



**Independent Market Operator**

**Rule Change Notice**

**Title: Provision of  
Commissioning Information by  
System Management**

**Ref: RC\_2010\_34**

**Fast Track Rule Change Process**

**Date: 22 November 2010**

## CONTENTS

<b>1. THE RULE CHANGE PROPOSAL .....</b>	<b>3</b>
1.1. The Submission .....	3
1.2. Details of the Proposal .....	3
1.3. The Proposal and the Wholesale Market Objectives .....	6
<b>2. WHETHER THE PROPOSAL WILL BE PROGRESSED FURTHER .....</b>	<b>6</b>
<b>3. CALL FOR SUBMISSIONS .....</b>	<b>6</b>
<b>4. PROPOSED AMENDING RULES.....</b>	<b>7</b>
<b>5. ABOUT RULE CHANGE PROPOSALS .....</b>	<b>7</b>

### DOCUMENT DETAILS

IMO Notice No.: RC\_2010\_34  
Report Title: Rule Change Notice: Provision of Commissioning Information by System Management  
Release Status: Public  
Confidentiality Status: Public domain  
Published in accordance with Market Rule 2.5.7

### Independent Market Operator

Level 3, Governor Stirling Tower  
197 St George's Terrace, Perth WA 6000  
PO Box 7096, Cloisters Square, Perth WA 6850  
Tel. (08) 9254 4300  
Fax. (08) 9254 4399  
Email: [imo@imowa.com.au](mailto:imo@imowa.com.au)  
Website: [www.imowa.com.au](http://www.imowa.com.au)

## 1. THE RULE CHANGE PROPOSAL

### 1.1. The Submission

On 22 November 2010 the Independent Market Operator (IMO) submitted a Rule Change Proposal regarding amendments to clause 3.21A.16<sup>1</sup> of the Wholesale Electricity Market Rules (Market Rules).

This Rule Change Notice is published according to clause 2.5.7 of the Market Rules, which requires the IMO to publish a notice within seven business days of receiving a Rule Change Proposal.

#### 1.1.1 Submission details

<b>Name:</b>	Jacinda Papps
<b>Phone:</b>	08 9254 4353
<b>Fax:</b>	08 9254 4399
<b>Email:</b>	Jacinda.papps@imowa.com.au
<b>Organisation:</b>	IMO
<b>Address:</b>	Level 3, Governor Stirling Tower, 197 St George's Tce, Perth
<b>Date submitted:</b>	22 November 2010
<b>Urgency:</b>	<i>Fast Track Rule Change</i>
<b>Change Proposal title:</b>	Provision of Commissioning Information by System Management
<b>Market Rule affected:</b>	Clause 3.21A.16 (new clause from RC_2009_08)

### 1.2. Details of the Proposal

#### Background

In 2009 the IMO progressed a Rule Change Proposal relating to the commissioning provisions<sup>2</sup> in the Wholesale Electricity Market Rules (Market Rules). This Rule Change Proposal introduced the concept of allowing for late commissioning by allowing new generators to conduct Commissioning Tests post 30 November (for the 2010 Capacity Year onwards) for a period of up to four months from first connection to the South West interconnected system (SWIS) without:

- needing to operate in the energy market;
- submitting Resource Plans; or
- being subject to UDAP and DDAP payments.

These changes commenced on 1 July 2010.

The proposal also requires System Management to supply, for publication (as SWIS restricted information), the information supplied to it under clause 3.21A.4 regarding

<sup>1</sup> A new clause from RC\_2009\_08.

<sup>2</sup> See: [www.imowa.com.au/RC\\_2009\\_08](http://www.imowa.com.au/RC_2009_08)

Commissioning Test plans<sup>3</sup>. This is to increase a Market Participant's ability to make an informed economic decision regarding STEM submissions. In particular, greater transparency of commissioning units will mean that Market Generators can make a more informed decision regarding whether they want to bid into the STEM. While the IMO acknowledges that day-ahead information on commissioning units (in particular MWh profiles) are likely to be subject to change during real time operations, Market Participants are likely to benefit from the knowledge of whether the commissioning unit is expected to be operating in the market or not during any particular Trading Interval. This is important given the number of Commissioning Tests (for both existing and new Market Generators) which have been undertaken in the past. Given the anticipation of more new generators coming on to the system in the next few years an indication as to potential supply conditions will become increasingly important.

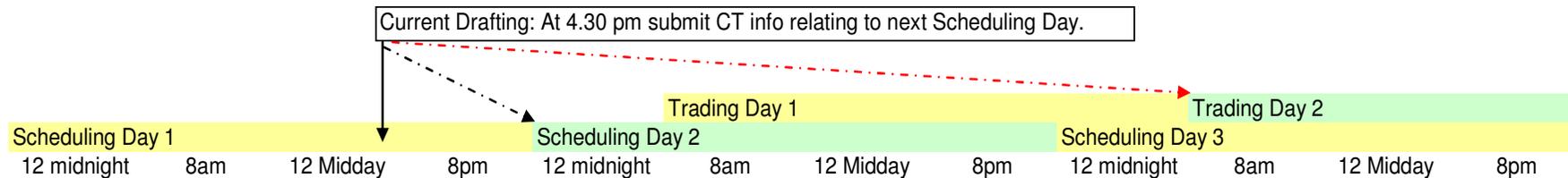
### **Issue**

The current drafting, agreed by the IMO and System Management during the Rule Change Process, is for System Management to submit the Commissioning Test information at 4.30 pm every day (indicated by the solid black arrow) relating to the next Scheduling Day. This is presented in figure 1 below. However, the next Scheduling Day starts at midnight (indicated by the dotted black arrow). Therefore, Market Participants will not have the opportunity to use the information in making their STEM bids (as anticipated) as the Trading Day the information relates to has been scheduled prior. For Market Participants to be able to use the information in making their STEM bids, the drafting should refer to the Trading Day following the next Scheduling Day, indicated by the red dotted arrow.

---

<sup>3</sup> Due to commence 1 January 2011.

**Figure 1: Current Drafting**

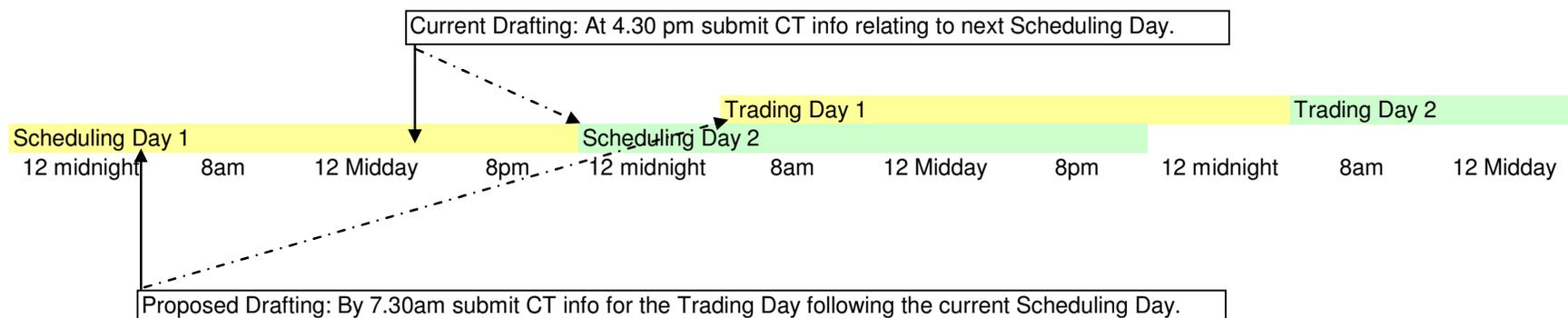


Operationally, it would also make more sense to send this information at a time when System Management already transfers data to the IMO, i.e. 7.30am, 8.30am or 1.30pm rather than creating a new transfer time.

**Proposal**

The IMO therefore proposes to amend the drafting for System Management to supply the information by 7.30 am for the Trading Day following the current Scheduling Day. This will allow Market Participants to be able to use the information in making their STEM bids. This proposal is, as well as the current drafting, shown in figure 2 below.

**Figure 2: Current and Proposed Drafting**



### 1.3. The Proposal and the Wholesale Market Objectives

The IMO considers that the proposed amendments, which will correct a manifest error in the Market Rules, are consistent with the operation of the Wholesale Market Objectives.

## 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 indicates that the proposal is consistent with the Wholesale Market Objectives.

The IMO has decided to process this Rule Change Proposal using the Fast Track Rule Change Process, described in section 2.6 of the Market Rules, on the basis that it satisfies the criterion in clause 2.5.9 (b) of the Market Rules. Clause 2.5.9 states:

*The IMO may subject a Rule Change Proposal to the Fast Track Rule Change Process if, in its opinion, the Rule Change Proposal:*

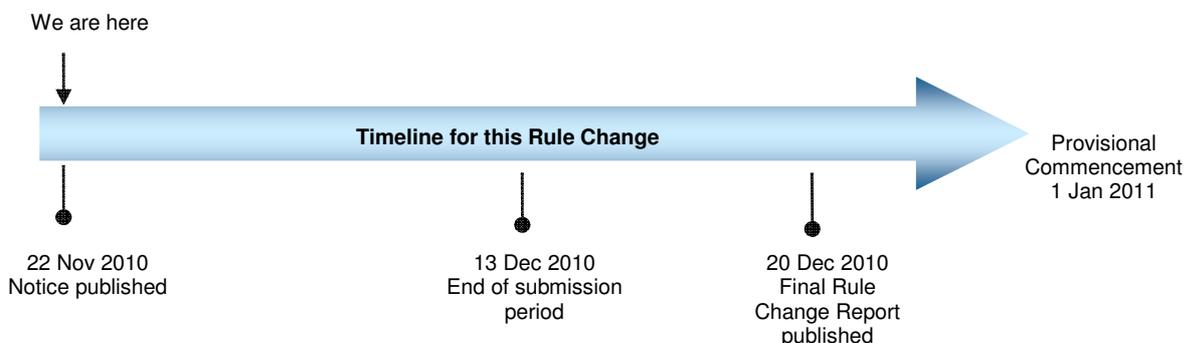
*(a) is of a minor or procedural nature; or*

*(b) is required to correct a manifest error; or*

*(c) is urgently required and is essential for the safe, effective and reliable operation of the market or the SWIS.*

In particular, the IMO submits in its Rule Change Proposal that it will correct a manifest error which results in the provision of Commissioning Test information not being able to be used for the purpose intended in the original Rule Change Proposal.

The projected timeline for processing this proposal is:



## 3. CALL FOR SUBMISSIONS

Any Rule Participant wishing to be consulted regarding this Rule Change Proposal is invited to notify the IMO within 5 Business Days of this notice being published (**29 November 2010**).

The consultation period is 15 Business Days from the publication date of this Rule Change Notice. Submissions must be delivered to the IMO by 5.00pm on **Monday, 13 December 2010**.

The IMO prefers to receive submissions by email to [market.development@imowa.com.au](mailto:market.development@imowa.com.au) using the submission form available on the IMO website: <http://www.imowa.com.au/rule-changes>

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

Independent Market Operator  
Attn: General Manager Development  
PO Box 7096  
Cloisters Square, Perth, WA 6850  
Fax: (08) 9254 4399

#### 4. PROPOSED AMENDING RULES

The IMO proposes the following amendments to the Market Rules (~~deleted text~~, added text):

3.21A.16. By ~~4.30pm~~ 7.30am each day System Management must provide the IMO with the information submitted under clause 3.21A.4 ~~and for Commissioning Tests approved under clause 3.21A.9 relating to the next Scheduling Day for Commissioning Tests approved under clause 3.21A.9.~~ for the Trading Day following the current Scheduling Day.

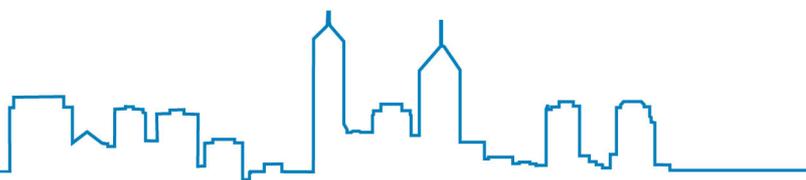
#### 5. ABOUT RULE CHANGE PROPOSALS

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

