Wholesale Electricity Market Rule Change Proposal

Submitted by

Name:	Alistair Butcher
Phone:	9427 5787
Fax:	9427 4228
Email:	Alistair.butcher@westernpower.com.au
Organisation:	System Management
Address:	
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Urgency:	Normal Rule Change Process
Change Proposal title:	Confidentiality of accepted outages
Market Rule(s) affected:	Clauses 3.18.5D (new)

Introduction

This Market Rule Change Proposal can be posted, faxed or emailed to:

Independent Market Operator

Attn: Troy Forward, Manager Market Administration & System Capacity PO Box 7096 Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399 Email: marketadmin@imowa.com.au

The rule change proposal should explain how it will enable the Market Rules to better contribute to the achievement of the wholesale electricity market objectives. The objectives of the market 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;
- 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.

Details of the proposed Market Rule Change

1) Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

It has been commented upon by many Participants that coordinating network and generation outages is often a difficult, time-consuming and complex matter.

Currently, Western Power Networks is only able to identify details of Planned Outages for Market Generators and Customers (via the schedules of Planned Outages published under clause 10.6.1(b). These schedules are SWIS Restricted Information.

Clause 3.18.4 provides an obligation for System management to maintain an outage schedule, containing information on all Scheduled Outages (outages that are accepted by System Management but not yet approved). However, this information is not available to all Rule Participants or Western Power Networks.

Scheduled Outages are often accepted by System Management months in advance of the commencement date. However, the approval of Scheduled Outages is often close to the commencement date, therefore Western Power Networks is unable to utilise this information to plan transmission maintenance in a way most beneficial to all affected parties. Additionally, when transmission maintenance requires the decommitment or reduction in capacity of a generator or load, it is sometimes the case that transmission outages require a generator or load to perform maintenance at inopportune times.

Similarly, due to the lack of information available to Western Power for planning purposes, System Management must spend an inordinate amount of time coordinating the various parties. The current situation is disadvantageous to all concerned.

To improve the coordination process, System Management has considered options to improve the visibility of accepted outages to relevant rule participants. At the Market Advisory Committee (**MAC**) meeting in February 2009 two options were considered:

- make accepted outages available to just the networks business, for the purposes of coordinating line maintenance with generation outages; or
- make accepted outages available to all affected market participants.

Neither option received unanimous support at the meeting. Instead, it was agreed that the IMO would informally consult with market participants to gauge the preferred option.

Four views were received from the IMO's informal consultation process, as follows:

- two participants expressed support for confining accepted outage information to just the networks business;
- one participant supported making accepted outage information available to all; and

• one participant considered that either option was supportable, but noted it had no objection if one party felt strongly that only the networks business should be informed.

The informal consultation process did not produce universal support for one option over another, but all responding parties supported the "minimum" outcome of making available accepted outages to the networks business. Therefore System Management considers that the better option is to advocate a rule change which is evolutionary, in this first instance.

Consequently, System Management proposes that accepted outages only be made available to the networks business. This would allow Western Power to more frequently plan transmission maintenance to coincide with Participant outages.

2) Explain the reason for the degree of urgency:

System Management submits that this proposal proceed through the standard process.

- 3) Provide any proposed specific changes to particular Rules (for clarity, please use the current wording of the Rules and place a strikethrough where words are deleted and <u>underline</u> words added)
- 3.18.5D Notwithstanding the requirements in chapter 10, in exercising the obligation set out in clause 3.18.5C, System Management may make such information in the outage schedule maintained in accordance with clause 3.18.4 available to a Network Operator to coordinate outage timing.

4) Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:

This proposed Rule Changes 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 through facilitating the coordination of outages on generation and transmission facilities.

5) Provide any identifiable costs and benefits of the change:

Benefits:

• Will enable System Management and Participants to coordinate outages in a more effective manner.

• Will enable efficient scheduling of outages and may reduce situations where network outages require Market Generators to schedule outages at inopportune times.

Costs:

• No costs have been identified.