



Rule Change Notice

Title: Local Black Start Procedures

Ref: RC_2008_21

Standard Rule Change Process

Date: 13 June 2008

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1. THE RULE CHANGE PROPOSAL

1.1. The Submission

On 4 June 2008 System Management submitted a Rule Change Proposal regarding changes to clause 3.7 of the Wholesale Electricity Market Rules (Market Rules).

This Rule Change Notice is published according to Market Rule 2.5.7, which requires the IMO to publish a notice within 7 Business Days of receiving a Rule Change Proposal.

1.1.1. Submission details

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Date submitted:	4 June 2008
Urgency:	Normal
Change Proposal title:	Local Black Start Procedures

1.2. Details of the Proposal

System Management submits that clause 3.7 of the Market Rules deals with system restart (or “black start”) arrangements. This provision requires System Management to make operational plans and preparations to restart the SWIS in the event of a supply shutdown, and also requires System Management to use its reasonable endeavours to restart the system in the event of a shutdown.

System Management has entered into a deed for the provision of system restart service, and is currently assessing the adequacy of the service which has been procured.

As part of its assessment, System Management has undertaken a review of the existing arrangements for restarting the SWIS and has identified the need for information to be provided to assist it in understanding the likely condition and capabilities of plant following a system shutdown or major system disturbance. Provision of full and accurate information is important as this allows System Management to be fully informed of the technical requirements and limitations of generating facilities connected to the SWIS.

System Management submits that the Market Rules do not currently mandate that generators provide and maintain this information.

System Management therefore proposes a rule change which will address this deficiency. The rule change will require generators to develop “local black system procedures” and supply these to System Management when requested. System Management may develop guidelines which will assist generators in the preparation of these documents. It is anticipated that the guidelines will include:

- general information on the power station;

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- assessment of the emergency situation and safe shut down of generating units;
- restart of generators and high-level strategies followed by power stations in the event of a major supply disruption;
- technical and operational information needing to be considered in developing system restart plans; and
- specific information to be provided by embedded generation and wind generation.

System Management will use the local black system procedures as a major input into developing detailed electrical sub-network restart procedures.

Clause 4.8.12 of the National Electricity Rules mandates that generators in the NEM prepare similar documents for the approval of NEMMCO.

1.3. The Proposal and the Wholesale Market Objectives

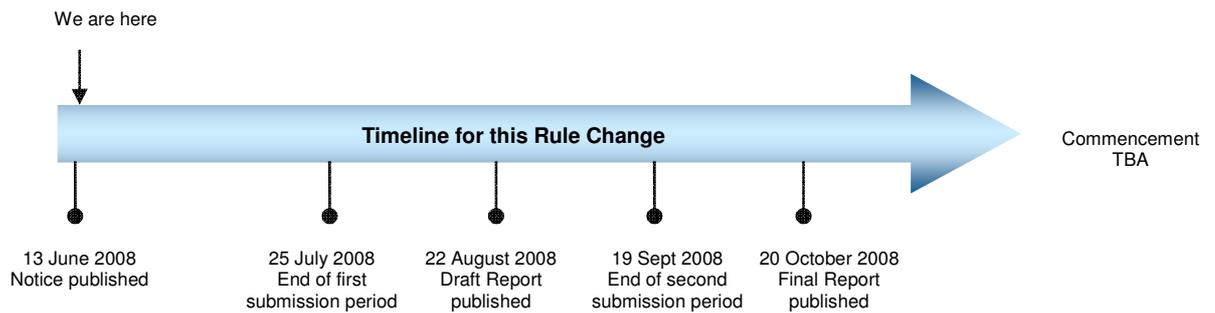
System Management submits that this proposed Rule Change would better address objective (a) of the Market Objectives. The changes as submitted would promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system. The change would significantly assist System Management in the preparation of plans to restart the network, thereby promoting the safe and reliable production and supply of electricity.

2. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER

The IMO has decided to proceed with this proposal on the basis that the IMO's preliminary assessment indicated that the proposal is consistent with the Wholesale Market Objectives.

The IMO has decided to process this Rule Change Proposal using the Standard Rule Change Process, described in section 2.7 of the Market Rules.

The projected timelines for processing this proposal are:



3. CALL FOR SUBMISSIONS

The IMO is seeking submissions regarding this proposal. The submission period is six weeks from the publication date of this notice. Submissions must be delivered to the IMO by close of business on **Friday 25 July 2008**.

The IMO prefers to receive submissions by email to **marketadmin@imowa.com.au** using the submission form available on the IMO website:
http://www.imowa.com.au/10_5_1_MarketRulesChangeSummary.html

Submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator
Attn: Manager Market Administration
PO Box 7096
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

4. PROPOSED AMENDING RULES

System Management proposes the following new clauses to the Market Rules (~~deleted words, added words~~):

- 3.7.3 System Management must from time to time publish guidelines for the preparation of Local Black System Procedures.
- 3.7.4 Where System Management has published guidelines under clause 3.7.3, each Scheduled Generator and Non-Scheduled Generator must develop Local Black System Procedures in accordance with those guidelines.
- 3.7.5 Local Black System Procedures must provide sufficient information to enable System Management to understand the likely condition and capabilities of Facilities following any major supply disruption or system shutdown such that System Management is able to make the operational plans and preparations referred to in clause 3.7.1.
- 3.7.6 Each Scheduled Generator and Non-Scheduled Generator must submit its Local Black Start Procedures to System Management upon request. System Management may request that a Scheduled Generator or Non-Scheduled Generator review and amend its Local Black System Procedures.
- 3.7.7 A request made by System Management under clause 3.7.6 must be complied with.

5. ABOUT RULE CHANGE PROPOSALS

Market Rule 2.5.1 of the Wholesale Electricity Market Rules (Market Rules) provides that any person (including the Independent Market Operator) may make a Rule Change Proposal by completing a Rule Change Proposal Form and submit this to the Independent Market Operator (IMO).

The IMO will assess the proposal and, within 5 Business Days of receiving the proposal form, will notify the proponent whether the proposal will be progressed further.

In order for the proposal to be progressed the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the Wholesale Market Objectives. The market objectives are:

- (a) to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system;
- (b) to encourage competition among generators and retailers in the South West interconnected system, 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 South West interconnected system; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

A Rule Change Proposal can be processed using a Standard Rule Change Process or a Fast Track Rule Change Process. The standard process involves a combined 10 weeks public submission period, while the fast track process involves the IMO consulting with Rule Participants who either advise the IMO that they wish to be consulted or the IMO considers have an interest in the change.