

22 December 2008

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Dear Allan

WEM RULE CHANGE PROPOSAL RC_2008_40 – NOTIFICATION OF SYNCHRONISATION AND DE-SYNCHRONISATION

Alinta Sales Pty Ltd (Alinta) would like to be consulted on Rule Change Proposal RC_2008_40 “Notification of Synchronisation and de-synchronisation”, which is to be fast tracked by the Independent Market Operator (IMO). This letter sets out the views of Alinta Sales Pty Ltd (Alinta) in response to the Rule Change Proposal.

The proposed change

On 12 December 2008, System Manager submitted RC_2008_40, proposing to change the Wholesale Electricity Market Rules (“the Market Rules”) relating to the notification required to be given by a Market Participant to System Management ahead of the synchronisation of a Scheduled Generator.

Specifically, System Management proposes that the Market Rules be changed to:

1. remove the obligation for a Market Participant to update System Management five minutes before the confirmed expected time of synchronisation (or desynchronisation), unless the Scheduled Generator cannot be synchronised (or desynchronised) at the previously confirmed time, in which case the Market Participant must immediately advise System Management and confirm the new expected time of synchronisation (or desynchronisation); and
2. allow a Market Participant to synchronise a Scheduled Generator within one hour of desynchronisation by simply confirming the expected time of synchronisation (and if the Scheduled Generator cannot be synchronised at the confirmed time, require the Market Participant to immediately advise System Management and confirm the new expected time of synchronisation).



Alinta's view

Alinta supports the current Market Rules relating to the notification required to be given by a Market Participant to System Management ahead of synchronising (or desynchronisation) a Scheduled Generator being changed.

Alinta considers that RC_2008_40 is likely to better contribute to the achievement of the wholesale market objectives.

- Alinta agrees with System Management's assessment that RC_2008_40 supports market objective (a), the promotion of the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West Interconnected System, through not unnecessarily diverting the attention of operational staff at critical times.
- In addition, Alinta considers that RC_2008_40 is likely to support market objective (b), the minimisation of the long-term cost of electricity supplied to customers from the South West interconnected system, and is consistent with the remaining market objectives.

However, Alinta considers it desirable that the intent that the (changed) Market Rule 7.9.1(a) not apply to a Market Participant that wishes to synchronise a Scheduled Generator within one hour of desynchronisation be explicitly stated by amending the proposed Market Rule 7.9.1A as follows (Alinta's amendments are shown in bold):

7.9.1A **Clause 7.9.1(a) does not apply** where a Market Participant intends to synchronise a Scheduled Generator within an hour of desynchronisation, **in which case** it must confirm with System Management the expected time of synchronisation:

- (a) immediately if known; and
- (b) update this advice immediately if the time advised pursuant to clause 7.9.1A(a) changes.

The additional amendments proposed by Alinta to the proposed Market Rule 7.9.1A are consistent with the current wording of Market Rule 7.9.2. Alinta has liaised with System Management on its proposed amendments to the proposed market rule, which has indicated that it sees no impediment to the changes proposed by Alinta.

In addition, Alinta notes that Market Rule 7.9.1 must retain references to subclauses (a) and (b) in order to retain consistency and existing cross-references with the Market Rules [rather than (i) and (ii) as suggested by the proposed amending rules in section 4 of the Rule Change Notice].

IT systems and cost implications

Alinta has not identified any cost impact for its own IT systems.

Time required for implementation

Alinta does not require any specific lead time to allow implementation of the proposal.



If you require further information, or wish to discuss the above comments in more detail, I can be contacted on 9486 3749.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Corey Dykstra", is shown on a light background.

Corey Dykstra
Manager Regulatory Affairs
Alinta Sales Pty Ltd