

ELECTRICITY INDUSTRY ACT 2004
ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY - MARKET)
REGULATIONS 2004
Wholesale Electricity Market Rules

IMO AMENDING RULES RC_2008_20 MADE ON 24 November 2008
These Amending Rules commence at 08.00am on 1 October 2010

The following clauses are amended (~~deleted wording~~, new wording):

2.29.8B. When a Rule Participant registers a Curtailable Load the Rule Participant must undertake a Verification Test in accordance with clause 4.25A within 20 Business Days of registration.

4.25.1. The IMO must take steps to verify, in accordance with clause 4.25.2, that each Facility providing Capacity Credits:

(a) in the case of a generation system can, during the term the Reserve Capacity Obligations apply, operate at its maximum Reserve Capacity Obligation Quantity at least once during each of the following periods and ~~in the case of a generation system,~~ such operation must be achieved on each type of fuel available to that Facility notified under clause 4.10.1(e)(v):

i. 1 October to 31 March; and

ii. 1 April to 30 September; and

.....

(c) in the case of a Curtailable Load can, during the term the Reserve Capacity Obligations apply, operate at its maximum Reserve Capacity Obligation Quantity at least once during the period between 1 October to 31 March.

4.25.2. The verification referred to in clause 4.25.1 can be achieved:

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(b) by the IMO:

i. in the case of a generation system, requiring System Management in accordance with clause 4.25.7 to test the Facility's ability to operate at the required level for not less than 60 minutes and the Facility successfully passing that test; and

- ii. in the case of Interruptible Loads, Curtailable Loads and Dispatchable Loads, requiring System Management, in accordance with clause 4.25.7, to test the ~~process and systems to activate a reduction in demand without requiring demand to actually reduce~~, Facility's ability to reduce demand to the required level for not less than one Trading Interval and the Facility successfully passing that test.

4.25.3B. If a Curtailable Load fails a Reserve Capacity test under clause 4.25.2(b) and is activated prior to a second Reserve Capacity test being undertaken in accordance with clause 4.25.4 then the activation shall be deemed to be the second Reserve Capacity test.

4.25.4. Subject to clause 4.25.3B, the The IMO must, in the event that a Facility fails a Reserve Capacity test under clause 4.25.2(b), require System Management to re-test that Facility in accordance with clause 4.25.2(b), not earlier than 14 days and not later than 28 days after the first test. If the Facility fails this second test, then the IMO must, from the next Trading Day:

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- (b) if the test related to a Dispatchable Load, Curtailable Load or Interruptible Load, reduce the number of Capacity Credits held by the relevant Market Participant for that Facility to ~~zero~~ the maximum level of reduction achieved in the two tests;

4.25.9. In conducting a test, System Management:

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- (d) must, in the case of an Interruptible Load or a Curtailable Load allow sufficient time for arrangements to be made for the Facility to be triggered ~~in a simulation mode only;~~
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4.25A. Verification Test for a Curtailable Load

4.25A.1. A Rule Participant must undertake a Verification Test of each Curtailable Load registered by the Rule Participant:

- (a) within 20 Business Days of registration of the Curtailable Load, or
- (b) between 1 October and 30 November of each Reserve Capacity Year.

- 4.25A.2. To undertake a Verification Test the Rule Participant will activate the Curtailable Load and advise the IMO of the Trading Intervals during which the Verification Test was conducted.
- 4.25A.3. The Verification Test is failed if a reduction in demand equal to at least 10% of the Capacity Credits is not identified from the Curtailable Load meter data.
- 4.25A.4. Where a Verification Test is failed the IMO must reduce the Capacity Credits assigned to the Curtailable Load to zero.
- 4.25A.5. Where the Verification Test is failed the Rule Participant may request a second Verification Test be undertaken. If the Curtailable Load fails this second Verification Test then the Capacity Credits assigned are to remain at zero until the end of the relevant Reserve Capacity Year.