



INDEPENDENT
MARKET
OPERATOR

Wholesale Electricity Market Submission to Rule Change Proposal

RC_2013_15 Outage Planning Phase 2 – Outage Process Refinements

Submitted by

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Submission

Submissions for Rule Changes should be submitted to:

Independent Market Operator

Attn: Group Manager, Development and Capacity
PO Box 7096
Cloisters Square, Perth, WA 6850
Fax: (08) 9254 4399
Email: market.development@imowa.com.au

- Please provide your views on the proposal, including any objections or suggested revisions.**
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Issue 6: Clarifications of requirements for Balancing Facilities

RC Proposal Quote

The IMO proposes to add new clauses 7A.2.8A and 7A.2A.1 to clarify that for non-VEBP Balancing Facilities:

- *a Market Participant must, for each of its Balancing Facilities and for each Trading Interval in the Balancing Horizon, use its best endeavours to ensure that, at all times, any of the Facility's capacity that is:*
 - *subject to an approved Planned Outage; or*
 - *subject to an outstanding request for approval of a Planned Outage,*
is declared as unavailable in the Balancing Submission for the Facility and the Trading Interval, unless the Balancing Facility is undertaking a Commissioning Test in that Trading Interval;

RC Proposal UnQuote

ERM Comments:

To the extent that a unit returns to service prior to the end of the Planned Outage then its capacity should be allowed to return to the BMO as available. ERM suggests amending the clause to the following:

is declared as unavailable in the Balancing Submission for the Facility and the Trading Interval, unless the Balancing Facility is undertaking a Commissioning Test in that Trading Interval or has returned to service earlier than the end time of the Planned Outage;

Issue 9: Prohibition on Opportunistic Maintenance Outages spanning two Trading Days; and

Issue 11: Restrictions on the timeframes for making consecutive Opportunistic Maintenance requests

All operators would prefer to plan outages well in advance by using techniques of predictive maintenance, however, there are often unforeseen plant issues which arise for which a clear root cause and effect cannot be entirely established at the time.

From an operations perspective this becomes an asset risk management issue. "When will the equipment fail and what is the direct and secondary consequence of failure?"

The restrictions on the Opportunistic Maintenance timeframes become an unnecessary input to this risk management assessment.

To the extent System Management can clearly approve an outage based on the reserve margin, the opportunity to take the outage should be approved and in so doing provide the operator with the greatest level of flexibility.

ERM acknowledges that the proposed rule change improves the current outage planning timing by allowing 24 hrs, however, it does not completely address the issue.

ERM proposes that there should be no gap between Opportunistic Maintenance and a Pre-accepted Planned Outage. ERM understands the IMO's concerns regarding participants

providing advance notice of outages to the market and avoiding forced outage status, however, this is a concern that should be considered as secondary to the intent of finding opportune times to do maintenance works.

It should be possible to establish a set of criteria for detecting and incentives for discouraging behaviour of participants blatantly abusing the Opportunistic Maintenance either as a means of avoiding forced outage status or for ongoing reactive as opposed to pro-active well planned preventative maintenance.

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

Eliminating the gap between Opportunistic Maintenance and Planned Outages will better achieve Market Objective (a) *to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system*;

by allowing Market Generators to address emergent plant issues as soon as possible as opposed to having Rules creating unnecessary commercial inputs to the risk management decision making process. The proposed limit of 24hrs outage duration contributes to shorter term multiple fixes which increases the total plant downtime (steam cycle cooling) and does not promote reliable production.

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.

N/A

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

N/A
