

Call for Further Submissions: Formalisation of the Process for Maintenance Applications (RC_2015_03)

Standard Rule Change Process

23 October 2018

1. Background

On 27 March 2015, the Independent Market Operator (**IMO**) submitted a Rule Change Proposal titled "Formalisation of the Process for Maintenance Applications" (RC 2015_03).

The proposal relates to AEMO's¹ determination of Relevant Demand of a Demand Side Programme (**DSP**) and a Load's status as a Non-Temperature Dependent Load (**NTDL**). The Market Rules allow a Market Customer to provide evidence to AEMO that a Load reduced its consumption at the request of System Management or due to 'maintenance' during one or more Trading Intervals² (hereafter referred to as a consumption deviation application).

The primary objective of the Rule Change Proposal was to formalise and prescribe a process in the Market Rules for consumption deviation applications, including introducing a head of power for AEMO to document the process in a Market Procedure, and to introduce an Application Fee for submitting a consumption deviation application.

The first submission period was between 30 March 2015 and 13 May 2015. Submissions were received from Community Electricity, EnerNOC and Perth Energy. Generally, the submissions expressed support for the proposed Amending Rules for reasons including that the proposed changes are consistent with a user-pays principle, clarify and formalise the relevant process, and give guidance on consumption deviation applications to Market Customers.³

The IMO delayed its draft decision on the Rule Change Proposal due to uncertainties associated with the Minister's Electricity Market Review. In May 2015, the Minister asked the IMO to exercise its discretion under clause 2.5.10 of the Market Rules to extend the normal timeframes for processing all Rule Change Proposals in progress (except for those proposals relating to the deferral of Reserve Capacity Cycles) until the new rule change approval body was established as part of the Electricity Market Review reforms.

The rule making functions of the IMO were transferred to the Rule Change Panel on 26 November 2016, and the Rule Change Panel commenced its rule making functions on 3 April 2017.

On 10 April 2017, the Rule Change Panel extended the timeframe for publication of the Draft Rule Change Report until 29 December 2017, to allow the Rule Change Panel sufficient time to assess the Draft Rule Change Report against the recent changes to the Market Rules and the Government's further reform announcements.

On 21 December 2017, the Rule Change Panel further extended the timeframe for the publication of the Draft Rule Change Proposal until 31 December 2018 to allow the Rule Change Panel sufficient time to assess the Draft Rule Change Report against the recent changes to the Market Rules while managing competing priorities of other Rule Change Proposals.

Perth Energy did not support the Amending Rules in so far as they apply to DSPs on the basis that, in its view, DSPs don't provide a capacity product equivalent to that provided by conventional generators. EnerNOC supported the proposal but expressed several concerns, including the requirement in proposed Amending Rule 4.26.2CB(a)(ii)(2) that the reduced level of consumption must be "solely" attributable to maintenance, the meaning of some of the wording used in the proposed Amending Rules, and the timeframe for submitting a consumption deviation application. The Rule Change Panel will address these matters in the Draft Rule Change Report.



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The determination of Relevant Demand of a DSP and a Load's status as a NTDL was made by the IMO at the time the proposal was submitted.

The methodology for determining the Relevant Demand of a DSP has changed since the proposal was submitted and is now determined in accordance with clause 4.26.2CA and Appendix 10 of the Market Rules.

The Rule Change Panel and AEMO have assessed the changes proposed in RC_2015_03 against the changes to the Market Rules that have been made by the Minister for Energy and the Rule Change Panel since RC_2015_03 was submitted. The Rule Change Panel considers that the changes proposed in RC_2015_03, if amended to reflect the current Market Rules,⁴ are still valid to be considered via the rule change process.

2. Call for Further Submissions

The Rule Change Panel seeks further submissions on the Rule Change Proposal RC_2015_03 on the basis that a significant period of time has passed since the IMO consulted on this Rule Change Proposal, during which the Market Rules have undergone numerous changes.

The Rule Change Panel invites interested stakeholders to make submissions on this Rule Change Proposal. The further submission period is 15 Business Days from the publication of this notice. Submissions must be delivered to the Rule Change Panel by **5:00 pm on Tuesday 13 November 2018**.

The Rule Change Panel prefers to receive submissions by email, using the submission form available at https://www.erawa.com.au/rule-change-panel/make-a-rule-change-submission sent to support@rcpwa.com.au.

Submissions may also be sent to the Rule Change Panel by post, addressed to:

Rule Change Panel Attn: Executive Officer C/o Economic Regulation Authority PO Box 8469 PERTH BC WA 6849

3. Overview of Proposed Changes

Rule Change Proposal RC_2015_03 sought to:

- formalise the process for consumption deviation applications to give Market Customers more certainty, and to make the process more efficient in determining the Relevant Demand for a DSP and the NTDL status of a Load;
- introduce an Application Fee payable by a Market Customer to AEMO for each submitted consumption deviation application to cover the cost of processing the consumption deviation application;⁵
- introduce a head of power in the Market Rules for a Market Procedure to be developed by AEMO to formalise the process for consumption deviation applications, including:
 - the process a Market Customer and AEMO must follow;
 - the information and supporting evidence that a Market Customer must provide to AEMO; and
 - the criteria that AEMO must follow when deciding whether to accept or reject a consumption deviation application;

The IMO indicated at the time of submitting RC_2015_03 that the fee would be \$150, and AEMO proposes to keep the fee at that level.



Such as the transfer of functions from the IMO to AEMO.

- introduce timeframes by which consumption deviation applications must be submitted to AEMO; and
- improve the clarity of the Market Rules by improving the drafting (where applicable), and streamlining the process to reflect the logical sequence of a consumption deviation application.

Full details relating to the Rule Change Proposal are available on the Rule Change Panel's website at https://www.erawa.com.au/rule-change-panel/market-rule-changes/rule-change-rc_2015_03.

4. Assessment against Recent Changes to the Market Rules

The Rule Change Panel and AEMO have assessed the changes proposed in RC_2015_03 against the changes that have been made to the Market Rules since the proposal was submitted. The Rule Change Panel considers that the changes proposed in RC_2015_03 are still valid to be considered via the Standard Rule Change Process. However, the Rule Change Panel wishes to update the proposal with respect to the current volume of consumption deviation applications being submitted to AEMO.

Rule Change Proposal RC_2015_03 refers to the following volume of consumption deviation applications:

- the IMO received 240 consumption deviation applications from DSP providers for the 2013/14 Capacity Year, and 91 for the 2014/15 Capacity Year;⁶ and
- at or around the time RC_2015_03 was submitted, the IMO received 18 applications for an annual assessment and 35 applications for a monthly assessment of a Load's NTDL status.

AEMO has confirmed that, since the time RC_2015_03 was submitted:

- there has been a significant decline in the volume of consumption deviation applications submitted by Market Customers for DSPs, to three for the 2017/18 Capacity Year; and
- the number of consumption deviation applications for NTDLs for the 2017/18 Capacity Year was 24 for applications assessed on an annual basis, and 35 for applications assessed on a monthly basis.

The significant decrease in consumption deviation applications for DSPs is likely due to one (or more) of the following reasons.

- After the recent reforms to the Reserve Capacity Mechanism, there has been a
 significant reduction in the number of registered DSPs. At the time RC_2015_03 was
 submitted, DSPs' share of the Capacity Credits assigned in the Wholesale Electricity
 Market was 9% (523.7 MW). In September 2018, DSPs' share had reduced to 1.4%
 (69.1 MW).
- On or about 21 September 2015, the IMO issued a guideline for "Consumption Deviation Application for Demand Side Programmes". The guideline describes:
 - the processes that Market Customers must follow when submitting a consumption deviation application, including the required evidence in support of the application; and

The IMO rejected approximately half of the consumption deviation applications submitted for the 2013/14 Capacity Year, and approximately two thirds of the applications for the 2014/15 Capacity Year.



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- the processes AEMO will follow in processing a consumption deviation application, including the criteria it will consider when deciding to accept or reject a consumption deviation application.
- The clarity provided in this guideline may have deterred Market Customers from submitting a consumption deviation application where it was likely to be rejected by AEMO, having regard to the guideline.
- Market Customers being deterred from submitting a consumption deviation application that is similar to a previously rejected consumption deviation application.

Even though there has been a reduction in the volume of consumption deviation applications since RC_2015_03 was submitted, the Rule Change Panel considers that:

- introducing an Application Fee may still be appropriate on the basis that the causer and beneficiary of a consumption deviation application should pay AEMO's costs of assessing a consumption deviation application;
- there may be a benefit in documenting the process for consumption deviation applications in a Market Procedure, as Market Procedures are recognised under the Market Rules (and the relevant parties are required to comply with them⁷), whereas guidelines are not recognised under the Market Rules; and
- it may be beneficial, and not unreasonable, to future-proof the Market Rules on the basis that, if there is an increase in the number of registered DSPs in the Wholesale Electricity Market, the volume of consumption deviation applications could rise.

AEMO estimates its implementation costs associated with the proposed Amending Rules should not exceed \$20,000. However, no system changes are required.

MAC Consultation

Rule Change Proposal RC_2015_03 was discussed with the MAC on 18 March 2015 as a Pre-Rule Change Proposal. MAC members agreed for the proposal to be progressed via the Standard Rule Change Process. The proposal has not been discussed with the MAC since then.

5. Proposed Amending Rules

To assist stakeholders in preparing their submissions, RCP Support has prepared the following revisions to the proposed Amending Rules to reflect the changes to the Market Rules since the publication of the Rule Change Proposal, including clarifications in comment boxes.

Please note that these amendments are purely indicative at this time, and may be subject to change in the Draft Rule Change Report.

The changes made to the Market Rules that affect the proposal are described below.

• The proposed amendments to clauses 4.28.8, 4.28.8C(a), 4.28.9C and Appendix 5A have been made to those clauses as they appear in the Amending Rules in RC_2017_06: Reduction of the prudential exposure in the Reserve Capacity Mechanism. The Amending Rules in RC_2017_06 have been approved by the Rule Change Panel and will commence on 1 June 2019. These changes are identified in comment boxes in the proposed Amending Rules.

⁷ Clauses 2.9.7 to 2.9.8 of the Market Rules.



- Multiple clauses have been amended to reflect the transfer of functions from the IMO to AEMO since the proposal was submitted. These changes are identified in comment boxes in the proposed Amending Rules.
- Clause 4.26.2C has been deleted since the proposal was submitted. Therefore, except for the proposed amendment to clause 4.26.2C(b)(iii), the proposed amendments to this clause are no longer applicable. The proposed amendment to clause 4.26.2C(b)(iii) is now required to step 2(c) of Appendix 10.
- Clause 4.26.2CA has been amended since the proposal was submitted, including further amendments to the clause by RC_2017_06. The proposed amendments to the clause are no longer applicable.
- New clause 4.26.2CB has been amended to:
 - reflect the transfer of the matters dealt with in deleted clause 4.26.2C to clause
 4.26.2CA and Appendix 10 (i.e. the calculation of the value of Relevant Demand for a DSP); and
 - correct an oversight in the initial proposed Amending Rules in that a Market Customer should be able to submit a Consumption Deviation Application in any Trading Interval in the previous Capacity Year.
- New clause 4.26.2CD has been amended to reflect the transfer of the matters dealt with in deleted clause 4.26.2C to clause 4.26.2CA and Appendix 10 (i.e. the calculation of the value of Relevant Demand for a DSP).
- The proposed amendments to clause 4.28.8(a) are to make the clause consistent with RC_2017_06.
- Clause 4.28.8C(a) in RC_2017_06 has been amended to make the clause consistent with clause 4.28.8(a) and steps 1 and 2 of Appendix 5A in this proposal.
- Clause 4.28.9A has been amended to reflect the introduction of clause 4.28.8C(a) by RC_2017_06.
- Clause 4.28.9C has been amended to reflect:
 - the replacement of the concepts of initial and updated Individual Reserve Capacity Requirement with the concept of a monthly Individual Reserve Capacity Requirement in RC 2017 06; and
 - the timing for AEMO to publish the Indicative Individual Reserve Capacity Requirement for each Market Customer in RC_2017_06.
- Appendix 5A has been amended to reflect:
 - the Appendix in the Amending Rules RC_2017_06 which will commence on 1 June 2019;
 - drafting changes to the first bullet point in steps 1 and 2 to ensure the proposed amendments are consistent with RC_2017_06; and
 - drafting changes to paragraphs (a) and (b) in step 3 to ensure the two paragraphs are consistent with each other and to address a grammatical oversight.

The proposed Amending Rules in RC_2015_03 sought to replace the numeral "4" with the word "four" in the phrase "4 Peak SWIS Trading Intervals" in each place it appeared in Appendix 5A. For consistency with the Amending Rules in RC_2017_06, the amendments

are no longer proposed on the basis that RC_2017_06 introduces a definition for "4 Peak SWIS Trading Intervals" in the Glossary at Chapter 11, and contains 21 references to "4 Peak SWIS Trading Intervals". The Amending Rules in RC_2015_03 contains five references to the now defined term. Therefore, it is proposed that the Amending Rules that contain the relevant term in RC_2015_03 are drafted to be consistent with RC_2017_06 (instead of the other way around).

- The proposed amendments to Appendix 10 are to reflect the proposed amendments to deleted clause 4.26.2C(b)(iii), which now apply to step 2(c) of Appendix 10.
- The following minor oversights in the proposed Amending Rules have been rectified:
 - o in clause 2.24.1, there was a full stop before "CB" in the reference to clause 4.26.2CB(b);
 - o at step 3(b) of Appendix 5A, the comma after "n-3" in the last line of the first paragraph was not marked up; and
 - a grammatical error in the proposed new definition of Consumption Deviation
 Application in the Glossary at Chapter 11.

The revised proposed Amending Rules are presented below in their entirety, marked up against the Market Rules as at 1 September 2018 and the Amending Rules in RC_2017_06 which will commence on 1 June 2019 (deleted text, added text).

If the Amending Rules are approved by the Rule Change Panel (subject to any changes that may be made to them in the Draft Rule Change Report, and the Minister's approval), the Amending Rules in RC_2015_03 will commence after the Amending Rules in RC_2017_06 have commenced.

2.24.1. The fees charged by AEMO are:

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(b) Application Fees described in clauses 2.33.1(a), 2.33.2(a), 2.33.3(a), 2.33.4(a), 2.33.5(a) and 4.9.3(c), 4.26.2-CB(b) and 4.28.9B; and

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Clause 4.26.2C has been deleted since the proposal was submitted. Therefore, the proposed amendments to this clause are no longer applicable, except for the proposed amendment to clause 4.26.2C(b)(iii) which now applies to step 2(c) of Appendix 10.

4.26.2C. [Blank]

Clause 4.26.2CA has changed since the proposal was submitted, including further amendments to the clause in RC_2017_06 which will commence on 1 June 2019. The proposed amendments are no longer applicable to this clause.

- 4.26.2CA. The Relevant Demand of a Demand Side Programme for a Trading Day d in a Capacity Year is the lesser of:
 - (a) a value determined for the Demand Side Programme using the methodology set out in Appendix 10; and
 - (b) the sum of Individual Reserve Capacity Requirement Contributions of the Associated Loads of the Demand Side Programme for the Trading Month in which Trading Day d falls.

Amended proposed changes to clause 4.26.2CB are to:

- reflect the transfer of the matters dealt with in deleted clause 4.26.2C to clause 4.26.2CA and Appendix 10;
- correct an oversight in the initial proposed Amending Rules in that a Market Customer should be able to submit a Consumption Deviation Application in any Trading Interval in the previous Capacity Year; and
- reflect the transfer of functions from the IMO to AEMO since the proposal was submitted.

4.26.2CB. For the purposes of step 2(c) of Appendix 10:

(a) a Market Customer may submit a Consumption Deviation Application to

AEMO in accordance with the Market Procedure referred to in clause

4.26.2CD, in respect of an Associated Load for the previous Capacity Year, if:

- i. the level of consumption of the Associated Load was reduced in a Trading Interval; and
- ii. the Market Customer considers that the reduced level of consumption was solely attributable to:
 - a Dispatch Instruction received from System Management;
 or
 - 2. maintenance;
- (b) a Market Customer must pay an Application Fee for each Consumption

 Deviation Application submitted under clause 4.26.2CB(a) to cover the cost of processing the application; and
- (c) AEMO must accept or reject the Consumption Deviation Application in accordance with the Market Procedure referred to in clause 4.26.2CD.

4.26.2CC.A Consumption Deviation Application submitted under clause 4.26.2CB(a) must:

- (a) be submitted as soon as practicable but, in any event, on or before 31

 October in the Capacity Year to which the Relevant Demand applies; and
- (b) contain, or be accompanied by, the information specified in the Market Procedure referred to in clause 4.26.2CD.

Amended proposed changes to clause 4.26.2CD are to reflect:

- the transfer of the matters dealt with in deleted clause 4.26.2C to clause 4.26.2CA and Appendix 10; and
- the transfer of functions from the IMO to AEMO since the proposal was submitted.

4.26.2CD. AEMO must specify the following matters in a Market Procedure:

- (a) the process that a Market Customer must follow when submitting a

 Consumption Deviation Application for an Associated Load under clause
 4.26.2CB;
- (b) the information and supporting evidence that a Market Customer must provide in its Consumption Deviation Application;
- (c) the process that AEMO must follow when it receives a Consumption

 Deviation Application under clause 4.26.2CB;
- (d) the criteria that AEMO must consider when deciding whether to accept or reject a Consumption Deviation Application; and
- (e) the process that AEMO must follow when estimating what the consumption of an Associated Load would have been if it had not been reduced for the purposes of step 2(c) of Appendix 10.



Clause 4.28.8 reflects the clause as it appears in the Amending Rules in RC_2017_06 which will commence on 1 June 2019. The proposed amendments to 4.28.8(a) are to make the changes consistent with RC_2017_06.

- 4.28.8. To assist AEMO in determining Indicative Individual Reserve Capacity Requirements in accordance with clause 4.28.6 and Individual Reserve Capacity Requirements in accordance with clause 4.28.7 for the Capacity Year starting on 1 October of Year 3 of a Reserve Capacity Cycle, Market Customers must, by the date and time specified in clause 4.1.23, provide to AEMO:
 - the identity of all interval meters associated with that Market Customer which measure Loads that it nominates that the Market Customer wants AEMO to treat as Non-Temperature Dependent Loads;

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Clause 4.28.8C reflects the clause as it appears in the Amending Rules in RC_2017_06 which will commence on 1 June 2019 (where it is introduced as a new clause). Proposed additional changes to clause 4.28.8C(a) are to make the wording consistent with the proposed amendments to clause 4.28.8(a), steps 1 and 2 of Appendix 5A and RC_2017_06.

- 4.28.8C. Subject to clause 4.28.11, a Market Customer may provide to AEMO:
 - (a) the identity of additional interval meters (to those provided under clause 4.28.8) associated with the Market Customer which measure Loads that it nominates that the Market Customer wants AEMO to treat as Non-Temperature Dependent Loads for the remainder of the relevant Capacity Year; and

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Amended proposed changes to clause 4.28.9A are to reflect the introduction of new clause 4.28.8C by RC_2017_06 which will commence on 1 June 2019, and the transfer of functions from the IMO to AEMO since the proposal was submitted.

- 4.28.9A. A Market Customer may submit a Consumption Deviation Application to AEMO in accordance with the Market Procedure referred to in clause 4.28.9E, in respect of a Load that it has nominated as a Non-Temperature Dependent Load under clause 4.28.8(a) or 4.28.8C(a) and a Trading Interval, if:
 - (a) the level of consumption of the Load was reduced in the Trading Interval; and
 - (b) the Market Customer considers that the reduced level of consumption was solely attributable to:
 - i. the Trading Interval falling on a Trading Day that is not a Business

 Day; or



ii. maintenance.

4.28.9B. A Market Customer must pay an Application Fee for each Consumption Deviation

Application submitted under clause 4.28.9A to cover the cost of processing the application.

Amended proposed changes to clause 4.28.9C are to reflect:

- the clause as it appears in the Amending Rules in RC_2017_06 which will commence on 1 June 2019;
- the replacement of the concepts of initial and updated Individual Reserve Capacity Requirement with the concept of a monthly Individual Reserve Capacity Requirement in RC_2017_06;
- the timing for AEMO to publish the Indicative Individual Reserve Capacity Requirement for each Market Customer in RC_2017_06; and
- the transfer of functions from the IMO to AEMO since the proposal was submitted.

4.28.9C. A Consumption Deviation Application submitted under clause 4.28.9A must:

- (a) be submitted as soon as practicable, but in any event:
 - for an application that relates to the Individual Reserve Capacity
 Requirement for October in the relevant Capacity Year, must be submitted by the date and time specified in clause 4.1.23; and
 - ii. for an application that relates to the Individual Reserve Capacity
 Requirement for a Trading Month, other than October, in the
 relevant Capacity Year, must be submitted by the date and time
 specified in clause 4.28.8C; and
- (b) contain, or be accompanied by, the information specified in the Market Procedure referred to in clause 4.28.9E.

Amended proposed change to clause 4.28.9D is to reflect the transfer of functions from the IMO to AEMO since the proposal was submitted.

4.28.9D. AEMO must accept or reject a Consumption Deviation Application in accordance with the Market Procedure referred to in clause 4.28.9E.

Amended proposed changes to clause 4.28.9E are to reflect the transfer of functions from the IMO to AEMO since the proposal was submitted.

4.28.9E. AEMO must specify the following matters in a Market Procedure:

- (a) the process that a Market Customer must follow when submitting a Consumption Deviation Application for a Load under clause 4.28.9A;
- (b) the information and supporting evidence that a Market Customer must provide in its Consumption Deviation Application;
- (c) the process that AEMO must follow when it receives a Consumption

 Deviation Application under clause 4.28.9A; and
- (d) the criteria that AEMO must consider when deciding whether to accept or reject a Consumption Deviation Application.

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Amended proposed changes to the definition of "Consumption Deviation Application" are to correct a minor grammatical error in the drafting, and to reflect the transfer of functions from the IMO to AEMO since the proposal was submitted.

11 Glossary

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Consumption Deviation Application: An application submitted by a Market Customer to AEMO under clauses 4.26.2CB or 4.28.9A, notifying AEMO and providing evidence that the consumption of a Load was reduced.

Amended proposed changes to Appendix 5A are:

- to reflect the Appendix in the Amending Rules in RC_2017_06 which will commence on 1 June 2019;
- drafting changes to the first bullet point in steps 1 and 2 to ensure the amendments are consistent with RC_2017_06;
- drafting improvements to paragraphs (a) and (b) in step 3 to ensure the two
 paragraphs are consistent with each other and to address a grammatical oversight in
 each paragraph; and
- the transfer of functions from the IMO to AEMO since the proposal was submitted.

Appendix 5A: Non-Temperature Dependent Load Requirements

This Appendix specifies how AEMO must determine whether or not to accept a Load measured by an interval meter nominated in accordance with clauses 4.28.8(a) or 4.28.8C(a) as a Non-Temperature Dependent Load for the purposes of clause 4.28.9. This Appendix presents the method and requirements for accepting, in accordance with clause 4.28.9, a load measured by an interval meter nominated in accordance with clauses 4.28.8(a) or 4.28.8C(a) as a Non-Temperature Dependent Load.

For the purpose of this Appendix:

- AEMO_must use the current set of meter data (as at the time when it commences its calculations) the meter data to be used in any calculations is to be the most current set of meter data as at the time of commencing the calculations; and
- the 4 Peak SWIS Trading Intervals in a Trading Month are the 4 Peak SWIS
 Trading Intervals determined and published by AEMO under clause 4.1.23B for that Trading Month.

AEMO must perform the following steps (in sequential order) when determining whether or not-in deciding whether to accept, in accordance with clause 4.28.9, a ILoad measured by an interval meter nominated in accordance with clauses 4.28.8(a) or 4.28.8C(a) as a Non-Temperature Dependent Load for the purposes of clause 4.28.9:

Step 1:

- If, in accordance with clause 4.28.8(a), the Market Customer provides

 AEMO is provided by a Market Customer in Trading Month n-2 with the identity of an interval meter associated with that Market Customer which measures a Load that it nominates wants AEMO to treat as a Non-Temperature Dependent Load from Trading Month n; and
- If the identity of the interval meter is provided by the date and time specified in clause 4.1.23; and
- If the <u>L</u>oad was treated as a Non-Temperature Dependent Load in Trading Month n-8,

then AEMO must accept the #Load as a Non-Temperature Dependent Load if:

- the median value of the metered consumption for the-that-ll_oad, was-in-was-in-was-in-was-in-was-in-was-in-excess of 1.0 MWh, calculated for-over the set of Trading Intervals defined as the 4 Peak SWIS Trading Intervals in each of the Trading Months starting from the start of Trading Month n-11 to the end of Trading Month n-3, exceeded 1.0 MWh; and
- (b) the metered consumption for the ILoad did not deviate downwards from the median consumptionvalue in paragraph (a) by more than 10% for more than 10% of the time during the period from the start of Trading Month n-11 to the end of Trading Month n-3, except during Trading Intervals for whichwhere:
 - i. the <u>metered</u> consumption was 0 MWh; or
 - ii. AEMO has accepted a Consumption Deviation Application for the Load under clause 4.28.9D.consumption was reduced at the request of System Management; or
 - iii. evidence is provided by the Market Customer that the source of the consumption was operating at below capacity due to maintenance or a Saturday, Sunday or a public holiday throughout Western Australia.

Step 2:

If, in accordance with clauses 4.28.8(a) or 4.28.8C(a), the Market Customer provides AEMO is provided by a Market Customer in Trading Month n-2 with the identity of an interval meter associated with that Market Customer

- which measures a Load that it wants AEMO to treatnominates as a Non-Temperature Dependent Load from Trading Month n; and
- If the <u>|</u>Load <u>wasis</u> not treated as a Non-Temperature Dependent Load in Trading Month n-1; and
- If the <u>Load</u> was not treated as a Non-Temperature Dependent Load for any of the Trading Months in the Capacity Year in which Trading Month n falls,

then AEMO must accept the <u>↓</u>Load as a Non-Temperature Dependent Load for Trading Month n if:

- the median value of the metered consumption values for the the text of the 4 Peak SWIS Trading Intervals in Trading Month n-3 exceeded was in excess of 1.0 MWh; and
- (b) the metered consumption for the IL oad did not deviate downwards from the median consumption value in paragraph (a) by more than 10% for more than 10% of the time during Trading Month n-3, except during Trading Intervals for whichwhere:
 - i. the <u>metered</u> consumption was 0 MWh; or
 - ii AEMO has accepted a Consumption Deviation Application for the Load under clause 4.28.9D. consumption was reduced at the request of System Management; or
 - iii. evidence is provided by the Market Customer that the source of the consumption was operating at below capacity due to maintenance or a Saturday, Sunday or a public holiday throughout Western Australia.

Step 3:

- If a <u>Load</u> was not accepted under Step 1 as a Non-Temperature Dependent Load for Trading Month n; and
- If the <u>Load</u> was accepted under Step 2, or previously under this Step 3, as a Non-Temperature Dependent Load for Trading Month n-1,

then AEMO must accept the <u>Load</u> as a Non-Temperature Dependent Load for Trading Month n if:

- the median value of the metered consumption for theat Load was in excess of 1.0 MWh, calculated forever the set of Trading Intervals defined as the 4 Peak SWIS Trading Intervals in each of the Trading Months commencing at the start of the Trading Month for which metered consumption values werewas used by AEMO to accept the Load as a Non-Temperature Dependent Load under Step 2 to the end of Trading Month n-3, exceeded 1.0 MWh; and
- the metered consumption for the ILoad did not deviate downwards from the median consumption value in paragraph (a) by more than 10% for more than 10% of the time during the period from the start of the Trading Month for which metered consumption values were was used by AEMO to accept the ILoad as a Non-Temperature Dependent Load under Step 2 to the end of Trading Month n-3, except during Trading Intervals for which where:
 - i. the <u>metered</u> consumption was 0 MWh; or



- ii. AEMO has accepted a Consumption Deviation Application for the Load under clause 4.28.9D.consumption was reduced at the request of System Management; or
- iii. evidence is provided by the Market Customer that the source of the consumption was operating at below capacity due to maintenance or a Saturday, Sunday or a public holiday throughout Western Australia.

Step 4:

Otherwise, AEMO must treat a Load as a Temperature Dependent Load.

Amended proposed changes to Appendix 10 are to reflect:

- the proposed amendments to deleted clause 4.26.2C(b)(iii), which now apply to step 2(c) of Appendix 10; and
- the transfer of functions from the IMO to AEMO since the proposal was submitted.

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Appendix 10: Relevant Demand Determination

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Step 2

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(c) if a Market Customer provides evidence satisfactory to AEMO that the Associated Load was operating at below capacity due to its consumption being reduced at the request of System Management or because of maintenance, if AEMO has accepted a Consumption Deviation Application for the Associated Load under clause 4.26.2CB(c), AEMO's estimate of what the consumption of the Associated Load would have been if it had not been reduced.

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