

Independent Market Operator

System Management PSOP Working Group

Minutes

Meeting:	7
Location:	IMO Board Room Level 3, Governor Stirling Tower, 197 St Georges Terrace, Perth
Date:	Thursday 12 November 2009
Time:	Commencing at 9.00am until 11.30am

Members in Attendance		
Phil Kelloway	System Management	Chair
Alistair Butcher	System Management	
Patrick Peake	Western Energy	Proxy for James Heng
Brett Howard	NewGen Power	
Andrew Stevens	Griffin Energy	Proxy for Andrew Sutherland
Nick Walker	Verve Energy	
Wesley Medrana	Synergy	
Steve Gould	Landfill Gas & Power (LGP)	
Jacinda Papps	Independent Market Operator (IMO)	
Fiona Edmonds	IMO	
Also in Attendance		
Grace Tan	System Management	Minutes
Doug Purser	System Management	Invited Operational Representative
Clayton James	System Management	Invited Operational Representative
Stephen Maclean	Synergy	Invited Operational Representative
Neil Hay	IMO (9:00 -11.00am)	Invited Operational Representative
William Street	IMO (11.00 – 11.30am)	Invited Operational Representative
Apologies		
Bill Truscott	Alinta	Member
Rene Kuyper	Infigen Energy	Member

Item	Subject	Action
1.	WELCOME The Chair opened the System Management Power System Operation Procedure (PSOP) Working Group meeting and welcomed members and guests.	
	MEETING APOLOGIES / ATTENDANCE	

Item	Subject	Action
	Apologies for Bill Truscott from Alinta and Rene Kuypers from Infigen Energy.	
2.	<p>MINUTES OF PREVIOUS MEETING / ACTIONS ARISING</p> <p>The PSOP Working Group agreed that the following item from the minutes remains open:</p> <p>DISPATCH PSOP</p> <p><u>Section 11.5 Implementation of Resource Plans in accordance with dispatch criteria</u></p> <p>It was noted that step 11.5.2 is not required under the Market Rules. The IMO will look at this step further.</p> <p>[Please note: This section numbering has changed to 12.5.2 as part of PPCL0014.]</p>	IMO
3.	<p>Dispatch PSOP: Regarding amendments within recently published PSOP</p> <p>System Management highlighted the adverse implications that the amendments, within the recently published Dispatch Power System Operation Procedure (PSOP), are likely to have on Market Participants, generation operational personnel, IMO and System Management.</p> <p>System Management provided Working Group members and invited operational personnel¹ with suggested amendments to sections 6, 13.1 and 13.5 of the amended Dispatch PSOP, due to commence on 1 February 2010, and facilitated an open discussion regarding their appropriateness.</p> <p>System Management stated its predominant purpose in creating the two new sections was to achieve a greater degree of visibility of how a Market Participant intends to operate its plant on a Trading Day.</p> <p>It was emphasised that system operational controllers require a preliminary indication of how Market Participants intend to follow their resource plans (or intend to not follow their resource plans) prior to the relevant Trading Interval to ensure adequate Ancillary Services and Balancing.</p> <p>System Management noted that it intended to propose amendments to the PSOP requiring the provision by Independent Power Producers (IPP) of a minute by minute dispatch plan ahead of the Trading Day. Comments were sought from working group members whether this amendment</p>	

¹ Note that System Management extended the invitee list for the meeting to include operational personnel from Working Group member's respective entities.

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	<p>would be overly onerous.</p> <p>The following comments were made by Working Group members and invited operational personnel.</p> <ul style="list-style-type: none"> • Synergy: Questioned the implications if the load increases at a greater rate than 6 MW per minute. <p>System Management response: System Management currently receives a forecast of load profile each Trading Day. Hence if Market Participants provide minute by minute interval dispatch plans this will allow System Management to better manage the load.</p> <ul style="list-style-type: none"> • Synergy: Questioned whether there is an indication of when a dispatch instruction should be issued and if so, is it difficult? <p>System Management response: Often dispatch instructions are issued when balancing generators are at minimum load and the system requires additional generation. It's common that non- Verve Energy generators tend to overshoot their dispatch MW target during ramp up and then undershoot to achieve the average MW target over one interval. System Management however noted that they are naturally uninclined to issue a Dispatch Instruction as there are financial implications to the market.</p> <ul style="list-style-type: none"> • Synergy: Reason for overshoot? <p>Griffin Energy response: The boiler energy is rather intense when a generator begins to ramp. Generators generally ramp slowly at the beginning then speed up to meet the capacity requirement (in MW) for the trading interval. This is the point that generators generally overshoot the capacity requirement to compensate for the slow ramp rate at the beginning of ramping to achieve the average target MW for the trading interval.</p> <ul style="list-style-type: none"> • Perth Energy noted that adherence with a 6MW ramp rate per minute would be difficult for its generators. • Synergy noted that it may contractually force a generator to ramp at a rate greater than 6 MW per minute. • Verve Energy: There are significant financial implications associated with a generator over/under shooting its ramp rates and noted that a 6MW requirement would be more reasonable for the balancer to manage. • IMO: Confirmation of the Dispatch Plan will be made at 2.10pm and so the 3pm time requirement for the provision of intended dispatch profiles might not be workable. 	

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	<ul style="list-style-type: none"> • Perth Energy: Why was there no tolerance mechanisms embedded within the amendment? System Management response: A tolerance could be not incorporated into the amendment as this would be inconsistent with the Market Rules. • Perth Energy: Should there be a tolerance for ramping? This should pose no issues to settlements as ramping does not impact deviation penalties. IMO response: A rule change may be required to create a ramping tolerance. • Synergy: Is provision of the dispatch plan information sufficient to satisfy System Management’s objective or does the ramp rate limits also need to be adhered to? System Management response: The requirement for a Market Participant to adhere to the 6MW ramp rate constraint is effectively more a signal than a strict requirement. As if all generators were to simultaneously ramp at a high rate this will pose system issues. <p>System Management noted that it would provide the opportunity for Working Group members to provide additional comment over the next fortnight before commencing the formal procedure change process.</p>	
<p>4</p>	<p>Operational data points for Non-Western Power Networks and Substations: Regarding amendments within recently published PSOP</p> <p>System Management proposes amendments to this PSOP concerning forecast information from wind farms. System Management provided an explanation of the wind farm information requirements which includes provision of standing information by each wind farm and cluster information.</p> <p>System Management presented the reasons making it necessary to model wind farm output.. In particular, System Management noted that windfarm modelling will enable System Management to more accurately predict windfarm behaviour. This will provide a better indication of how windfarms behave in different conditions and therefore assist in day ahead planning.</p> <p>System Management’s wind farm information requirements were derived from the ANEMOS template model used in the NEM.</p> <p>A Market Participant questioned whether the windfarm model is intended to replace the requirement under clause 7.2.5. System Management noted that this clause was not useful as it only requires wind farms to provide a broad average MW output per half hour interval. Consequently wind farm operators had been</p>	

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	<p>directed not to provide this information at this stage.</p> <p>LGP agreed to provide information regarding System Management's proposed amendments to Pacific Hydro for its reference.</p>	<p>LGP</p>
<p>5.</p>	<p>OTHER BUSINESS</p> <p>There was no other business.</p>	
<p>6.</p>	<p>NEXT MEETING</p> <p>System Management stated that they will inform members of the details of the next meeting in due course.</p> <p>It was noted that the next meetings will involve further discussions of the implications of newly published procedures.</p>	<p>System Management</p>
<p>CLOSED</p> <p>The Chair declared the meeting closed at 11.30am.</p>		