk to the engaging participant. It was agreed that this was not a matter for discussion at the Working Group meeting and that the IMO would work directly with Infigen Energy to address these concerns.</p> <p>Clause 3: System Management noted that a definition of significant maintenance is required. The IMO queried whether it was more appropriate to define in the Market Rules rather than the PSOP. System Management noted that the purpose of this clause was not to supplant the Market Rules and that it considered that the PSOP was the most appropriate place to define this.</p> <p>There was considerable discussion regarding the definition outlined in this Clause. In particular members were concerned with the use of the terms “for the purposes of the Market Rules”, “major” and “long duration outage”.</p> <p>System Management agreed to reconsider the use of “For the purposes of the Market Rules”.</p> <p>After much discussion System Management agreed to amend the remainder of the clause to read “...“significant maintenance” is defined as major maintenance work with the objective of improving the reliability or capability of the Facility and requiring <u>requires</u> a long duration outage and involves re-testing of the ability of the Facility to operate at a satisfactory level within the SWIS.”</p> <p>The IMO questioned if there was transparency in this function carried out by System Management. System Management explained that the inclusion of the definition of what constitutes 'significant maintenance' in the Commissioning and Testing</p>	

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	<p>PSOP does not supplant, and rather supplements the Market Rules.</p> <p>Clause 4: This clause notes that System Management may vary the application of the definition on a case by case basis. The IMO queried whether this was required given the agreed amendments to clause 5.3. Additionally, the IMO expressed some concern with the lack of transparency and potential inequity with this and queried whether Market Participants were comfortable with this.</p> <p>Alinta questioned how to dispute System Management’s interpretation and application of this definition (and/or the variation) should it be required. System Management noted that the Market Rules will prevail for clause 5.4 and that there is recourse for participants to appeal and also to bring to attention to the Economic Regulation Authority (ERA) or IMO with regards to System Management’s effectiveness in this function.</p> <p>Section 5.1: Market Participant to submit Commissioning Test plan</p> <p>Clause 2: The IMO queried the statement “System Management will consider Commissioning Test plans submitted after the timing requirement provided in the Market Rules, but <i>may</i> also be required to notify the IMO of a breach of this timing requirement”. The IMO noted that System Management “must” notify the IMO of a breach of this timing requirement. System Management agreed to amend the PSOP to reflect this.</p> <p>Clause 7: A member noted the requirement that Market Participants “must” contact System Management and queried what happens if this does not happen. System Management noted that it will allege a breach of the PSOP. System Management agreed to consider revising this clause.</p> <p>The IMO noted some general concerns with section 5.1. System Management and the IMO agreed to discuss these offline.</p> <p>System Management agreed to amend the PSOP as agreed and circulate to members for comment before formally submitting into the Procedure Change Process.</p> <p>Section 5.2. Draft Commissioning Test plan</p> <p>System Management welcomed members to comment on Appendix 1 by email.</p> <p>System Management noted that clauses 5.2.2 and 5.2.4 are new. The IMO queried how System Management would communicate such changes to the standard form Commissioning Test Plan (contained in Appendix 1). System Management noted that this would be through the formal Procedure Change Process, but variations would be considered on a case by case basis. The IMO expressed some concern</p>	

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	<p>with the lack of transparency and potential inequity with this.</p> <p>Section 5.3. Assessment and Approval of Commissioning Test Plans</p> <p>It was noted that clause 5.3.2 has been amended from 6.1.3 and clause 5.3.3 has been amended from 6.4.1 and 6.4.2.</p> <p>System Management noted that Intermittent Generators do not require a commissioning test.</p> <p>Section 5.6. Other Tests</p> <p>It was noted and agreed that the IMO be provided time to consider this section</p> <p>System Management agreed to amend section 5.6 to consistently refer to lower case “commissioning tests”.</p> <p>System Management noted that a facility can operate on a test plan if it commissions late, as opposed to the resource plan.</p>	
6.	<p>OTHER BUSINESS</p> <p><u>Monitoring and Reporting Protocol PSOP</u></p> <p>System Management stated that it is looking for market support for its Rule Change Proposal to introduce formally into the Market Rules the concept of tolerances, with regard to System Management’s reporting of resource plans breaches. This is to reflect its current operating practice of not reporting Resource Plan deviations under 10 MW and one trading interval.</p> <p>System Management noted that if it did not apply the concept of reporting tolerances that it would have to report thousands of deviations. However, System Management noted that their proposal will not prescribe the tolerance bands in the Market Rules and that the introduction of tolerance bands for reporting purposes does not excuse participants from complying with the rules.</p> <p>Alinta posed the question of how the tolerance levels will be set. In particular they queried that if the tolerance is set at 10MW then would this change for a facility with 10MW. System Management noted that the tolerances they apply are very case specific and a number of factors will be taken into account when determining the tolerances. Alinta queried whether there was merit in aligning reporting tolerances with the 3 MW settlement tolerance already in the Market Rules.</p> <p>System Management noted that tolerance levels would need to be set on a case by case basis.</p> <p>Other:</p>	Alistair

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	<p>It was noted that revised versions of PSOPs will be distributed to Working Group members for comment. In particular for the:</p> <ol style="list-style-type: none"> 1) Cleansing of Generation Facility MWh output data PSOP; and 2) Commissioning and Testing PSOP. <p>System Management stated that they will organise a meeting in the next 3 to 4 weeks for further discussions on the following PSOPs:</p> <ol style="list-style-type: none"> 1) Dispatch Procedure; 2) Monitoring and Reporting; and 3) Communications and Control Systems. <p>The following changes to the working group membership were requested:</p> <ul style="list-style-type: none"> • IMO requested to replace Troy Forward with Jacinda Papps in the working group. • Griffin Energy requested to replace Peter Ryan with Andrew Sutherland in the working group. <p>The IMO agreed to request approval for these membership changes from the Market Advisory Committee at their June meeting.</p>	
<p>CLOSED</p> <p>The Chair declared the meeting closed at 11.00am.</p>		