

Independent Market Operator

Market Advisory Committee

Minutes

Meeting No.	24
Location:	Cliftons Mezzanine Floor, Australia Place Cnr St Georges Tce & William Street Perth
Date:	Wednesday 11 November 2009
Time:	Commencing at 10:00 - 12:30pm

Attendees		
Allan Dawson	Independent Market Operator (IMO)	Chair
Troy Forward	IMO	Member
Geoff Gaston	Perth Energy	Proxy for Ky Cao
Steve Gould	Landfill Gas & Power (LGP)	Member
Phil Kelloway	System Management	Proxy for Ken Brown
Stephen MacLean	Synergy	Member
Wendy Ng	Verve Energy	Member
Corey Dysktra	Alinta	Member
Peter Ryan (10.00 – 11.02)	Griffin Power	Proxy for Shane Cremin
Chris Brown	Economic Regulation Authority (ERA)	Member
Matthew Martin	Office Of Energy (OoE)	Proxy for Anne Hill
Peter Huxtable	Water Corporation	Member
Peter Mattner	Western Power	Member
Also in attendance		
Fiona Edmonds	IMO	Minutes
Jacinda Papps	IMO	Observer
Keith Wignall	IMO	Observer
Matt Pember (11.02 – 12.03)	IMO	Presenter
Robert Pullella (11.09 – 12.30)	ERA	Observer
Peter Hawken (11.11 – 12.30)	OoE	Observer
John Vendel (11.02 – 12.03)	Pacific Hydro	Presenter
Kate Summers (11.02 – 12.03)	Pacific Hydro	Presenter
Apologies		
Shane Cremin	Griffin Power	Member
Ken Brown	System Management	Member
Anne Hill	OoE	Member
Ky Cao	Perth Energy	Member

Item	Subject	Action
1.	<p>WELCOME</p> <p>The Chair opened the meeting at 10:00am and welcomed members to the 24th meeting of the Market Advisory Committee (MAC).</p> <p>The Chair noted that there would be one minute's silence at 11 o'clock observed for Remembrance Day.</p>	
2.	<p>MEETING APOLOGIES / ATTENDANCE</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> • Shane Cremin (Griffin Power); • Ken Brown (System Management). • Anne Hill (OoE). <p>The following other attendees were noted:</p> <ul style="list-style-type: none"> • John Vendel (Pacific Hydro) • Kate Summers (Pacific Hydro) • Matt Pember (IMO) • Robert Pullella (ERA) • Peter Hawken (OoE) 	
3.	<p>MINUTES OF PREVIOUS MEETING</p> <p>The Minutes of MAC Meeting No. 23, held on 14 October 2009, were circulated prior to this meeting. The Chair invited comments.</p> <p>Page 5: The IMO requested an update of the status of Alinta's discussion with System Management on Alinta's offer to provide potential alternative drafting for RC_2009_22. Alinta noted that it and System Management had not discussed the rule change prior to formal submission into the rule change process. Alinta stated that it will provide any comments as a submission during the rule change process.</p> <p>No further comments were noted for the minutes. The minutes were accepted by MAC members as a true and accurate record of the previous meeting.</p> <p><i>Action point: The IMO to publish the Minutes of MAC Meeting No. 23 as final.</i></p>	<p>IMO</p>

Item	Subject	Action
4.	<p>ACTIONS ARISING</p> <p>The actions arising were either complete or on the meeting agenda. The following exceptions were noted:</p> <ul style="list-style-type: none"> ○ Item 93 – The IMO noted that it held a discussion with Synergy on 23 September 2009. Synergy noted that it is continuing to prepare the concept paper. ○ Item 96 – System Management noted that the next Power System Operation Procedures (PSOP) Working Group meeting, on 12 November 2009, would discuss the relevance of a Market Procedure to supplement the tolerances for compliance reporting relating to RC_2009_22. ○ Item 102 – Griffin Power noted that no comments have been received from any MAC members on the concept of removing DDAP uplift. 	
5a.	<p>(i) OVERVIEW</p> <p>The MAC noted the overview of market rule changes. The following points were discussed in relation to the amendments to the rule change and issues log:</p> <ul style="list-style-type: none"> • The minor and typographical rule change had been submitted into the Fast Track Rule Change Process on 22 October 2009. • The review of the Rule Change Report Content has been prompted by concerns from the IMO Board as a result of the large amount of repetitive information provided in Rule Change Reports. This review is currently under development. The objective is to reduce the complexity and repetition of the IMO's Rule Change reports. • A complete review of the Reserve Capacity Security process may be undertaken, rather than simply focussing on the return of Reserve Capacity Security for Intermittent Generation facilities. 	
	<p>(ii) PROVISION OF INFORMATION TO THE IMO [RC_2009_33]</p> <p>System Management noted that this proposal removes the potential for clause 9.20.5(c) to be interpreted as requiring System Management to retain and report forced outages lodged after the 15 calendar day deadline imposed in clause 3.21.7. This was as amended by RC_2007_15.</p>	

Item	Subject	Action
	<p>The IMO noted that the MAC had discussed the pre-rule change discussion paper at the 14 October 2009 meeting.</p> <p>The IMO noted that it had discussed a number of issues it had identified with the proposal informally with System Management and that the two parties would continue to work through these during the formal rule change process.</p> <p>The MAC noted the Rule Change Proposal.</p>	
	<p>(iii) APPROVAL PROCESS FOR EQUIPMENT TESTS [PRC_2009_37]</p> <p>System Management noted that the Amending Rules suggested in this pre-rule change discussion paper would allow a Market Participant to request Equipment Tests to be undertaken while providing System Management with advanced notification in the form of a proposed testing plan. Market Participants would be exempt from compliance (but not commercial) penalties while undertaking an approved Equipment Test. System Management noted that there would be no impact on settlement.</p> <p>The IMO queried whether Equipment Testing is a new concept. System Management noted it is, but it had previously been in the PSOP: Commissioning and Testing. System Management noted that it was removed under the Procedure Change Proposal: Commissioning and Testing (PPCL0009) due to the lack of a heads of power in the Market Rules for its inclusion in the Market Procedure.</p> <p>System Management noted that it knows about Equipment Tests approximately a day ahead and that this would be registered in the SMMITS system.</p> <p><i>Action Point: System Management to clarify the day-ahead nature of Equipment Tests in the proposed Amending Rules for PRC_2009_37.</i></p> <p>The Chair queried whether transparency of Equipment Test information would be valuable to Market Participants. Members agreed that this would be useful.</p> <p>The IMO noted that details around the application and approval process and publication process should be included in the Market Rules. System Management agreed to amend the proposal to reflect this.</p> <p><i>Action Point: System Management to include an application, approval and publication process in the proposed Amending Rules for PRC_2009_37.</i></p> <p>The MAC discussed whether there are procedural aspects that could be included in a PSOP. System Management agreed to discuss this at the PSOP Working Group.</p>	<p>System Management</p> <p>System Management</p>

Item	Subject	Action
	<p>The IMO noted that if details were to be contained in a PSOP it would be necessary to build a heads of power into the Market Rules.</p> <p><i>Action Point: The PSOP Working Group to discuss whether the concept of Equipment Tests should be included in a PSOP.</i></p> <p><i>Action Point: If necessary, System Management to include a specific heads of power to allow for the concept of Equipment Tests to be included in the PSOP.</i></p> <p>Alinta noted that they generally support the proposal as being a sensible solution.</p> <p>The IMO queried whether there would be any costs of implementation associated with using SMMITS for the registration of Equipment Tests. System Management noted that there would be costs to System Management. System Management agreed to provide an estimate of these costs to the IMO to allow the IMO to undertake a full and thorough review of the costs and practicality of the proposal (as required under clause 2.4.2(b) of the Market Rules).</p> <p><i>Action Point: System Management to provide an estimation of costs for the implementation of RC_2009_37 to the IMO during the first submission period.</i></p> <p>The MAC agreed to progress this Rule Change Proposal. It was agreed that System Management formally submit RC_2009_37, albeit with the agreed changes.</p>	<p>System Management</p> <p>System Management</p> <p>System Management</p>
	<p>(iv) PROVISION OF LOAD FOLLOWING ANCILLARY SERVICES [PRC_2009_40]</p> <p>System Management noted that the Amending Rules in the pre-rule change discussion paper would allow both Loads (Curtailed and Dispatchable) and Market Generators to provide Load Following Ancillary Services.</p> <p>The Chair noted that the Demand Side Management (DSM) has been used to provide Load Following services for Intermittent Generation in New Zealand.</p> <p>Synergy noted that they did not disagree with the proposal, but questioned its necessity. System Management responded that it wants to ensure that there are no artificial barriers to organisations bidding for the provision of Ancillary Services. The IMO noted that one of the recommendations of the Sinclair Knight Merz report into Ancillary Services was to keep a watching brief on DSM technologies capable of providing Load Following.</p> <p>Alinta queried whether the technical requirements for Scheduled Generators, Non Scheduled Generators and Loads would be the same. System Management confirmed that this would be</p>	

Item	Subject	Action
	<p>the case.</p> <p>The MAC agreed to progress this Rule Change Proposal, as such it was agreed that System Management formally submit RC_2009_40.</p>	
5b.	<p>WORKING GROUP OVERVIEW</p> <p><u>Renewable Energy Generation Working Group</u></p> <p>The IMO stated that the Working Group is currently finalising the tendering process for the three outstanding packages. The IMO noted that System Management and OoE have both been involved in the process. The IMO noted that the first work package is likely to be finalised today, and that Work Packages 3 and 4 are subject to some contract clarifications which will be resolved in the next few weeks.</p> <p>The IMO noted that it has discussed the Work Packages with the Oates Review Implementation team and that the implementation team are relatively comfortable with the scope. The Chair noted that this was a positive outcome.</p> <p>The IMO stated that Work Package 3 has raised some queries about the order of precedence for the Balancing review and this work package. It was noted that Work Package 3 could be impacted by the Balancing and Ancillary Services work.</p> <p>System Management queried whether the MAC were aware of its procurement process for Load Following Ancillary Services, and whether there had been any concerns expressed that this might be at odds with any other part of either the Oates review or the Balancing review. The Chair noted that as the Balancing review (including Ancillary Services) is a reasonably significant piece of work it is unlikely to be covered by 30 June 2010 and that the Chair advised System Management to continue its procurement process for 2010/11.</p> <p>System Management also queried whether there was any definition of where Load Following finishes and Balancing starts. The IMO noted that the review of Balancing will be looking at this. System Management noted that this is an important clarification to make.</p> <p>The Chair updated the MAC on its work programme for the Market Rules Evolution Plan (MREP). Noting that the IMO will commence the work programme by holding a number of fact-finding meetings with Market Participants and interested stakeholders.</p> <p>These meetings will be held between 23rd and 25th November and will canvas stakeholder's thoughts on the Balancing mechanism, STEM and Ancillary Services. These meetings will be to gain an understanding of:</p>	

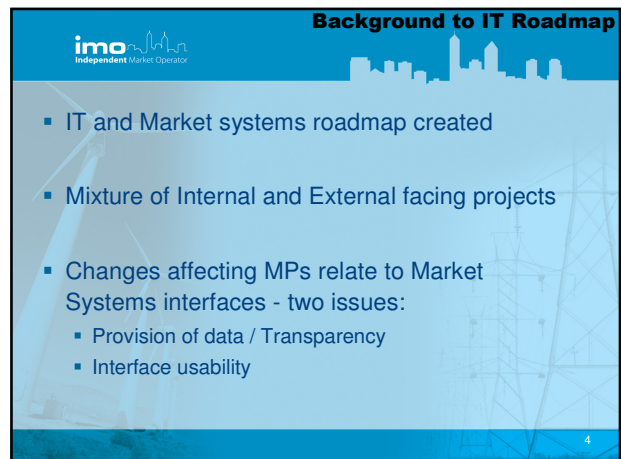
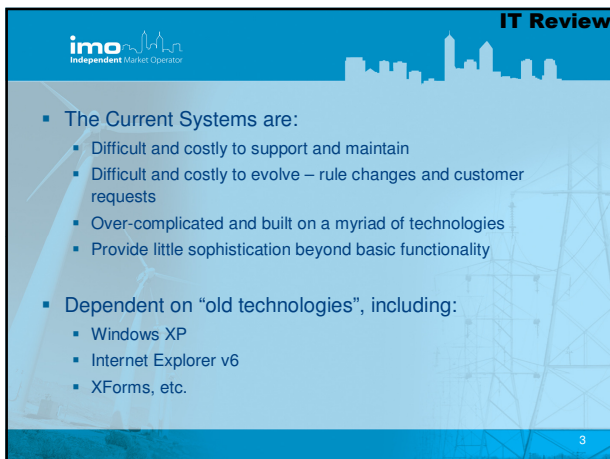
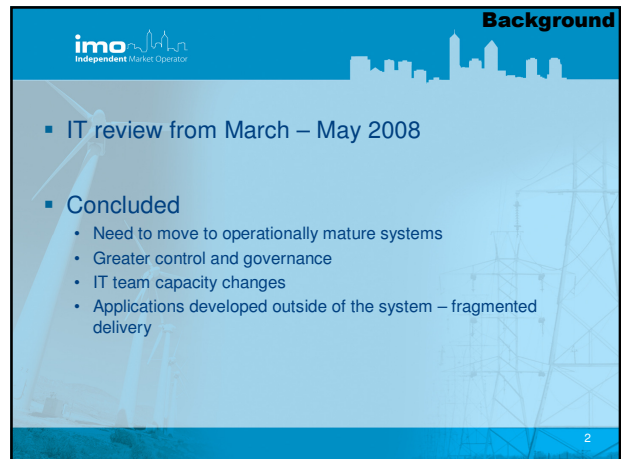
Item	Subject	Action
	<ul style="list-style-type: none"> • why these issues were prioritised highly by MAC members; • what issues and risks the current mechanisms impose on stakeholder's businesses; • the impacts an improved balancing mechanism might have on stakeholder's businesses; and • any other related or interconnected issues. <p>It was noted that while the primary purpose of the meetings are to discuss the MREP, it made sense to include a representative of the Oates Implementation Team. Attendees at these meetings will be:</p> <ul style="list-style-type: none"> • Troy Forward and Jacinda Papps (IMO); • Jim Truesdale (Concept Consulting); and • Greg Thorpe (Oakley Greenwood) - Oates Implementation Team representative. 	
5c.	<p>STATUS UPDATES: PROCEDURE CHANGES</p> <p>The MAC noted the overview of recent and upcoming IMO and System Management Procedure Change Proposals.</p>	
6a.	<p>CONCEPT PAPERS: OVERVIEW</p> <p>The IMO noted that there are a number of concept papers currently being progressed. In particular, the Prudential & Settlement Concept Paper (CP_2009_09) and the Curtailable Loads Concept paper (CP_2009_10).</p> <p>The IMO noted that the Prudential & Settlement Concept Paper is being driven by the first annual review of prudential security and resultant general recognition that some changes to the systems and Market Rules are required ensure the process continues to work. The IMO noted that it has received favourable comments on the transparency of the review and that it now wishes to embed this successful process into the Market Rules and Market Procedures.</p> <p>The IMO noted Synergy's Concept Paper, Market Customers Bilateral Submissions (CP_2009_12), is still under development.</p> <p>The IMO noted that the Concept Paper process is a positive way to get feedback from Market Participants on issues and concerns relating to potential rule changes.</p>	
6b.	<p>INFORMATION TRANSPARENCY PRESENTATION</p> <p>John Vendel from Pacific Hydro presented the concept of introducing greater availability of market data in the Wholesale Electricity Market and therefore promoting greater</p>	

Item	Subject	Action
	<p>transparency.</p> <p>The presentation is attached as Appendix one.</p> <p>Members made the following comments:</p> <ul style="list-style-type: none"> • The IMO noted that there is information in the public domain that links facilities with fuel types, although it is not currently dynamic. It is unclear why, if this information is in the public domain, it is not provided on the IMO website. • Pacific Hydro noted that it considers the IMO would still be accountable for the information that it publishes, and for the relevant legal processes. The proposal is simply a step away from prescriptive publication. • Alinta queried what issues Pacific Hydro considers there are, other than availability of fuel type information. In response, Pacific Hydro stated that information on the players in the market is not available. For example, which thermal plants are running, and whether price effects are the result of a particular generator running or of more general phenomena. • The Office of Energy stated that participants should know the status of their information before handing it over to the IMO. The IMO noted the general problem of unconstrained responsibility, and stated that to overcome this AEMO goes through consultation processes on the provision of information to the market. The IMO agreed that governance over the publication of certain market information would be required. • Verve Energy noted that, overnight in the WEM, IPPs tend to stick to their position and that any movements relate to Verve. • Griffin Energy supported the move to greater transparency and noted that Verve may potentially have greater transparency than other participants. • The Chair noted that currently the Market Rules contain seven classes of confidentiality. This was seen as potentially over-prescribing information availability. The IMO noted that it will be undertaking a review of the confidentiality status of market data early 2010. • Pacific Hydro noted that although its presentation suggested giving the IMO the power to “disseminate information necessary to enable the market to operate efficiently” this power can also be problematic. Procedures will be needed to govern this. 	

Item	Subject	Action
	<ul style="list-style-type: none"> The Chair noted that AEMO are generally concerned with this broad responsibility in the Market Rules and that an appropriate governance regime is needed over this. The MAC agreed with this. The IMO noted that the Wholesale Electricity Market system (WEMS) is very rudimentary and restrictive. It was also noted that the WEMS was not initially developed to invite more transparency. The IMO noted that the MPI replacement project is a critical aspect in any move towards allowing greater information transparency. The Chair invited Pacific Hydro to attend the presentation on the MPI replacement project. 	
7a.	<p>MPI REPLACEMENT</p> <p>Matthew Pember from the IMO presented an overview of the MPI Replacement project.</p> <p>The presentation is attached as Appendix 2.</p>	IMO
7b.	<p>AEMC REPORT</p> <p>The IMO noted that it has compiled an overview of the work currently underway and how it relates with those points presented in the AEMC report.</p> <p>The IMO noted that, in general, the issues identified by the AEMC are reasonably well covered by current initiatives. OoE agreed, and noted that many of the issues will be covered by the Oates review.</p> <p>OoE noted that any Network Planning issues will be covered by its Access Arrangement review, which is due to start next year. It was noted that this review is contained in the OoE Operational Plan for 2010/11 and subject to funding decisions. .</p> <p>Alinta noted that the lack of transparency around dispatch and Balancing is a current gap which deserves greater attention.</p> <p><i>Action: The IMO to add the issue of lack of transparency around dispatch Balancing to the potential concept paper list.</i></p> <p>System Management noted that it was also reasonably comfortable with the AEMC report. However, System Management noted that it was concerned that the review of Ancillary Services procurement might be overlapping with its Load Following Procurement process currently underway. In response, the IMO noted that System Management should proceed with its current procurement process.</p> <p>It was noted that the issue of Network Control Services falling under the scope of Ancillary Services could benefit from further discussion.</p>	IMO

Item	Subject	Action
	<p>System Management noted that it is due to enter into Ancillary Services contracts early next year and is currently calling for Expressions of Interest to provide Load Following services. System Management noted that it will be approximately mid year when it will call for tenders.</p> <p>The IMO queried the past incidence of Balancing Support Contracts. System Management stated it has not entered into any of these arrangements since market start.</p> <p>Western Power noted that the OoE's Access Code review did not include a review of the premise that an unconstrained network planning approach be retained.</p> <p>The IMO noted that a policy decision to move to a constrained network planning regime would have far reaching implications including reserve capacity and dispatch.</p> <p>Alinta noted that any decision should be driven by the IMO and the market in light of the market objectives, and that this should be the driving force of any policy decisions. Western Power noted that it would have significant effects on them.</p> <p><i>Action Point: The IMO to include a review of the premise of having an unconstrained network planning approach in the Market Development work plan for 2010/11.</i></p> <p>Western Power noted that any review of the unconstrained network planning approach needs to be market led and suggested that a working group be established on this subject.</p> <p><i>Action Point: The IMO to consider whether a Working Group should be set up to discuss the unconstrained network planning approach.</i></p>	<p>IMO</p> <p>IMO</p>
7c	<p>RAVENSTHORPE UPDATE PRESENTATION</p> <p>Western Power presented an update of the current situation regarding Ravensthorpe.</p> <p>The presentation is attached as Appendix 3.</p> <p>The MAC discussed the current issue regarding the provision of a generator in Ravensthorpe and disconnection from the SWIS. In particular, the IMO noted the difference in opinion between the IMO and Western Power regarding whether an islanded area which does not have electricity supplied by electricity generation plans at Kwinana, Muja, Collie and Pinjar etc constitutes a part of the SWIS.</p> <p>The IMO noted that the issue of whether an islanded area constitutes a part of the SWIS will impact on Synergy, Perth Energy and Alinta as they do not have a mandate to retail</p>	

Item	Subject	Action
	<p>outside of the SWIS.</p> <p>The IMO and ERA noted that a long-term solution needs to be agreed on this issue and that further clarity pertaining to the definition of the SWIS is required. The IMO requested Western Power to determine whether it could provide its legal advice to MAC Members.</p> <p><i>Action Point: Western Power to consider whether to provide its legal advice to MAC members on the definition of the SWIS.</i></p> <p>The IMO also noted that other retailers might be operating in the Ravensthorpe area that should be consulted with in developing a solution.</p> <p>The OoE offered to investigate developing a solution to the issue of the definition of the SWIS and the consequential treatment of Ravensthorpe and report back to the MAC. The IMO noted that if Ravensthorpe constituted part of the SWIS there would not be any market implications.</p> <p><i>Action Point: Office of Energy to investigate developing a solution regarding the definition of the SWIS and the consequential treatment of Ravensthorpe in the WEM.</i></p>	<p>Western Power</p> <p>OoE</p>
7d	<p>GENERAL BUSINESS</p> <p>No matters were raised as general business during the meeting.</p>	
9.	<p>NEXT MEETING</p> <p>The next meeting is scheduled for 2.00 pm – 4.00 pm on 9 December 2009.</p>	IMO
<p>CLOSED</p> <p>The Chair declared the meeting closed at 12.30pm and invited members to head to The Melbourne for the annual MAC celebration lunch.</p>		



Project Goals – Benefits for Participants

- Usability and Supportability
 - Access to systems using standard web browser only
 - User friendly, professional and “less clunky”
 - Will address past Market Participant feedback, complaints and suggestions
- Improve Flexibility
 - Reduce technology stack and simplify systems
 - Move away from “old” and technologies
 - Improve systems logging, auditability and security
 - Improve flexibility to incorporate changes more easily in future

7

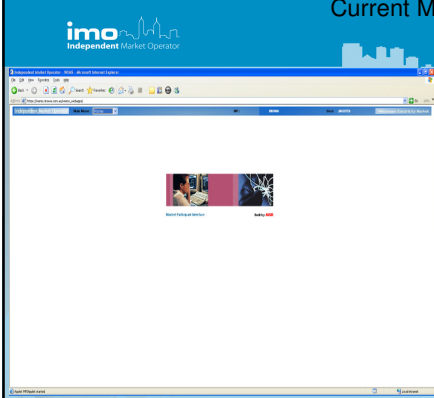
MPI Project Phases

- Iterative project delivery – no “big-bang” approach
- Expected to complete in next 18-24 months
- MPI Project Phases (current order):
 - Create New MPI – Flexible Reporting Application
 - Integration of MPR application into MPI
 - Creation of historical database and reports
 - Migration of Submissions Functionality to new MPI
 - New Trading Functionality and Security Enhancements
 - Decommission Old MPI

8


THE MPI: PHASE 1

Current MPI - Dashboard



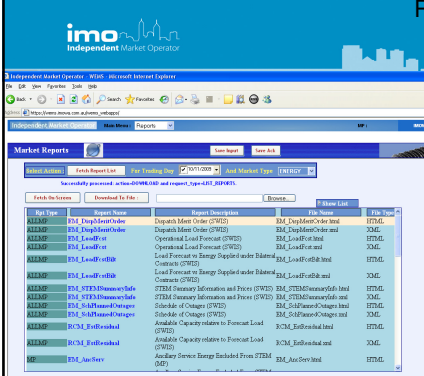
- Layout is obsolete
- Not very user-friendly
- To access Reports, Registration or Trading requires numerous button clicks
- Market Data not readily available

New MPI - Dashboard



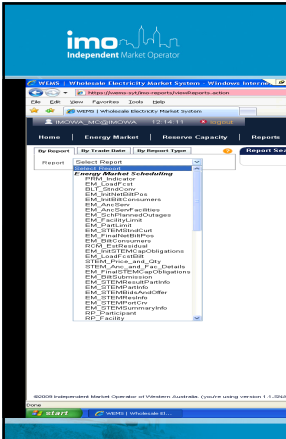
- Graphical and Professional appearance
- Easy to use –Market Segments can be accessed via the menu bar
- Dashboard contains relevant market data to assist in trading
- New MPI is more versatile – able to be viewed on different Web Browsers IE 6,7,8 and Firefox

Reports: Old MPI



- Layout is obsolete and unfriendly
- User is refrained to viewing one report for one day at a time
- Unintuitive
- Difficult to navigate – very tedious when the user wants to view and download a number of reports
- Report can only be viewed or downloaded as an XML

Reports: New MPI



User can now choose to view reports by:

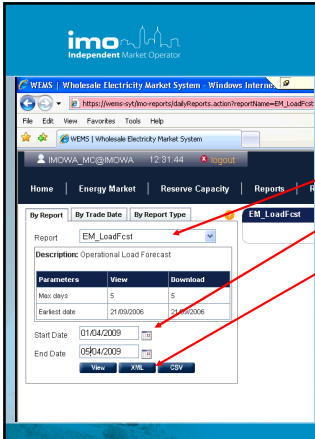
Report
Reports are organised in segments – Scheduling; Dispatch; Registration; Reserve Capacity Annual and Monthly

Trade Date
All reports for a specific Trade Date

Report Type
Reports Shows the latest published Report

Each Report can be viewed on screen or downloaded in CSV and XML format over a number days.

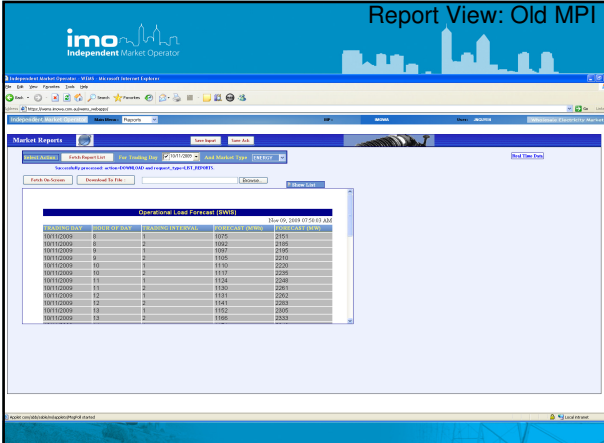
Reports: New MPI



The new MPI allows the user to


- Select the report from a drop down list
- Select the date period – start and end date
- View report on screen or download as XML or CSV

Report View: Old MPI



Report	Max days	Start date	End date
Operational Load Forecast (XML) <td>5</td> <td>21/09/2008</td> <td>21/09/2008</td>	5	21/09/2008	21/09/2008
Operational Load Forecast (CSV) <td>5</td> <td>21/09/2008</td> <td>21/09/2008</td>	5	21/09/2008	21/09/2008

Viewing Report on Screen




Report	Max days	Start date	End date
Operational Load Forecast (XML) <td>5</td> <td>21/09/2008</td> <td>21/09/2008</td>	5	21/09/2008	21/09/2008
Operational Load Forecast (CSV) <td>5</td> <td>21/09/2008</td> <td>21/09/2008</td>	5	21/09/2008	21/09/2008

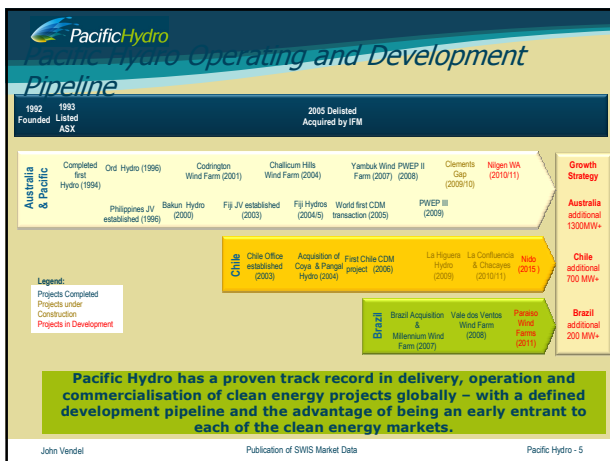
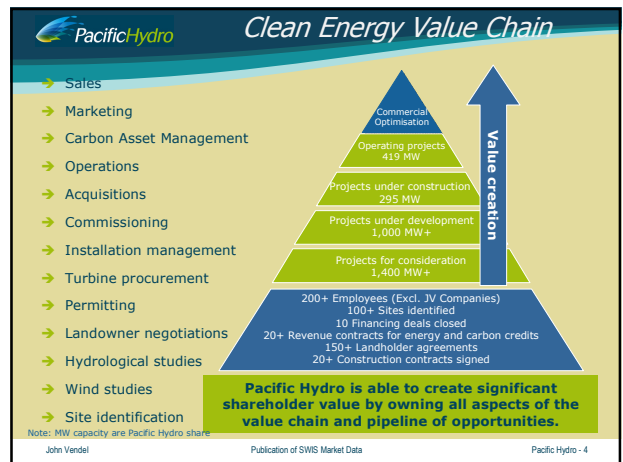
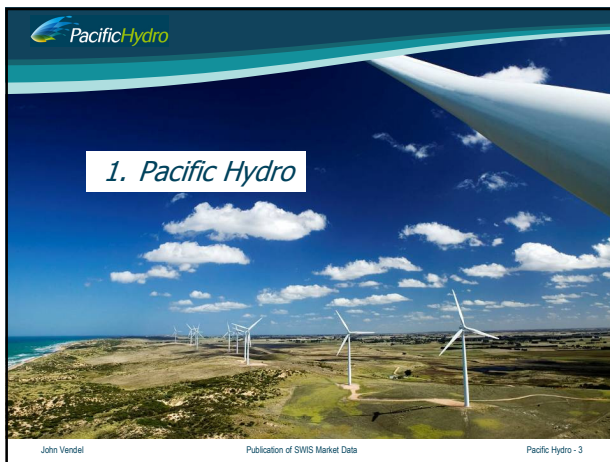
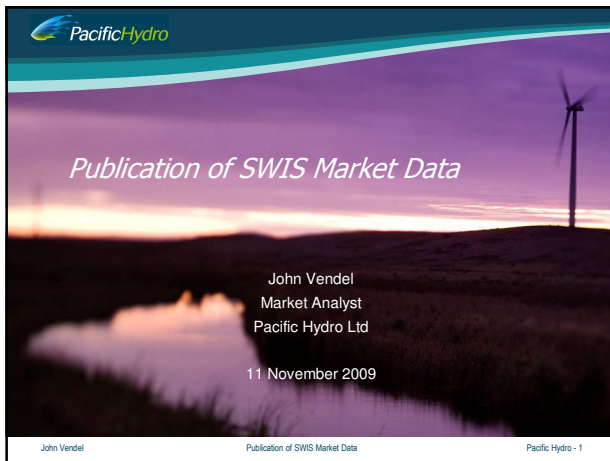
Summary

The New MPI – Phase 1

- New Layout gives the new MPI more appeal with a Graphical, Professional and User-Friendly interface when compared to the current system
- An improved tool for users with its ability to:
 - Access operational and historical data
 - Download data in CSV and XML
 - User is able to download a number of reports over consecutive days
 - Users have options on how they want to view their reports
 - By Trade Day
 - By Trade Date
 - By Report Type
- Dependencies on Old Technology has been removed. The new MPI works on a number of web-browsers eg. IE 6,7,8 and Firefox.

Thank You





"The degree to which prices reflect all available, relevant information"

Economics Theory

- Market value and market price are equal only under conditions of market efficiency, equilibrium and rational expectations
- Market Value = true underlying value
- Market Price = transaction price
- Market Efficiency (strong) = prices reflect all information (both public & private), no legal barriers (no insider trading laws)
- Market equilibrium = the point at which the quantity demanded and quantity supplied are equal
- Rational Expectations = on average the population is correct, even if no one person is

"The degree to which prices reflect all available, relevant information"



3. Benefits to the Market



Benefits to Market

What are benefits of publishing market data ?

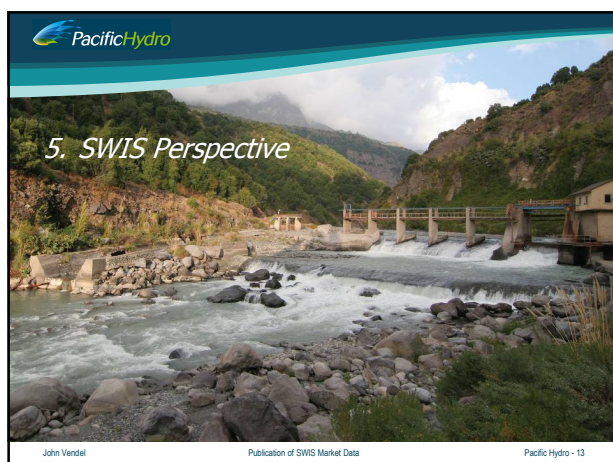
- Lowers wholesale prices (competitors will operate to increase volume by reducing prices)
- Accountability of participants (self regulated)
- Development of OTC and Futures markets
- Identification of "pinch points" within network under certain scenarios - resulting in a change (more efficient) market behaviour
- Provide new investors with investment certainty by a market being transparent and arms length
- Facilitates the knowledge transfer between participants in the SWIS
- Provides IMO with clear authority to publish market data


4. Disadvantages



Disadvantages?

- Sharing information may facilitate collusion (tacit or overt), inhibiting competition and creating a barrier for investment
- Additional costs for dissemination of information (eg what rework to raw format is necessary)
- IMO may be faced with a request for data to be kept confidential. This will need to be assessed on a market benefit test rather than on the basis that a participant has a commercial sensitivity to the data
- Legal ramifications, including ownership of data, of the IMO publishing information will need to be considered and any limits to liability from 3rd parties
- Data can be misunderstood



SWIS Perspective:  Independent Market Operator

Consistent with Rule Objectives (1.2.1)

- (a) to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the SWIS;
- (b) to encourage competition among generators and retailers in the SWIS, including by facilitating efficient entry of new competitors;
- (c) to avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions;
- (d) to minimise the long-term cost of electricity supplied to customers from the SWIS; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

John Vendel Publication of SWIS Market Data Pacific Hydro - 14

SWIS Perspective:  Independent Market Operator

→ Facilities Information: <http://www.imowa.com.au/n121,7.html>

Facility Information
Under the Market Rules the IMO must publish details of all Rule Participants including the names and capacities of Registered Facilities. The following table presents the Rule Participant Facility Information as at the date noted.

Download SWI File

Rule Participant Facility Information (PUBLIC)
Rev 05, 2009/01/06 11:48

Short Name	Resource Name	Resource Type	Max Gen Cap (MW)
VRPGENR	RFP_KCF_L1	BMIL	
VRPGENR	SWACV_WORSLEY_COVEN_0001	SG	119
VRPGENR	TYWEST_CO01	SG	37.7
VRPGENR	WAPLY_WORSLEY_E01	SG	0
VRPGENR	WAPL_WORSLEY_L1	BMIL	
VRPGENR	WEST_KALDOORLE_DT2	SG	38.2
VRPGENR	WEST_KALDOORLE_DT3	SG	24.6
VRPRTL	SYNERGY_DSM_PROGRAM	CL	
VRPRTL	SYNERGY_JDS142_CL41	CL	
VRPRTL	SYNERGY_ZBK02A_L14	L	

Abbreviations:
CL: Controllable Load
L: Interruptible Load
BM: Interruptible Load
BMIL: Interruptible Non-Dispatchable Load
SG: Synchronous Generator

John Vendel Publication of SWIS Market Data Pacific Hydro - 15

SWIS Perspective:  Independent Market Operator

→ Prescriptive requirement to Publish

→ Eg Review Publication Compliance: <http://www.imowa.com.au/n1082,5.html>


Publication Compliance
The IMO publishes a variety of information and documents on the Market Web Site, including information required to be published by the Market Rules. Since the commencement of energy trading in the Market, the site has been continually revised to improve the provision of relevant information to Participants and to the public.

A mapping between Market Rule publication requirements and the information on the site is provided below:

Clause	Requirement
10.5.1 (a) i.	Publish information retention requirements.
10.5.1 (a) ii.	Publish confidentiality status of documents.
10.5.1 (a) iii.	Publish current Market Rules.
10.5.1 (a) iv.	Publish Amending Market rules yet to commence, and commencement date.
10.5.1 (a) v.	Publish Rule Change Proposals that are open to comment.
10.5.1 (a) vi.	Publish current version of Market Procedures.
10.5.1 (a) vii.	Publish approved procedures yet to commence.
10.5.1 (a) viii.	Publish procedure change proposals that are open to comment.

John Vendel Publication of SWIS Market Data Pacific Hydro - 16



NEM Perspective:  AEMO

→ Broad power to publish relevant information

→ National Electricity Rules 3.2.2 (h)

3.2.2 Spot market
AEMO must do all things necessary to operate and administer a spot market for the sale and purchase of electricity and market ancillary services in accordance with this Chapter including:

(h) the collection and dissemination of information necessary to enable the market to operate efficiently.

John Vendel Publication of SWIS Market Data Pacific Hydro - 18

Ravensthorpe supply reinforcement

Proposed temporary local generation



10/11/09

1

Proposal

- Requested by the Minister - additional operating costs funded by Govt
- Stage 1
 - Connect local generation to supply Ravensthorpe township and surrounds
 - Temporarily disconnect from the grid (open switch) for normal operation
- Stage 2 – reconnect in parallel with peak lopping generation

10/11/09

2

Still part of SWIS ??? (1)

“SWIS” defined in Act

“... the interconnected transmission and distribution systems, generating works and associated works –

- a) located in the South West of the State and extending generally between Kalbarri, Albany and Kalgoorlie; and
- b) into which electricity is supplied by one or more of the electricity generation plants at Kwinana, Collie and Pinjar,

as expanded or altered from time to time.”

10/11/09

3

Still part of SWIS ??? (2)

- Arguably “yes”, even when operated in an islanded mode (WP legal advice)
- Re-interconnect as required by generator operation
- Other precedents
 - Kewdale feeder
 - Bremer Bay
 - Kambalda
- ERA & OOE have endorsed “in principle” subject to maintaining integrity of WEM

10/11/09

4

Other legal perspectives

- Access Code, Electricity Industry (WEM) Regulations & Market Rules all point to same definition in the Act
- Alternative legal interpretation (IMO) is that islanded portion ceases to be part of the SWIS whenever not connected

10/11/09

5

Concerns

- IMO
 - “SWIS” legal interpretation
 - Implications for market operation not properly assessed
- Synergy
 - Licence & statutory obligations
 - Implications for market operation
 - Potential customer impacts (new/churn)

10/11/09

6

Way forward?

- Re-affirm with ERA that Ravensthorpe network remains part of "SWIS" while islanded
- Confirm that provision of market spec metering at power station connection will maintain integrity of WEM operation

10/11/09

7