

## RC\_2012\_19: Constrained On/Off Compensation for Non-Scheduled Generators

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### Submitted by

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<b>Date submitted:</b>	7 December 2012

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### Submission

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

Community Electricity supports the Rule Change Proposal on the grounds that it corrects a manifest error.

In particular we support the principles that:

- a) Constrained-operation payments should only apply when a Facility is dispatched out-of-merit.
- b) Constrained-operation payments should not occur as a result of discrepancies between SCADA and Metering measurements of the same quantity.

Community also supports application of the Fast Track procedure to correct the manifest error.

We also note the IMO's comments that:

- During the first 2 months of the Balancing Market Non-Scheduled Generators have been charged a total of \$470,500 in spurious constrained-operation charges and received \$21,600;
- Subsequent charges of \$1.3 million and receipts of \$550,000 were avoided by the IMO adjusting the relevant Facility's Settlement Tolerance in breach of the Market Rules.

We support and congratulate the IMO on placing the spirit of the Market Rules ahead of their letter, and acting expeditiously to prevent perverse and potentially grave commercial outcomes.

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**3. Please provide an assessment, whether the change will better facilitate the achievement of the Market Objectives**

Community considers that the Rule Change improves the integrity of the Market Rules by correcting a manifest error. It also supports Market Objectives A (efficient electricity prices), C (removal of discrimination) and D (minimum long term cost of electricity) by removing spurious costs and payments.

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**4. 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**

The proposal has no implications for Community.

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

Not applicable

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