
Wholesale Electricity Market Rule Change Proposal Submission Form

<RC_2009_08> Updates to Commissioning Provisions

Submitted by

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Submission

1. Please provide your views on the proposal, including any objections or suggested revisions.

System Management generally supports the intention of the proposal. However, there are concerns regarding the current drafting. System Management believes that the Rule Change may require further analysis.

Generally it appears the proposed Rule Change may not have been drafted in a way to allow sufficient time to analyse the extensive complexities regarding commissioning generally, and, in particular, late commissioning.

In particular, System Management would like to highlight that:

1. The timeframe, as currently drafted, may result in restricting Market Participants to commission for less than the intended four month period. Clause 3.21A.4 (b) requires Market Participants to request permission to commission 20 business days before the first proposed synchronisation ie the request must be made at a time when the construction may be incomplete. Were construction delayed, which is a likely contingency, the drafting seems to indicate that the commissioning must still complete four months from the original date ie the date indicated in the first Commissioning Test plan, not the date the generator actually first synchronised.

2. System Management is concerned that the current drafting of new clause 3.21A.7(d) may oblige System Management to reject a Commissioning Test plan which exceeds four months (for a generating system following first connection). Consideration should be given to ensuring this new provision is sufficiently clear to apply to new facilities which may validly require a longer period of time than four months to fully commission and operate at a satisfactorily level.

3. Further investigation is required to ensure that the proposed rule change adequately addresses all operational contingencies. For example, the interrelation of clauses 3.21A.4(b), 3.21A.7, and 6.5.1A does not appear to have been fully considered. In the instance that a new generating facility provides System Management with a commissioning commencement date and time 6 months later than the date that their reserve capacity obligation commences, clause 6.5.1A may indicate that the facility is required to submit a resource plan in the interim. This situation appears to introduce operational complexities.

4. The current drafting of clause 3.21A.7(d) may have the unwitting effect of precluding System Management from approving a Commissioning Test plan for an existing facility.

5. Finally, new clause 3.21A.16 requires that System Management provide approved Commissioning Test plans to the IMO. This applies not only to new facilities, but to *all* Commissioning Test plans. System Management notes that the necessity for this component of the rule change proposal does not appear to be adequately addressed, other than to state that this would provide “greater visibility”. System Management does not believe that this reason goes to the furthering of the attainment of a market objective listed in clause 1.2 of the Market Rules.

It is System Management’s contention that this element of the proposal should not be progressed without further consideration as to how a market objective is advanced through the change, nor without actively canvassing the views of market generators – who would be affected by such a change – as to the implications of this change. In addition, System Management notes that visibility of an impending Commissioning Test is already provided for in either or both of MT PASA and ST PASA, which is published by the IMO on a monthly or weekly basis, respectively (refer clauses 3.16.9(j) and 3.17.9(j)).

In order for System Management to meet the new obligation expressed in clause 3.21A.16 further IT development would be required, as any email process would be insufficiently robust. System Management would therefore need sufficient time to develop an IT solution before the change commenced, if the proposed rule change remains as drafted. However, if the IMO chose to continue with this change in general, then it is submitted that this obligation should be imposed directly on the relevant Market Generator, rather than System Management.

Finally, System Management notes that proposed clause 3.21A.16 is uncertain in its application. System Management frequently considers variations to an approved Commissioning Test program, both before the tests commence and on the testing day itself. The new provision appears to impose an unworkable obligation that all such variations must be provided to the IMO.

2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives.

In System Management's opinion, the proposed Rule Change does not fully support the Market Objectives as it may introduce consequential issues and introduce unnecessary cost. Further the drafting may preclude approval of Commissioning Test plans for existing facilities.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

This Rule Change may involve significant changes to System Management's IT systems and operational processes.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

System Management will only be able to indicate the time of implementation following the development of the final rule change report. However, were System Management required to provide the information detailed in clause 3.21A.16, significant time may be required.
