



**Call for Further Submissions:
Outage Planning Phase 2 – Outage Process
Refinements (RC_2013_15)
Standard Rule Change Process**

11 December 2018

1. Background

On 24 December 2013, the Independent Market Operator (**IMO**) submitted a Rule Change Proposal titled “Outage Planning Phase 2 – Outage Process Refinements” (RC_2013_15). The Rule Change Proposal sought to implement several recommendations from the IMO’s first five year review of the outage planning process, as described in the Market Rules and supported by the Power System Operation Procedure (**PSOP**): Facility Outages; as well as some additional outage planning issues identified after the completion of the review.

The first submission period was held between 27 December 2013 and 4 March 2014. Submissions were received from Alinta Energy, Bluewaters Power, Community Electricity, ERM Power, Perth Energy, Synergy, System Management and Western Power.

The IMO delayed its draft decision on the Rule Change Proposal due to uncertainties associated with the Minister’s Electricity Market Review (**EMR**). 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 relating to the deferral of Reserve Capacity Cycles) until the new rule change approval body was established as part of the EMR reforms.

The rule making functions of the IMO were transferred to the Rule Change Panel on 26 November 2016. 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 it 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 Report until 31 December 2018.

2. Call for Further Submissions

The Rule Change Panel invites interested stakeholders to make further submissions on this Rule Change Proposal, on the basis that:

- a significant period of time has passed since the IMO consulted on the Rule Change Proposal, during which the Market Rules have undergone numerous changes; and
- stakeholders should be given an opportunity to provide feedback on some additional issues identified by the Rule Change Panel that affect the Rule Change Proposal before the development of the Draft Rule Change Report.

While the Rule Change Panel seeks submissions on all aspects of the Rule Change Proposal, it seeks stakeholders’ views on the questions raised in section 4 of this paper in particular.

The further submission period is 20 Business Days from the publication of this notice. Submissions must be delivered to the Rule Change Panel by **5:00 PM on Friday 11 January 2019**.

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

The purpose of this Rule Change Proposal (RC_2013_15) is to:

- clarify the obligations of Rule Participants around the outage planning process;
- provide greater flexibility for Rule Participants in outage planning; and
- improve the transparency and consistency of outage planning and Balancing Market processes.

The issues addressed in the Rule Change Proposal relate to:

- obligations to participate in the outage planning process;
- interactions between Planned Outages and Balancing Submissions;
- timelines for Planned Outages;
- availability criteria for the approval of Planned Outages; and
- a number of minor enhancements to improve the integrity and clarity of the outage planning provisions in the Market Rules.

Full details relating to the Rule Change Proposal are available on the Rule Change Panel's website at [Rule Change: RC 2013 15 - Economic Regulation Authority Western Australia](#). The following discussion assumes that the reader is familiar with the contents of the Rule Change Proposal, including the new defined terms presented in the proposed Amending Rules.

4. Issues Requiring Additional Consultation

The Rule Change Panel has assessed the changes proposed in the Rule Change Proposal against the changes that have been made to the Market Rules since the Rule Change Proposal was submitted. The Rule Change Panel considers that the changes proposed in the Rule Change Proposal, if amended to reflect the current Market Rules, are still valid to be considered via the rule change process.

However, the Rule Change Panel has identified several issues that warrant additional consultation. A discussion of these issues, including specific matters on which the Rule Change Panel is seeking stakeholder input, is provided in sections 4.1 to 4.4 of this call for further submissions.

The following factors have contributed to the identification of these issues.

Energy Market Operations and Processes (EMOP) project: The scope of the EMR's EMOP project included revising the Wholesale Electricity Market (WEM) outage scheduling processes to support proposed reforms to the real-time energy market. The EMOP project team worked with a group of industry representatives (**EMOP Consultation Group**) on a straw man proposal for outage scheduling in workshops held between 31 October 2016 and

27 February 2017. The work took the reforms proposed in this Rule Change Proposal as a starting point, and identified several issues with, and potential enhancements to those reforms.

Many of the changes proposed by the EMOP project are either outside the scope of this Rule Change Proposal or require material system changes that are unlikely to be justified before the implementation of the WEM Reform Program in 2022. However, a few of the simpler refinements have been included in this call for further submissions.

Interpretation of “removal from service”: Clause 3.18.4A of the Market Rules defines an Outage Plan as:

“a proposal submitted to System Management in accordance with this clause 3.18 by a Market Participant or Network Operator in which permission is sought from System Management for the scheduling of the removal from service (or derating) of an item of equipment”. [emphasis added]

In early 2017, Bluewaters Power 2 Pty Ltd (**Bluewaters**) sought a declaration from the Supreme Court of Western Australia to require AEMO to evaluate an Outage Plan submitted for a Facility that had tripped and was still out of service.

The Supreme Court’s decision (**Bluewaters decision**),¹ which was delivered on 13 April 2017, rejected Bluewaters’ action. The Supreme Court concluded that an item of equipment could not be removed from service if it was already out of service, and so:

“a proposal submitted to System Management by a Market Participant in which permission is sought for the scheduling of the removal from service of an item of equipment is not a proposed Outage Plan as defined by clause 3.18.4A of the Market Rules if the item of equipment is out of service at the time the proposal is submitted and the Market Participant expects and intends that the item of equipment will remain out of service until the commencement of the proposed outage plan. The Market Rules do not require System Management to evaluate such a proposal as an Outage Plan.”

As discussed in sections 4.2.4 and 4.4.1 of this call for further submissions, the Bluewaters decision has highlighted a need for additional changes to the proposed Amending Rules for this Rule Change Proposal to allow the Rule Change Proposal to achieve its intended outcomes in relation to the undertaking of Commissioning Tests under a Planned Outage, and the availability requirements for Planned Outages and Planned Outage extensions.

Consultation on Rule Change Proposal: Administrative Improvements to the Outage Process (RC_2014_03): RC_2014_03 was submitted by the IMO to implement a range of administrative reforms that mostly affect the processes for Consequential and Forced Outages. RCP Support has discussed RC_2014_03 with stakeholders on several occasions, including:

- during updates on the proposal at the 13 September 2017, 13 December 2017 and 14 February 2018 Market Advisory Committee (**MAC**) meetings; and
- at a MAC workshop held on 17 January 2018 to discuss specific aspects of the proposal.

These discussions raised several issues, such as the need for a materiality threshold for Outages of Non-Scheduled Generators, which also affect Planned Outages and were

¹ Bluewaters Power 2 Pty Ltd –v- Australian Energy Market Operator Ltd [2017] WASC 98, available from: <https://ecourts.justice.wa.gov.au/eCourtsPortal/Decisions/ViewDecision?returnUrl=%2feCourtsPortal%2fDecisions%2fFilter%2fSC%2fCitationNumber&id=d6ad0c85-c57f-4a38-4825-8101001537ba>

therefore considered by the Rule Change Panel in the preparation of this call for further submissions.

Rule Change Proposal: Removal of Resource Plans and Dispatchable Loads

(RC_2014_06): RC_2014_06 includes changes to clarify the treatment of unavailable capacity in Balancing Submissions that are very similar, but not identical, to the corresponding changes proposed in this Rule Change Proposal (RC_2013_15). The variation between the two proposals is discussed in section 4.2.1 of this call for further submissions. The Final Rule Change Report for RC_2014_06 was published on 29 October 2018 and the Minister approved the Amending Rules on 26 November 2018.

MAC Workshops

The issues identified by the Rule Change Panel were discussed with interested stakeholders at two MAC workshops held on 17 September 2018 and 7 November 2018.² The feedback received during these workshops was taken into account in the preparation of this call for further submissions.

4.1 Obligations to Participate in the Outage Planning Process

This Rule Change Proposal proposes three changes to refine and clarify the obligations on Rule Participants to participate in the outage planning process:

- removal of the unnecessary requirement for Demand Side Programmes, Dispatchable Loads and Interruptible Loads holding Capacity Credits to be included in the Equipment List;
- amendment of clause 3.18.2(c)(i) to require the Equipment List to include “any part of a transmission system or distribution system (however defined by System Management) that could limit the output of a generation system included on the Equipment List”; and
- clarification of the requirement on Market Participants to request (or for Small Outage Facilities to report) a Planned Outage prior to undertaking discretionary maintenance on their Outage Facilities.

The Rule Change Panel has identified two additional related issues in the Market Rules that affect obligations to participate in the outage planning process. These issues are discussed in sections 4.1.1 and 4.1.2 below.

4.1.1 Obligations for Small Scheduled Generators with Capacity Credits

Background

Proposed clause³ 3.18.2(c)(ii) requires all Scheduled Generators and Non-Scheduled Generators with Capacity Credits and a Standing Data nameplate capacity of at least 10 MW to be included in the Equipment List. Smaller Scheduled Generators and Non-Scheduled Generators are classified as Small Outage Facilities under proposed clause 3.18.2A(a), unless AEMO determines under proposed clause 3.18.2(c)(v) that they must be included in the Equipment List and made subject to outage scheduling to maintain Power System Security and Power System Reliability.

² Workshop papers and minutes for the two workshops are available at [Rule Change: RC 2013 15 - Economic Regulation Authority Western Australia](#).

³ In this call for further submissions, ‘proposed clause’ means the clause as proposed in the Rule Change Proposal for RC_2013_15.

Issue

Proposed clause 3.18.2(c) does not require the inclusion of smaller Scheduled Generators holding Capacity Credits in the Equipment List, unless AEMO determines they are required under proposed clause 3.18.2(c)(v)⁴ to maintain Power System Security and Power System Reliability. Not including these Scheduled Generators in the Equipment List allows the relevant Market Generators to remove the Facilities from service at any time for maintenance, without the need for AEMO approval.

The typically high short run marginal costs of smaller Scheduled Generators,⁵ combined with the risk of exposure to Capacity Cost Refunds, may incentivise Market Generators to undertake maintenance on these Facilities at times of peak demand. This reduces the value of such Facilities as a source of reliable capacity compared with larger Scheduled Generators that need to have their Planned Outages approved by AEMO.

During the development of this Rule Change Proposal, most of the relevant Scheduled Generators were included in the Equipment List under clause 3.18.2(c)(iv), so the question of whether their inclusion on the Equipment List should be mandatory was not considered by the IMO in any detail.

The Rule Change Panel does not consider that any corresponding issue exists for small Non-Scheduled Generators holding Capacity Credits. This is because there is little incentive for Market Generators to remove Non-Scheduled Generators from service in peak demand periods, due to their low short run marginal costs and lack of exposure to Capacity Cost Refunds.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering further amendments to proposed clause 3.18.2(c)(ii) to require the inclusion of all Scheduled Generators holding Capacity Credits on the Equipment List, including those with a nameplate capacity of less than 10 MW.

The mandatory inclusion of smaller Generators with Capacity Credits was part of the straw man proposal for outage scheduling developed by the EMOP project in consultation with the EMOP Consultation Group.

The issue was also discussed at the 17 September 2018 MAC workshop on this Rule Change Proposal, where attendees generally supported the inclusion of smaller Scheduled Generators with Capacity Credits on the Equipment List.

The Rule Change Panel seeks feedback from stakeholders on:

1. Whether proposed clause 3.18.2(c)(ii) should be further amended to require the inclusion of all Scheduled Generators holding Capacity Credits on the Equipment List, not just those with a nameplate capacity of at least 10 MW.

4.1.2 Materiality Threshold for Non-Scheduled Generator Outages

Issue

Currently the Market Rules do not apply any materiality threshold to the requirement to request or report Non-Scheduled Generator Outages. This means, for example, that a

⁴ Note the Rule Change Proposal proposes to renumber the current clause 3.18.2(c)(iv), which allows AEMO to include items on the Equipment List to maintain Power System Security and Power System Reliability, to clause 3.18.2(c)(v).

⁵ All of the five Scheduled Generators currently in this category are diesel peaking units.

Market Generator with a Non-Scheduled Generator on the Equipment List is technically obliged to request a Planned Outage before removing a single wind turbine or inverter from service for maintenance.

In practice, it is normal for a small proportion of the turbines or inverters that comprise a Non-Scheduled Generator to be out of service for routine maintenance or repair at any time. Market Generators do not usually request or report outages for these small events, due to the large administrative burden this would impose. While AEMO has advised that it does not require information about such minor outages to manage the power system, the relevant Market Generators may still be technically in breach of the Market Rules.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering whether to further clarify the obligations for Non-Scheduled Generator Outage Facilities through the specification of a materiality threshold in the Market Rules.

The EMOP Consultation Group discussed the need for a materiality threshold in several workshops over 2016/17. The EMOP project proposed that a Market Generator should be required to request or report outages that reduce the available capacity of its Non-Scheduled Generator by an average MW quantity over a Trading Interval more than:

*minimum (0.2 * Facility's nameplate capacity, 6) MW.*

RCP Support has discussed the issue with MAC members and observers:

- during updates on the Rule Change Proposal RC_2014_03 at the 13 September 2017, 13 December 2017 and 14 February 2018 MAC meetings;
- at the MAC workshop for RC_2014_03 held on 17 January 2018; and
- at the first MAC workshop for this Rule Change Proposal held on 17 September 2018.

MAC members were generally supportive of the introduction of a materiality threshold and did not suggest any specific alternatives to the threshold proposed by the EMOP project. During the 17 September 2018 workshop, AEMO suggested that different thresholds might be appropriate for different intermittent generation types and it may be preferable to define the threshold(s) in a PSOP.

The Rule Change Panel seeks feedback from stakeholders on:

2. Whether the obligations on Non-Scheduled Generator Outage Facilities to request or report Outages should be further clarified through the specification of a materiality threshold; and
3. If so, whether a materiality threshold of *minimum(0.2 * Facility's nameplate capacity, 6) MW* should be adopted, or whether another threshold is preferable.

4.2 Interactions between Planned Outages and Balancing Submissions

This Rule Change Proposal proposes several changes to clarify the relationship between Planned Outages and Balancing Submissions, including changes to:

- clarify how any unavailable capacity of a Balancing Facility must be represented in Balancing Submissions;

- modify the deadline for approval of Planned Outages, to ensure that Market Generators have sufficient time to adjust their final Balancing Submissions to reflect the approval or rejection of any Planned Outage requests for their Facilities;
- clarify how capacity that is subject to a Planned Outage request should be reflected in Balancing Submissions; and
- clarify the obligations to report outages for capacity that is declared as unavailable in a Balancing Submission.

The Rule Change Panel has identified the following issues and potential refinements relating to the relationship between outages and Balancing Submissions.

4.2.1 Unavailable Quantity Requirement for Non-Scheduled Generator Balancing Submissions

Issue

Some ambiguity exists in the Market Rules around how any part of the capacity of a Balancing Facility that is not available for dispatch should be represented in a Balancing Submission. This Rule Change Proposal proposes several changes, including the addition of new clauses 7A.2.4A, 7A.2.4B and 7A.2.4C, to clearly specify how available and unavailable capacity should be reported in Balancing Submissions for Scheduled Generators, Non-Scheduled Generators and the Balancing Portfolio.

The Rule Change Proposal RC_2014_06⁶ proposed similar changes to the Market Rules. However, the requirements for Non-Scheduled Generators in RC_2014_06 differ from those in this Rule Change Proposal, in that RC_2014_06 explicitly requires the inclusion of a single Balancing Price-Quantity Pair and does not require a declaration of the MW quantity that will be unavailable for dispatch.

AEMO has advised RCP Support that it does not require information about unavailable capacity for Non-Scheduled Generators to be included in Balancing Submissions, as it has no impact on dispatch or Capacity Cost Refunds. Outage quantities for Non-Scheduled Generators will continue to be provided to AEMO through the normal outage processes and made available to stakeholders via the Market Web Site.

It therefore appears that the proposed requirement in this Rule Change Proposal for the declaration of an unavailable MW quantity in Non-Scheduled Generator Balancing Submissions would increase the administrative burden on Market Generators with Non-Scheduled Generators without providing any identified benefit.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering further amendments to proposed clause 7A.2.4B to remove the requirement for a declared MW quantity of unavailable capacity in Non-Scheduled Generator Balancing Submissions and align the drafting of the clause with the Amending Rules in RC_2014_06.

RCP Support discussed this issue with stakeholders at the first MAC workshop for this Rule Change Proposal on 17 September 2018, where attendees agreed that unavailable capacity details were not required in Non-Scheduled Generator Balancing Submissions.

⁶ The Minister approved the Amending Rules for RC_2014_06 on 26 November 2018.

The Rule Change Panel seeks feedback from stakeholders on:

4. Whether there is any need for the proposed requirement to include declared MW quantities of unavailable capacity in Balancing Submissions for Non-Scheduled Generators.

4.2.2 Treatment of Scheduled Generator Capacity without Capacity Credits

Proposed clause 7A.2A.1 states that a Market Generator must, as soon as practicable after Balancing Gate Closure for each Trading Interval, for each of its Balancing Facilities that is an Outage Facility, ensure that it has notified AEMO of a Forced Outage or Consequential Outage for any capacity declared unavailable in the Facility's Balancing Submission that:

- was not subject to an approved Planned Outage or Consequential Outage at Balancing Gate Closure for the Trading Interval; and
- is not attributable to a difference between the expected temperature at the site during the Trading Interval and the temperature at which the Sent Out Capacity of the Facility was determined.

Proposed clause 7A.2A.2 places a similar obligation on Synergy with respect to the Balancing Portfolio.

Under clause 4.12.1(c) of the Market Rules, a Market Generator holding Capacity Credits is obliged to make the associated capacity (excluding any capacity that is subject to an outage) available for dispatch. However, this obligation does not extend to capacity for which the Market Generator does not receive Capacity Credits, so it would appear that a Market Generator should have the option to make such capacity unavailable in its Balancing Submissions if it chooses.

As drafted, proposed clauses 7A.2A.1 and 7A.2A.2 require a Market Generator that chooses to make capacity for which the Market Generator does not receive Capacity Credits unavailable in its Balancing Submission to report a Forced Outage to AEMO. The Rule Change Panel considers that this may constitute an unwarranted administrative burden on Market Generators.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering whether to amend proposed clauses 7A.2A.1 and 7A.2A.2 to ensure that the obligations contained in those clauses only apply to capacity that is associated with Capacity Credits.

The potential changes were discussed at the 17 September 2018 MAC workshop. AEMO indicated that it used information about the availability of capacity that is not subject to Capacity Credits in its system planning functions. There was some discussion about whether AEMO should take the availability of generator capacity that is not subject to Reserve Capacity Obligations into account in determining reserve margins and making decisions on Planned Outage approvals. Attendees agreed that the issue should be raised in this call for further submissions.

It should be noted that no changes are proposed to the existing obligations on Market Generators to:

- submit Balancing Submissions for their Scheduled Generators and Non-Scheduled Generators;

- request (for Equipment List Facilities) or report (for Small Outage Facilities) Planned Outages before undertaking maintenance that would affect their Facility's ability to generate; and
- report Forced Outages for their Outage Facilities where the relevant capacity is physically unavailable for dispatch.

The Rule Change Panel seeks feedback from stakeholders on:

5. Whether a Market Generator should be obliged to request or report an outage if it is not undertaking maintenance on its Scheduled Generator but does not wish to offer some or all of the Facility's capacity that is not associated with Capacity Credits into the Balancing Market; and
6. Whether AEMO should take generator capacity that is not subject to Capacity Credits into account when determining reserve margins for Medium Term and Short Term PASA studies and evaluating Planned Outage requests.

4.2.3 Re-entry to Balancing Market after Planned Outage Recall or Late Rejection

Background

This Rule Change Proposal proposes new clauses 7A.2.9B and 7A.2.9C that clarify a Market Generator's Balancing Submission obligations in the event of a late rejection of a previously approved Planned Outage, or the recall of a Planned Outage that is underway. The proposed clauses require the Market Generator to update the relevant Balancing Submissions for any Trading Intervals in the Balancing Horizon for which Balancing Gate Closure has not yet occurred, to make the relevant capacity available for dispatch.

Issue

AEMO only rejects a previously approved Planned Outage late or recalls a Planned Outage that is underway if the relevant capacity is urgently required and the system is in a High-Risk Operating State or an Emergency Operating State. In such a situation, it may be necessary for AEMO to dispatch the affected Facility for a Trading Interval for which Balancing Gate Closure has already occurred.⁷

AEMO may dispatch capacity that is not declared as available in the relevant Balancing Submission under clauses 3.4.3, 3.4.4 and 3.5.5 of the Market Rules. However, in these cases the capacity would not be reflected in the Balancing Merit Order (**BMO**), which may lead to the following problems:

- the capacity would not be visible in the BMO which reduces transparency;
- the capacity would not be taken properly into account for the determination of the Balancing Price; and
- the capacity would only be paid at the Balancing Price, and would not be eligible for any constrained on compensation that it might have received if the capacity was included in the BMO.⁸

⁷ The ability to do this would depend on the Facility's ability to be dispatched in that timeframe, which may depend on parameters such as start-up times and recall times.

⁸ However, it is likely that the Balancing Price would be high in such a situation.

These problems would be largely resolved if AEMO was allowed in these circumstances to direct the Market Generator to re-enter the Balancing Market as soon as practicable, even if this is after Balancing Gate Closure.

The Rule Change Panel notes that in some circumstances a Market Generator that submits a Balancing Submission after its normal gate closure time is required to provide AEMO with written details of the reason for the late submission.⁹ The Rule Change Panel considers that no such obligation should apply in situations where the late submission is in response to a direction by AEMO to re-enter the Balancing Market early.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering additional changes to the proposed Amending Rules to allow AEMO, in the event of a late rejection or recall of a Planned Outage, to direct the Market Generator to re-enter the Balancing Market as soon as practicable, even if this is after the relevant Balancing Gate Closure. In these circumstances, the Market Generator would not be required to notify AEMO of why it changed its Balancing Submission after Balancing Gate Closure.

RCP Support discussed this issue with stakeholders at the first MAC workshop for this Rule Change Proposal on 17 September 2018. Attendees agreed that AEMO should be able to direct a Market Generator to re-enter the Balancing Market as soon as practicable in these circumstances, and that the Market Generator should not be required to provide any subsequent notification to AEMO to explain the late Balancing Submission.

The Rule Change Panel seeks feedback from stakeholders on:

7. Whether AEMO should be allowed, in the event of a late rejection or recall of an approved Planned Outage, to direct the Market Generator to return the relevant capacity to the Balancing Market as soon as practicable, even if this is after Balancing Gate Closure (noting that the Market Generator would not be required to provide any subsequent notification to AEMO to explain the late Balancing Submission).

4.2.4 Commissioning Tests and Outages

Issue

Proposed clause 7A.2.8A specifies that a Market Generator 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 Facility is undertaking a Commissioning Test in that Trading Interval.

The Rule Change Panel agrees with the exemption in proposed clause 7A.2.8A for Facilities that are undertaking a Commissioning Test. This is because Market Generators performing maintenance on their Facilities may need to undertake tests that involve synchronising to the grid and exporting energy before the Facility is returned to normal service. The Rule Change Panel considers that requiring a Market Generator to end its Planned Outage before

⁹ See clauses 7A.2.11 and 7A.2.12 of the Market Rules.

undertaking such a test is impractical and inefficient, as the Market Generator may want or need to carry out further maintenance work after the test.

However, based on its interpretation of the Bluewaters decision, AEMO has determined that a Commissioning Test cannot be undertaken under a Planned Outage. This is because a Market Generator that undertakes a Commissioning Test is required under the Market Rules to make Balancing Submissions at the relevant Price Caps to ensure it is dispatched by AEMO in accordance with the output levels in its Commissioning Test Plan. AEMO has determined that this constitutes a return to service, so the Facility cannot remain under a Planned Outage because it is no longer “removed from service” as required under clause 3.18.4A.

The ban on Commissioning Tests under Planned Outages is only recent, and AEMO has advised RCP Support that apart from the removal from service issue it has no concerns about Market Generators undertaking these tests under a Planned Outage.

Potential changes to the proposed Amending Rules

The Rule Change Panel expects to include an explicit clarification in the proposed Amending Rules for this Rule Change Proposal that a Market Generator may operate its Facility in accordance with an approved Commissioning Test Plan while under a Planned Outage.

The issue was discussed at the 17 September 2018 and 7 November 2018 MAC workshops for this Rule Change Proposal. Attendees at both workshops agreed that Market Generators should be allowed to undertake Commissioning Tests under a Planned Outage and that an explicit clarification to this effect should be included in the proposed Amending Rules.

The Rule Change Panel seeks feedback from stakeholders on:

8. Details of any stakeholder concerns about the inclusion of a clarification in the proposed Amending Rules for this Rule Change Proposal that a Market Generator may operate its Facility in accordance with an approved Commissioning Test while under a Planned Outage.

4.3 Timelines for Planned Outages

This Rule Change Proposal proposes several refinements to the timelines for Planned Outages. These include changes to:

- confirm that the deadline for submission of Scheduled Outage approval requests is 10:00 AM on the day two days prior to the Trading Day in which the proposed outage is due to commence (**TD-2**);
- remove the current prohibition on Opportunistic Maintenance outages spanning two Trading Days;
- allow Opportunistic Maintenance requests to be submitted at any time between 10:00 AM on TD-2 and 30 minutes before Balancing Gate Closure for the Trading Interval in which the requested outage is due to commence;
- require a 24 hour period to elapse between the end of one Opportunistic Maintenance outage for an Equipment List Facility and the start of the next; and
- align the notification deadlines for Planned Outages of Small Outage Facilities with the approval request deadlines for Planned Outages of corresponding duration for Equipment List Facilities.

The Rule Change Panel is considering some further consequential and related amendments, which are discussed in the remainder of this section 4.3, in response to feedback provided by various stakeholders.

4.3.1 Clarification of Requirements for Opportunistic Maintenance Requests

Background

Clause 3.19.2(b)(ii) of the Market Rules states that on-the-day Opportunistic Maintenance outages “must not require any changes in scheduled energy or ancillary services”. The proposed Amending Rules for this Rule Change Proposal, in merging the concepts of on-the-day and day-ahead Opportunistic Maintenance, have extended this requirement to apply to all Opportunistic Maintenance outages.

Issue

Before the implementation of the Balancing Market, Resource Plans and Verve Energy’s Dispatch Plan provided an effective energy schedule for each Trading Interval that could be used to test the compliance of an Opportunistic Maintenance request with clause 3.19.2(b)(ii). However, since the start of the Balancing Market in July 2012, the dispatch levels of Generators are determined in near-real time, making it unclear how the restriction in clause 3.19.2(b)(ii) should be applied.

The Rule Change Panel considers that the restriction may not be necessary for the following reasons:

- Proposed clause 7A.2.8A requires Market Generators (other than Synergy in respect of the Balancing Portfolio) to make any capacity that is subject to an approved Planned Outage or an outstanding Planned Outage request unavailable in their Balancing Submissions. This means that the relevant capacity will not appear in the Forecast BMOs that are used by AEMO and Market Participants to predict the eventual dispatch schedule.
- Facilities that are cleared for LFAS are required to offer the relevant capacity into the Balancing Market at the relevant Price Caps. This means the capacity cannot also be made unavailable in the Market Generator’s Balancing Submissions and therefore the Market Generator cannot not apply for Opportunistic Maintenance without breaching proposed clause 7A.2.8A.
- When considering approval of Planned Outage requests, AEMO is required under clause 3.19.6(b) to ensure that “the Facilities remaining in service must be capable of meeting the Ancillary Service Requirements”. This means that any request that compromises the provision of Ancillary Services should be rejected by AEMO.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering an additional change to the proposed Amending Rules to remove the restriction in clause 3.19.2(b)(ii) that Opportunistic Maintenance may only be requested if the outage does not require any changes in scheduled energy or Ancillary Services.

While AEMO noted the challenges of interpreting clause 3.19.2(b)(ii) at the 17 September 2018 MAC workshop, RCP Support has not yet consulted with the MAC on the proposed additional change.

The Rule Change Panel seeks feedback from stakeholders on:

9. Whether clause 3.19.2(b)(ii) should be deleted or otherwise amended.

4.3.2 Deadline for Approval or Rejection of a Scheduled Outage

Background

This Rule Change Proposal proposes new clause 3.19.4A to:

- set the deadline for approval of a Scheduled Outage or Opportunistic Maintenance request to 30 minutes before Balancing Gate Closure for the Trading Interval in which the outage is proposed to commence; and
- clarify that if AEMO has not approved a Planned Outage request by the deadline, the request is deemed to be rejected.

Issue

During the development of an outage scheduling straw man for the EMOP project, several EMOP Consultation Group members raised concerns that the 30-minute deadline proposed in this Rule Change Proposal would be too late to provide certainty about whether a Scheduled Outage would proceed. Considering that Scheduled Outages can be major events that are requested up to three years in advance, run for several months, and require complex arrangements for resourcing and bilateral cover, it may be inefficient to leave the confirmation of such outages until so late in the process.

The EMOP Consultation Group agreed that 2:00 PM on TD-2 was an appropriate deadline for approval of Scheduled Outages, as it provided a good balance between the need for certainty and the flexibility benefits of a later deadline.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering whether to make an additional change to the proposed Amending Rules to set the deadline for approval of Scheduled Outages to 2:00 PM on TD-2. The deadline for Opportunistic Maintenance would remain at 30 minutes before Balancing Gate Closure for the Trading Interval in which the outage is proposed to commence.

RCP Support raised this issue at the 17 September 2018 MAC workshop for this Rule Change Proposal. Attendees agreed that:

- the deadline proposed in this Rule Change Proposal for approving Planned Outages does not leave Market Generators sufficient time to make the necessary arrangements for commencing a Scheduled Outage; and
- 2:00 PM on TD-2 was an appropriate deadline for AEMO to approve Scheduled Outages.

The Rule Change Panel seeks feedback from stakeholders on:

10. What deadline should apply to the approval of Scheduled Outages.

4.3.3 Clarification of Obligation under Clause 3.19.4

Background

This Rule Change Proposal sets the deadline for approval or rejection of an Opportunistic Maintenance request to 30 minutes before Balancing Gate Closure for the Trading Interval in

which the outage is due to commence. The Rule Change Proposal does not however propose any change to the existing requirement under clause 3.19.4 for AEMO to either approve or reject a Scheduled Outage or Opportunistic Maintenance request and inform the relevant Rule Participant of its decision as soon as practicable.

Currently the PSOP: Facility Outages includes additional deadlines for the approval or rejection of outage requests that are submitted within particular timeframes. AEMO has advised stakeholders on several occasions, including the 17 September 2018 MAC workshop for this Rule Change Proposal, of its intention to continue to include these additional deadlines in the PSOP.

Issue

During the 17 September 2018 workshop there was some discussion about whether any further prescription or guidance should be included in the Market Rules around the practical application of clause 3.19.4. Attendees agreed that more specific deadlines should not be included in the Market Rules, but offered several other suggestions, including an extension of the heads of power for the PSOP: Facility Outages to include a requirement for additional detail about the application of the clause. Attendees also agreed that this question should be included in this call for further submissions.

The Rule Change Panel seeks feedback from stakeholders on:

11. What, if any, additional prescription or guidance should be included in the Market Rules around the practical application of clause 3.19.4.

4.4 Criteria for Approval of Planned Outages

Background

In this Rule Change Proposal the IMO proposed to strengthen and clarify the requirements relating to availability declarations for Planned Outages by adding:

- proposed clause 3.19.2B, which prohibits a Market Generator from requesting approval of a Planned Outage for a Scheduled Generator or Non-Scheduled Generator if the Market Generator does not expect in good faith that, if AEMO rejected the request, the capacity to which the request applies would be available for dispatch for the duration of the outage;
- proposed clause 3.18.2A(h), which imposes a similar requirement on Market Participants around notifications of Planned Outages for Small Outage Facilities; and
- proposed clause 3.19.2C, which requires a Market Generator with a Planned Outage request that has not yet been approved or rejected by AEMO to immediately notify AEMO and withdraw the request if it ceases to expect that the capacity would otherwise be available (e.g. in the event of a Forced Outage of the Facility).

Two exceptions (outlined in proposed clause 3.19.2D) were proposed:

- where the proposed Planned Outage will immediately follow a Scheduled Outage of the relevant capacity (i.e. the outage is effectively an extension of a Scheduled Outage); and
- where the Market Generator reasonably expects that the capacity would be subject to a Consequential Outage if the proposed Planned Outage did not proceed.

The IMO also proposed to replace clause 3.19.3A(c) with proposed clause 3.19.3B, which allows AEMO to decline to approve a Scheduled Outage or Opportunistic Maintenance

request for an Equipment List Facility where it considers that the capacity to which the request applies would not otherwise be available for dispatch for the duration of the proposed outage.

The intended implications of the proposed amendments are as follows.

- Generally there should be no requirement for Market Generators to provide written availability declarations to AEMO, as these would be implicit in the request for approval of the outage.
- If a Facility experiences a Forced Outage after a Planned Outage has been approved but before the outage commences, this this would not affect the status of the Planned Outage.
- A request for an extension of a Planned Outage will be managed as a request for a new, separate Planned Outage, and treated no differently from any other Planned Outage request except that the implicit availability declaration prescribed in proposed clause 3.19.2B is not required. The extension outage may be either a Scheduled Outage or an Opportunistic Maintenance outage.

Overview of availability declaration issues

The remainder of this section 4.4 deals with:

- three issues identified by the Rule Change Panel that, if not addressed, might prevent the availability declaration-related changes proposed in this Rule Change Proposal from achieving their original intent (sections 4.4.1 to 4.4.3);
- three concerns raised by stakeholders about the IMO's proposed availability declaration requirements in first period submissions and more recent discussions (sections 4.4.4 to 4.4.6);
- one additional issue identified by the Rule Change Panel regarding the need for additional safeguards against abuse of the new availability declaration arrangements (section 4.4.7); and
- the question of the extent to which the availability declaration provisions should apply to Equipment List Facilities other than Scheduled Generators and Non-Scheduled Generators, and in particular to items of Network equipment (section 4.4.8).

4.4.1 Interpretation of “Removal from Service”

Based on its interpretation of the Bluewaters decision, AEMO has advised stakeholders¹⁰ that for a Market Generator's Outage Plan or Opportunistic Maintenance request to be valid (and therefore capable of being approved as a Planned Outage), the Market Generator must have reasonable grounds to expect the Facility will be available for dispatch, or capable of being put into that state, immediately prior to the commencement of the proposed outage.

To ensure its compliance with the Market Rules AEMO intends to apply this test when:

- assessing Outage Plans under clause 3.18.11;
- reassessing Scheduled Outages under clause 3.18.13;
- approving Scheduled Outages or Opportunistic Maintenance requests; and

¹⁰ On several occasions, most recently through its proposed changes to the PSOP: Facility Outages in the Procedure Change Proposal AEPC_2018_04, available at [AEPC_2018_04: Facility Outages – Australian Energy Market Operator](#).

- deciding whether to reject previously approved Planned Outages after a change in power system conditions, as contemplated in clause 3.19.5.

The requirement for Facilities to always satisfy this test is inconsistent with the intent of this Rule Change Proposal to facilitate extensions of Scheduled Outages that overrun their original timeframe by relaxing the availability requirements for a Planned Outage that immediately follows a Scheduled Outage.

Additionally, the need to reapply the test after the approval of a Planned Outage if power system conditions change is inconsistent with the intent of this Rule Change Proposal to provide Rule Participants with as much certainty as possible that their Planned Outages will proceed, once approved.

Potential changes to the proposed Amending Rules

The Rule Change Panel expects that additional changes to the proposed Amending Rules will be needed to ensure the achievement of the intent of the availability declaration reforms in this Rule Change Proposal. These include changes to the clauses that relate Planned Outages to the removal from service of an item of equipment (clauses 3.18.4A, 3.18.7, 3.18.8 and 3.18.9), to clarify that the relevant capacity is not always required to be available immediately before the start of a Planned Outage.

The need to address this issue was discussed at the 7 November 2018 MAC workshop, where attendees were generally supportive of the proposed clarifications.

4.4.2 Obligations to Notify AEMO of Changes to Planned Outage Details

Currently the Market Rules only require Rule Participants to update AEMO about changes affecting a submitted Outage Plan in the following circumstances:

- where the Rule Participant no longer plans to remove from service, or de-rate, the relevant Facility or item of equipment for maintenance, it must inform AEMO as soon as practicable (clause 3.18.8); and
- where the Rule Participant intends to remove from service, or de-rate, the relevant Facility or item of equipment for maintenance at a different time than indicated in the Outage Plan, it must submit a revised Outage Plan to AEMO as soon as practicable (clause 3.18.9).

No update obligations of any kind are specified for Opportunistic Maintenance requests or reported Planned Outages of Small Outage Facilities.

This Rule Change Proposal proposes to mirror the existing update obligations for Planned Outages of Small Outage Facilities, but does not propose any further obligations for either Equipment List Facilities or Small Outage Facilities.

The lack of an explicit requirement for Rule Participants to notify AEMO of changes affecting their outage requests may compromise AEMO's ability to manage the power system, for example if it does not have accurate information about the quantity of de-rating or recall time for a Planned Outage. The Rule Change Proposal in its current form may increase this problem by removing the requirement for Rule Participants to withdraw their outage requests in some situations.

Potential changes to the proposed Amending Rules

The Rule Change Panel expects to make additional changes to the proposed Amending Rules to place a clear obligation on Rule Participants to update their Planned Outage request

details (or notification details for Small Outage Facilities) to reflect any relevant changes to the proposed Planned Outage.

The proposed additional changes were discussed and generally supported at the 7 November 2018 MAC workshop.

4.4.3 Implications of Outage Plan Changes

The Market Rules are also unclear about when a revised Outage Plan should be treated as a new Outage Plan for the purposes of assessment and prioritisation.

Clause 3.18.14 specifies the criteria AEMO must use when deciding which of multiple incompatible Outage Plans it should reject. Subject to the Outage Plan evaluation criteria in clause 3.18.11, clause 3.18.14(b) requires AEMO to give priority to Outage Plans that have previously been scheduled in AEMO's outage schedule, in the order in which they were entered into the schedule. For the purposes of this clause, an Outage Plan in the schedule that was revised in accordance with clause 3.18.9 (i.e. to specify a different time for the outage) is considered to have been entered into the schedule on the date the most recent revision of the Outage Plan was submitted under that clause.

This means that, for the purposes of prioritisation, any changes to the proposed outage times in an Outage Plan will result in that Outage Plan losing its position in the implicit outage schedule queue, effectively becoming a new Outage Plan. While this treatment may be appropriate for timing changes that shift the outage period outside its existing boundaries, it appears unnecessary and inappropriate for changes that reduce the duration of the outage while remaining within the existing outage period boundaries.

The Market Rules are silent on how changes to the details of an Opportunistic Maintenance request should affect its priority, consistent with the lack of any explicit requirement to report such changes to AEMO.

The intent of this Rule Change Proposal is that the status of an approved outage request should not be affected by later changes that alter the relevant capacity's availability for dispatch. For this reason, it will be necessary to clearly specify what types of revision to an outage request should be treated as the creation of a new outage request and so be subject to the same availability requirements as other new outage requests.

Potential changes to the proposed Amending Rules

The Rule Change Panel expects to make additional changes to the proposed Amending Rules to clarify what types of changes to an Outage Plan or Opportunistic Maintenance request should result in the outage request being treated as a new request for the purposes of assessment, prioritisation and obligations to meet the relevant availability requirements.

At this stage the Rule Change Panel is considering limiting the changes that would effectively create a new outage request to:

- changes to the timing of the outage that shift the outage period beyond its previous boundaries (i.e. so that the outage was to either start earlier or end later than previously); and
- a material increase in the quantity of de-rating.¹¹

¹¹ Note that minor changes to outage quantities may need to be allowed to avoid perverse consequences, for example where a major Scheduled Outage of a Generator loses its priority in the outage schedule because of a small change to its Maximum Sent Out Capacity after the acceptance of the Outage Plan.

The proposed additional changes were discussed and generally supported at the 7 November 2018 MAC workshop. Attendees did not identify any additional changes to an outage request that should cause the request to be treated as a new outage request.

The Rule Change Panel seeks feedback from stakeholders on:

12. What other changes to an Outage Plan or Opportunistic Maintenance request (in addition to the two changes listed above) should result in the revised outage request being treated as a new request for the purposes of assessment and prioritisation, including for the application of availability declaration requirements, if any.

4.4.4 Nature of the Availability Declaration Requirement

Proposed clause 3.19.2B specifies that a Market Generator must not request approval of a proposed Planned Outage for a Scheduled Generator or Non-Scheduled Generator if the Market Generator does not expect in good faith that, if AEMO were to reject the request, the capacity to which the request applies would be available for dispatch for the duration of the proposed Planned Outage.

Several Market Generators raised concerns in their first period submissions and in more recent forums¹² that the proposed obligation may be too onerous and lead to perverse outcomes. This is because:

- it may be impractical for a Market Generator to make a good faith declaration that its Facility will be available for a period that may be months or even years in advance; and
- a Market Generator that seeks a Planned Outage to investigate a potential issue and, if necessary, take corrective action, is acting efficiently and to the benefit of the market but may not be able to make the proposed availability declaration because of the possibility that the issue may be serious enough to cause a Forced Outage if left unattended.

The Rule Change Panel also notes that AEMO, the ERA and the Electricity Review Board may have some difficulty in assessing compliance with this obligation, due to the difficulty in knowing what a Market Generator's true expectation was of the likelihood of a Forced Outage during the proposed outage period.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering amendments to the proposed availability obligation to require that a Market Generator must not request a Planned Outage if it *is aware* that, if AEMO were to reject the request, the capacity to which the request applies would *not* be available for dispatch for the full duration of the proposed Planned Outage.¹³

The Rule Change Panel considers that the amended obligation:

- should be no less effective than the current proposal in preventing the use of Planned Outages to mask what should be Forced Outages;
- may provide a simpler test that makes it easier for Market Generators to ensure their compliance with the Market Rules;
- does not prevent a Market Generator from taking a Planned Outage to investigate a potential issue with its Facility; and

¹² Most recently during the workshop held by AEMO on 26 June 2018 to discuss outage issues.

¹³ The exact wording of the obligation is still under consideration.

- may simplify compliance monitoring and enforcement, by removing the need to draw conclusions about a Market Generator's thoughts regarding the likelihood of its Facility to suffer a Forced Outage during some future period.

The amended availability requirement would also apply to obligations to withdraw outage requests and the reporting of Planned Outages for Small Outage Facilities.

The Rule Change Panel is also considering corresponding amendments to allow (or potentially require) AEMO to reject an outage request if it *is aware* that the relevant capacity would not be otherwise available for dispatch for the full duration of the outage period.

The proposed changes were discussed and generally supported by attendees at the 7 November 2018 workshop.

The Rule Change Panel seeks feedback from stakeholders on:

13. Whether the changes to the proposed availability requirements for Planned Outages discussed in this section would lead to more efficient outcomes than the requirements proposed in the Rule Change Proposal; and
14. If the changes to the proposed availability requirements for Planned Outages discussed in this section were to be implemented, whether AEMO should be obliged (rather than just allowed) to reject an outage request if it is aware that the relevant capacity would not otherwise be available for the full duration of the outage period.

4.4.5 Availability Declaration Timeframes

In this Rule Change Proposal, the IMO proposed that once a Planned Outage is approved by AEMO, it does not need to be withdrawn or rejected because it ceases to meet the relevant availability requirement.

For example, if a Scheduled Generator with an approved Planned Outage experiences a Forced Outage, and the repairs cannot not be completed until after the start of the proposed Planned Outage period, then the Planned Outage will not be rejected for that reason and the Market Generator will not be liable for Capacity Cost Refunds during the Planned Outage period (although it may be liable for Capacity Cost Refunds before and/or after that outage period).

During a workshop held by AEMO on 26 June 2018 to discuss outage issues, some Market Generators raised concerns that the potential late approval of Scheduled Outages¹⁴ could lead to inefficient outcomes. For example, a Market Generator with a major Scheduled Outage, that was requested many months in advance, might have that outage rejected only days before its scheduled start due to the occurrence of a relatively minor Forced Outage that will affect the availability of the Facility beyond the start of the Planned Outage period. The late rejection of the Planned Outage would typically oblige the Market Generator to amend its plans and seek to return to service as soon as possible to avoid further Capacity Cost Refunds. This is unlikely to be an efficient outcome and would provide little or no benefit to the market.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering additional changes to the proposed Amending Rules to ensure that once an Outage Plan is accepted and included in AEMO's outage schedule,

¹⁴ At the time AEMO was proposing to delay the approval of all Scheduled Outages until two days before their commencement.

the Scheduled Outage no longer needs to be withdrawn or rejected because it ceases to meet the applicable availability requirement.¹⁵

The Rule Change Panel considers that this change:

- may prevent the inefficiencies that can result from the late rejection of a large Scheduled Outage; and
- would provide a strong incentive for Market Generators to submit their Outage Plans as early as possible, which would provide greater transparency to AEMO and other participants and support more efficient outage planning and coordination.

The potential changes were discussed and generally supported by attendees at the 7 November 2018 workshop.

The Rule Change Panel seeks feedback from stakeholders on:

15. Whether the point after which a Scheduled Outage no longer needs to be withdrawn or rejected because it ceases to meet the applicable availability requirement should be the point of first acceptance into AEMO's outage schedule or the point at which the Scheduled Outage is approved.

4.4.6 Ability to Start Work on a Scheduled Outage Early

This Rule Change Proposal proposes to relax the normal availability declaration requirement for a Planned Outage that immediately follows a Scheduled Outage.¹⁶ This is intended to allow a Market Participant to seek what is effectively an extension to its Scheduled Outage (subject to standard outage request timeframes) if its maintenance work has taken longer than expected and the relevant capacity might not be otherwise available for dispatch by the end of the Scheduled Outage.

Occasionally a Market Participant may be able to start a Scheduled Outage early, if the Facility is not needed for dispatch and the required equipment and personnel are available. However, the proposed Amending Rules may not allow a Market Participant to use an Opportunistic Maintenance outage to commence a Scheduled Outage a day earlier than originally planned. This is because:

- if AEMO rejected the Scheduled Outage after work commenced under the Opportunistic Maintenance outage, then it would be likely that the relevant capacity would not be available for dispatch; and
- the exemption from the availability requirement only applies to Planned Outages that follow Scheduled Outages.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering whether to extend the proposed exemption from the availability requirements to apply to Planned Outages that immediately follow any Planned Outage of the relevant capacity, not just a Scheduled Outage. This would provide Market Participants with additional flexibility by allowing them to begin their Scheduled Outages up to a day earlier than originally proposed where this is a more efficient option.

The potential changes were discussed and generally supported by attendees at the 7 November 2018 workshop.

¹⁵ The Scheduled Outage could, of course, be rejected by AEMO for other reasons under the Market Rules.

¹⁶ See proposed clause 3.19.2D(a).

The Rule Change Panel seeks feedback from stakeholders on:

16. Whether the Rule Change Panel should extend the proposed exemption from the availability requirements currently set out in proposed clause 3.19.2D(a) to apply to Planned Outages that immediately follow any Planned Outage of the relevant capacity, not just a Scheduled Outage.

4.4.7 Prevention of Disingenuous Planned Outage Requests

The Rule Change Panel considers that the changes proposed in this Rule Change Proposal could in some circumstances allow a Market Generator to request a Planned Outage and avoid Capacity Cost Refunds in a way that is contrary to the intent of the proposal. The additional changes proposed in sections 4.4.4 and 4.4.5 may further increase the potential for these requests. For example:

- if a Scheduled Generator was to trip just before the start of an approved Planned Outage and fixing the issue that caused the trip takes longer than the duration of the Planned Outage, the Market Generator would be able to request additional 'extension' Planned Outages that were exempt from the normal availability requirements; or
- under the modified availability requirement suggested in section 4.4.4, a Market Generator could request a Planned Outage for capacity on a Forced Outage on the basis that it considers the relevant capacity *might* be able to be returned to service by the start of the proposed Planned Outage, even if this is extremely unlikely.

Permitting Planned Outages under these circumstances may allow Market Generators to submit disingenuous Planned Outage requests that compromise the integrity of the Reserve Capacity Mechanism and reduce the incentive for Market Generators to avoid Forced Outages by undertaking prudent preventative maintenance.

Potential changes to the proposed Amending Rules

The Rule Change Panel is considering the following additional changes to the proposed Amending Rules to prevent the acceptance/approval of disingenuous Planned Outage requests where it is likely that the relevant capacity will be unavailable for dispatch if the request was rejected.

- Obligations to notify AEMO of changes to availability status: a Market Generator with a proposed Planned Outage that is not exempt from the usual availability requirements would be required to promptly notify AEMO if it becomes aware that the relevant capacity would no longer be available for dispatch if AEMO rejected the request. If this occurred after the outage request was accepted (for Scheduled Outages) or approved (for Opportunistic Maintenance) the request would not need to be rejected or withdrawn, but AEMO would flag the outage as being unable to meet the availability requirement.
- Refinement of the extension provisions: the proposed exemption from the availability declaration requirement for extension outages would be amended to exclude Planned Outages that immediately follow a Planned Outage that AEMO has flagged as being unable to meet the availability requirement.
- Additional requirements for Scheduled Outages: if, at the time AEMO first evaluates an Outage Plan, the relevant capacity is subject to either a Planned Outage that AEMO has flagged as being unable to meet the availability requirement or a Forced Outage, then AEMO must not accept the Outage Plan until either:
 - the relevant capacity becomes available for dispatch again; or

- AEMO receives evidence to its satisfaction from the Market Generator that the relevant capacity would be capable of being made available for dispatch prior to the start of the proposed Scheduled Outage.
- Additional requirements for Opportunistic Maintenance: if, at the time the Market Generator submits the Opportunistic Maintenance request, the relevant capacity is subject to either a Planned Outage that AEMO has flagged as being unable to meet the availability requirement or a Forced Outage, then AEMO must not approve the request until either:
 - the relevant capacity becomes available for dispatch again; or
 - AEMO receives evidence to its satisfaction from the Market Generator that the relevant capacity would be capable of being made available for dispatch prior to the start of the proposed Opportunistic Maintenance.

The potential changes were discussed and generally supported by attendees at the 7 November 2018 workshop, although some attendees raised questions about the kind of evidence AEMO might require from Market Generators in these circumstances.

The Rule Change Panel seeks feedback from stakeholders on:

17. Whether the additional changes discussed in this section provide an appropriate and sufficient safeguard against disingenuous Planned Outage requests where it is likely that the relevant capacity will be unavailable for dispatch if the request is rejected; and
18. What principles or guidelines, if any, should be included in the Market Rules to guide AEMO's assessment of evidence that capacity would be able to be made available for dispatch prior to the start of a requested Planned Outage.

4.4.8 Application of Availability Declaration Requirements to non-Generator Equipment List Facilities

Most of the provisions in this Rule Change Proposal that relate to availability requirements for Planned Outages apply only to outages of Scheduled Generators and Non-Scheduled Generators. However, the Rule Change Panel considers that some if not all of the proposed obligations may also be appropriate for other Equipment List Facilities, such as items of Network equipment and Facilities that provide services under Ancillary Service Contracts.

The question was discussed at the 7 November 2018 workshop. There was general agreement that the proposed availability requirements could also be applied to non-generator Equipment List Facilities, provided that a suitable alternative to the term 'available for dispatch' was used for these facilities.

The Rule Change Panel seeks feedback from stakeholders on:

19. The extent to which the proposed availability declaration requirements for Scheduled Generators and Non-Scheduled Generators discussed in this section 4.4 should also apply to Planned Outages of other Equipment List Facilities, including items of Network equipment and Registered Facilities subject to an Ancillary Services Contract.

5. Proposed Amending Rules

To assist stakeholders in preparing their submissions, RCP Support has prepared the following revision to the proposed Amending Rules to reflect the changes to the Market Rules since the publication of the Rule Change Proposal. Clarification of any changes made to the proposed Amending Rules has been provided in comment boxes.

Please note that these amendments are purely indicative at this time, have not been approved by the Panel, and may be subject to change in the Draft Rule Change Report.

The changes to the proposed Amending Rules are as follows:

- the proposed change to clause 3.4.1 is no longer required as it has already been made;
- the proposed changes to clause 3.18.2 were amended to reflect the transfer of System Management functions to AEMO;
- the proposed changes to clause 3.18.4 were amended to reflect the transfer of functions from AEMO to the ERA;
- the proposed changes to clauses 7A.2.9 and the proposed new clauses 7A.2.4C, 7A.2.8A, 7A.2.9A, 7A.2A.1, 7A.2A.2 and 7A.2A.3 were amended to reflect the merger of Verve Energy and Synergy; and
- the proposed changes to the definition of Balancing Submission were amended to reflect the merger of Verve and Synergy and the transfer of functions from the IMO to AEMO.

The revised proposed Amending Rules are presented below in their entirety, marked up against the Market Rules as at 18 October 2018 (~~deleted text~~, added text, clauses that are included for context but not amended):

The originally proposed change to clause 3.4.1 has already been made.

3.4.1. The SWIS is in a High Risk Operating State when System Management considers that any of the following circumstances exist, or are likely to exist within the next fifteen minutes, or are likely to exist at a time beyond the next fifteen minutes; and actions other than those allowed under the Normal Operating State must be implemented immediately by System Management so as to moderate or avoid the circumstance:

...

...

3.18. Outage Scheduling

3.18.1. Where a reference is made to an outage of a Facility or item of equipment in clauses 3.18, 3.19, 3.20 and 3.21, this includes partial and complete outages and de-ratings of the Facility or item.

Amended proposed changes to clause 3.18.2 to reflect the transfer of System Management functions to AEMO.

3.18.2.

- ~~(a) System Management must compile, and publish, a list of all equipment on the SWIS that is required to be subject to outage scheduling by System Management. The list must also include equipment for which System Management requires notice of partial outages or de-ratings.~~
- (a) System Management must maintain and publish a list of all equipment on the SWIS that it determines should be subject to outage scheduling in accordance with this section 3.18 and sections 3.19, 3.20 and 3.21.
- ~~(b) System Management must review the list described in clause 3.18.2(a) from time to time and may update the list. System Management must publish any such updates.~~
- (b) System Management must review and update the Equipment List from time to time. If System Management updates the Equipment List, it must publish the updated Equipment List on the Market Web Site as soon as practicable.
- (c) The list described in clause 3.18.2(a) Equipment List must include:
 - ~~i. all transmission network Registered Facilities;~~
 - i. any part of a transmission system or a distribution system (however defined by System Management) that could limit the output of a generation system that System Management has included on the Equipment List;
 - ~~ii. all Registered Facilities holding Capacity Credits, except those to which clause 3.18.2A applies;~~

- ii. all Scheduled Generators and Non-Scheduled Generators holding Capacity Credits with a Standing Data nameplate capacity of at least 10 MW;
 - ~~iiA.iii.~~ all generation systems to which clause 2.30B.2(a) relates, ~~except those to which clause 3.18.2A applies~~ with a nameplate capacity of at least 10 MW;
 - ~~iii.iv.~~ all Registered Facilities subject to an Ancillary Services Contract; and
 - ~~iv.v.~~ any other equipment that System Management determines must be subject to outage scheduling to maintain Power System Security and Power System Reliability.
- (d) ~~The list described in clause 3.18.2(a),~~ Equipment List may specify that ~~a piece of equipment on the list~~ an Equipment List Facility is subject to outage scheduling by System Management only at certain times of the year.
- (e) [Blank]
- ~~(f) If a Market Participant's or Network Operator's Facility (or an item of equipment forming part of that Facility) is on the list described in clause 3.18.2(a), then the Market Participant or Network Operator, as applicable, must schedule outages for the equipment in accordance with this clause 3.18 and clauses 3.19, 3.20 and 3.21.~~
- (f) A Market Participant or a Network Operator must schedule outages for each of its Equipment List Facilities. Outages must be scheduled in accordance with this section 3.18 and sections 3.19, 3.20 and 3.21.

3.18.2A.

- ~~(a) Except where clause 3.18.2(c)(iv) applies, Registered Facilities with a Standing Data nameplate capacity of less than 10 MW and generation systems to which clause 2.30B.2(a) relates and which have a nameplate capacity of less than 10 MW are not required to schedule outages for that equipment in accordance with this clause 3.18 and clauses 3.19 and 3.20 other than as required by this clause 3.18.2A.~~
- (a) If a generation system:
- i. is either:
 1. a Scheduled Generator or Non-Scheduled Generator with a Standing Data nameplate capacity of less than 10 MW; or
 2. a generation system, with a nameplate capacity of less than 10 MW, to which clause 2.30B.2(a) relates; and
 - ii. is not included in the Equipment List under clause 3.18.2(c)(v),
then the relevant Market Participant is not required to schedule outages in accordance with this section 3.18 and sections 3.19 and 3.20 for that

generation system (“Small Outage Facility”) other than as required by this clause 3.18.2A.

- ~~(b) If clause 3.18.2A(a) applies to a Market Participant’s Facility or generation system then that Market Participant must notify System Management of proposed Planned Outages of that Facility or generation system not less than 2 Business Days prior to their commencement and must specify the duration of the Planned Outage;~~
- (b) A Market Participant must notify System Management of a proposed Planned Outage if:
 - i. the Market Participant intends to make some or all of a Small Outage Facility’s capacity unavailable; and
 - ii. the capacity would otherwise be available for the duration of the proposed Planned Outage.
- ~~(c) Where System Management is advised of a proposed Planned Outage in accordance with clause 3.18.2A(b) then System Management must record that outage as an approved Planned Outage.~~
- (c) The notice under clause 3.18.2A(b) must be given:
 - i. for an outage exceeding 24 hours in duration, no later than 10:00 AM on the day prior to the Scheduling Day for the Trading Day in which the requested outage is due to commence; and
 - ii. for an outage of up to 24 hours in duration, no later than 30 minutes before Balancing Gate Closure for the Trading Interval in which the requested outage is due to commence.
- (d) The notice under clause 3.18.2A(b) must include the information specified in clause 3.18.6. For the purposes of this clause 3.18.2A(d), each reference to an “Equipment List Facility” in clause 3.18.6 is to be read as a reference to a “Small Outage Facility”.
- (e) System Management is deemed to have approved each outage that is notified under clause 3.18.2A(b) and in accordance with clauses 3.18.2A(c) and (d). The deemed approval takes effect when System Management receives the notice.
- (f) Where a Market Participant no longer plans to de-rate or remove a Small Outage Facility from service, it must inform System Management as soon as practicable.
- (g) Where a Market Participant intends to de-rate or remove a Small Outage Facility from service for maintenance at a different time than indicated in its notice under clause 3.18.2A(b), it must submit a revised notice to System Management as soon as practicable.
- (h) Subject to clause 3.19.2C, a Market Participant must not notify System Management of a proposed Planned Outage for a Scheduled Generator or Non-Scheduled Generator under clause 3.18.2A(b) if the Market Participant

does not expect in good faith that the capacity to which the notice applies would otherwise be available for dispatch for the duration of the proposed Planned Outage.

3.18.3.

- (a) If a Market Participant's or Network Operator's Facility (or an item of equipment forming part of a Facility or an item of equipment which is a generation system to which clause 2.30B.2(a) relates) is on the ~~list described in clause 3.18.2(a)~~ Equipment List, then the Market Participant or Network Operator may request that Economic Regulation Authority reassess the inclusion of the Facility or item of equipment on the ~~list~~ Equipment List in accordance with this clause 3.18.3.
- (b) Following a request by a Market Participant or Network Operator under clause 3.18.3(a), Economic Regulation Authority must consult with System Management and the Market Participant or Network Operator concerning whether the ~~Facility or item of equipment~~ Equipment List Facility should remain on the ~~list~~ Equipment List.
- (c) Economic Regulation Authority may give a direction to System Management that ~~a Facility or item of equipment~~ an Equipment List Facility should not remain on the ~~list~~ Equipment List where it finds that:
 - i. System Management has not followed the Market Rules or the Power System Operation Procedure in compiling the ~~list under clause 3.18.2~~ Equipment List; and
 - ii. if the Market Rules and the Power System Operation Procedure had been followed, then the ~~Facility or item of equipment~~ Equipment List Facility would not have been on the ~~list~~ Equipment List.
- (d) ~~Whereif~~ Whereif Economic Regulation Authority gives a direction to System Management ~~that the Facility or item of equipment does not need to remain on the list, under clause 3.18.3(c), then~~ that the Facility or item of equipment does not need to remain on the list, under clause 3.18.3(c), then System Management must remove the ~~Facility or item~~ relevant Equipment List Facility from the ~~list~~ Equipment List.

Amended proposed changes to clause 3.18.4 to reflect the transfer of functions from the IMO to the ERA.

~~3.18.4. System Management must maintain an outage schedule, containing information on all Scheduled Outages.~~

3.18.4. System Management must maintain an outage schedule that contains details of each Outage Plan:

- (a) that System Management has accepted under clause 3.18.13; or
- (b) that the Economic Regulation Authority has directed System Management to include in the outage schedule, under clause 3.18.15(f).

3.18.4A. A proposal submitted to System Management in accordance with this ~~clause~~ section 3.18 by a Market Participant or Network Operator in which permission is sought from System Management for the scheduling of the removal from service (or ~~derating~~ de-rating) of an ~~item of equipment~~ Equipment List Facility is a proposed outage plan (“**Outage Plan**”).

3.18.5. Market Participants:

- (a) must, subject to clause 3.18.5A, submit to System Management details of a proposed Outage Plan at least one year but not more than three years in advance of the proposed outage, where:
 - i. the outage relates to ~~a Facility or item of equipment~~ an Equipment List Facility in respect of which a Market Participant holds Capacity Credits at any time during the proposed outage;
 - ii. the ~~Facility or item of equipment~~ Equipment List Facility has a nameplate capacity greater than 10 MW; and
 - iii. the proposed outage has a duration of more than one week; and
- (b) otherwise may submit an Outage Plan to System Management not more than three years and not less than two days in advance of the proposed outage.

3.18.5A. Market Participants may submit an Outage Plan to which clause 3.18.5(a) relates to System Management less than one year, but not less than two days, in advance of the proposed outage, but in such instances:

- (a) System Management must give priority to Outage Plans to which clause 3.18.5(a) relate and which were received more than one year in advance of the commencement of the proposed outage;
- (b) System Management must give priority to Outage Plans to which this clause 3.18.5A relates in the order they are received; and
- (c) System Management must give no special priority to Outage Plans to which this clause 3.18.5A relates relative to Outage Plans to which clause 3.18.5(a) does not relate.

3.18.5B. Network Operators may submit an Outage Plan to System Management not more than three years and not less than two days in advance of the proposed outage.

3.18.5C. Where a Network outage is likely to unduly impact the operation of one or more Market Participant Registered Facilities, System Management may require that, in developing their Outage Plans, the relevant Network Operator and affected Market Participants coordinate the timing of their outages so as to minimise the impact of the Network outage on the operation of the Market Participant Registered Facilities.

~~3.18.5D. Notwithstanding the requirements in chapter 10, in exercising the obligation set out in clause 3.18.5C, System Management may make such information in the outage~~

~~schedule maintained in accordance with clause 3.18.4 available to a Network Operator to coordinate outage timing.~~

- 3.18.6. The information submitted in an Outage Plan must include:
- (a) the identity of the ~~Facility or item of equipment~~ Equipment List Facility that will be unavailable;
 - (b) the quantity of any de-rating where, if the Facility is a generating system, this quantity is in accordance with clause 3.21.5;
 - (c) the reason for the outage;
 - (d) the proposed start and end times of the outage;
 - (e) an assessment of risks that might extend the outage;
 - (f) details of the time it would take the ~~Facility or item of equipment~~ Equipment List Facility to return to service, if required;
 - (g) contingency plans for the early return to service of the ~~Facility or item of equipment~~ Equipment List Facility (“**Outage Contingency Plans**”); and
 - (h) if the Outage Plan is submitted by a Network Operator, a confirmation that the Network Operator has used its best endeavours to inform any Market Generator with a Scheduled Generator or Non-Scheduled Generator impacted by the unavailability of the relevant ~~item of equipment~~ Equipment List Facility of the proposed outage.
- 3.18.7. Outage Plans submitted by a Market Participant or Network Operator must represent the good faith intention of the Market Participant or Network Operator to remove from service, or de-rate, the relevant ~~Facility or item of equipment~~ Equipment List Facility, for maintenance.
- 3.18.7A. System Management may reject an Outage Plan first submitted within 6 weeks of the commencement time of the outage without evaluating that Outage Plan if, in the opinion of System Management, the submitting party has not allowed adequate time for the Outage Plan to be assessed.
- 3.18.8. Where a Market Participant or Network Operator no longer plans to remove from service, or de-rate, the relevant ~~Facility or item of equipment~~ Equipment List Facility, for maintenance it must inform System Management as soon as practicable.
- 3.18.9. Where a Market Participant or Network Operator intends to remove from service, or de-rate, the relevant ~~Facility or item of equipment~~ Equipment List Facility, for maintenance at a different time than indicated in an -Outage Plan, it must submit a revised Outage Plan to System Management as soon as practicable.

...

3.19. Outage Approval

~~3.19.1. No later than two days prior to the date of commencement of any outage (“**Scheduled Outage**”) in System Management’s outage schedule, the Market Participant or Network Operator involved must request that System Management approve the Scheduled Outage proceeding, specifying the Trading Day and Trading Intervals during which the Scheduled Outage will occur.~~

3.19.1. No later than 10:00 AM on the day prior to the Scheduling Day for the Trading Day in which the requested outage in System Management’s outage schedule (“**Scheduled Outage**”) is due to commence, the relevant Market Participant or Network Operator must request that System Management approve the Scheduled Outage proceeding. The request must specify the Trading Intervals during which the Scheduled Outage will occur.

3.19.2. Market Participants and Network Operators may request that System Management approve an outage of ~~a Facility or item of equipment~~ an Equipment List Facility that is not a Scheduled Outage (“**Opportunistic Maintenance**”) ~~to be carried out during a Trading Day;~~

~~(a) at any time between 10:00 AM on the day prior to the Scheduling Day and 40:00 AM on the Scheduling Day for that Trading Day, where the request relates to an outage to occur at any time and for any duration during the following Trading Day; or~~

(a) at any time between:

i. 10:00 AM on the day prior to the Scheduling Day for the Trading Day in which the requested outage is due to commence; and

ii. 30 minutes before Balancing Gate Closure for the Trading Interval in which the requested outage is due to commence,

~~(b) at any time on the Trading Day not later than 1 hour prior to the commencement of the Trading Interval during which the requested outage is due to commence, where;~~

~~i. the outage must be to allow minor maintenance to be performed;~~

~~ii. the outage must not require any changes in scheduled energy or ancillary services Ancillary Services; and~~

~~iii. the outage may be for any duration and must end before the end of the Trading Day;~~

iii. the duration of the outage must not exceed 24 hours; and

iv. the request must include all of the information specified in clause 3.18.6.

~~where the request must include all of the information specified in clause 3.18.6, and must specify the Trading Intervals during which the Opportunistic Maintenance will occur.~~

3.19.2A. If:

- (a) a Market Participant intends to make some or all of an Equipment List Facility's capacity unavailable; and
- (b) the capacity would otherwise be available for the duration of the proposed Outage,

then the Market Participant must request approval for a Planned Outage from System Management in accordance with section 3.18 and this section 3.19.

3.19.2B. Subject to clause 3.19.2D, a Market Participant must not request approval of a proposed Planned Outage for a Scheduled Generator or Non-Scheduled Generator under clauses 3.19.1 or 3.19.2 if the Market Participant does not expect in good faith that, if System Management rejected the request, the capacity to which the request applies would be available for dispatch for the duration of the proposed Planned Outage.

3.19.2C. Subject to clause 3.19.2D, if:

- (a) a Market Participant has requested approval under clauses 3.19.1 or 3.19.2 for a proposed Planned Outage of a Scheduled Generator or Non-Scheduled Generator;
- (b) System Management has not yet approved or rejected the request under clause 3.19.4; and
- (c) the Market Participant ceases to expect in good faith that, if System Management were to reject the request, the capacity to which the request applies would be available for dispatch for the duration of the proposed Planned Outage,

then the Market Participant must immediately notify System Management of the change in circumstances and withdraw the Market Participant's request for approval of the proposed Planned Outage.

3.19.2D. Clauses 3.18.2A(h), 3.19.2B, 3.19.2C and 3.19.3B do not apply where:

- (a) the proposed Planned Outage will immediately follow a Scheduled Outage of the relevant capacity; or
- (b) the Market Participant reasonably expects that the relevant capacity would be subject to a Consequential Outage if the proposed Planned Outage did not proceed.

3.19.3. Subject to clauses 3.19.3A and 3.19.3B, System Management must assess the request for approval of a Scheduled Outage or Opportunistic Maintenance, based on the information available to System Management at the time of the assessment, and applying the criteria set out in clause 3.19.6.

3.19.3A. In assessing whether to grant a request for Opportunistic Maintenance, System Management:

- (a) must not grant permission for Opportunistic Maintenance to begin prior to the first Trading Interval for which Opportunistic Maintenance is requested;
- (b) must not approve an Opportunistic Maintenance request for a Facility or item of equipment on two consecutive Trading Days; an Equipment List Facility where the Opportunistic Maintenance outage would commence within 24 hours of the end time of the most recent Opportunistic Maintenance outage for that Equipment List Facility; and
- (c) ~~[Blank] may decline to approve Opportunistic Maintenance for a Facility or item of equipment where it considers that the request has been made principally to avoid exposure to Capacity Cost Refunds as described in clause 4.26 rather than to perform maintenance; and~~
- (d) may decline to approve Opportunistic Maintenance for a facility where it considers that inadequate time is available before the proposed commencement time of the outage to adequately assess the impact of that outage.

3.19.3B. Subject to clause 3.19.2D, System Management may decline to approve a Scheduled Outage or Opportunistic Maintenance for an Equipment List Facility where it considers that the capacity to which the request applies would not otherwise be available for dispatch for the duration of the proposed Planned Outage.

3.19.4. System Management must either approve or reject the Scheduled Outage or Opportunistic Maintenance and inform the Market Participant or Network Operator of its decision as soon as practicable.

3.19.4A. If System Management does not provide a Market Participant or Network Operator with its decision on a request for approval of a Planned Outage by 30 minutes before Balancing Gate Closure for the Trading Interval during which the outage is proposed to commence, then, for the purposes of the Market Rules, the request is deemed to be rejected.

...

~~3.19.11. An outage, including Opportunistic Maintenance, that is approved by System Management under clause 3.19.4 is a Planned Outage.~~

3.19.11. An outage, including Opportunistic Maintenance, is a Planned Outage if it is:

- (a) approved by System Management under clause 3.19.4; or
- (b) deemed to be approved by System Management under clause 3.18.2A(e).

3.19.12.

- (a) Where, under clause 3.19.5, System Management informs a Market Participant or Network Operator that an Outage Plan previously scheduled in System Management's outage schedule is rejected within 48 hours of the time when the outage would have commenced in accordance with the

Outage Plan, the Market Participant or Network Operator may apply to AEMO for compensation.

...

- (d) The Market Participant or Network Operator must submit a written request for compensation to AEMO within three months of System Management's decision, including invoices and other documents demonstrating the costs referred to in ~~paragraph (b)~~ clause 3.19.12(b).

...

...

- 3.20.1. Where the SWIS is in an Emergency Operating State, or High-Risk Operating State, System Management may direct a Market Participant or Network Operator that ~~a Facility or item of equipment~~ an Outage Facility be returned to service from a Planned Outages in accordance with the relevant Outage Contingency Plan, or take other measures contained in the relevant Outage Contingency Plan.

...

7A.2. Balancing Submissions

- 7A.2.1. A Market Participant must ensure that:

- (a) it has made a Balancing Submission in accordance with clause 7A.2.4 for each of its Balancing Facilities, excluding Facilities in the Balancing Portfolio;
- (b) it has made a Balancing Submission for all Trading Intervals in the Balancing Horizon for each of its Balancing Facilities; and
- (c) the Balancing Submission is made before Balancing Gate Closure or, in the case of the Balancing Portfolio, before the times specified in clause 7A.2.9(d), for those Trading Intervals.

- 7A.2.2. A Market Participant may submit a subsequent Balancing Submission in accordance with clause 7A.2.4 in respect of any of its Balancing Facilities, excluding Facilities in the Balancing Portfolio, and:

- (a) the Balancing Submission may be for one or more Trading Intervals in the Balancing Horizon; and
- (b) the Balancing Submission must be made before Balancing Gate Closure for any Trading Interval in the submission.

- 7A.2.3. A Market Participant with a Balancing Facility that is:

- (a) the subject of an Operating Instruction; or
- (b) undergoing a Test that has an approved Test Plan,

must ensure that the price in the Balancing Price-Quantity Pair for a Balancing Submission submitted under this clause 7A.2 is at the Minimum STEM Price for

the quantity for each Trading Interval specified in the Operating Instruction or the Test Plan. The provisions of this clause 7A.2.3 do not apply to the Balancing Portfolio.

7A.2.4. A Balancing Submission must:

- (a) be in the manner and form prescribed and published by AEMO;
- (b) constitute a declaration by an Authorised Officer;
- (c) have Balancing Price-Quantity Pair prices within the Price Cap;
- (d) specify, for each Trading Interval covered in the Balancing Submission, whether the Balancing Facility is to use Liquid Fuel or Non-Liquid Fuel; ~~and~~
- ~~(e) specify, for each Trading Interval covered in the Balancing Submission, Ramp Rate Limits.~~
- (e) specify the Ramp Rate Limit or the Portfolio Ramp Rate Limit (as applicable) for each Trading Interval covered in the Balancing Submission; and
- (f) specify the available capacity and the unavailable capacity as determined under clause 7A.2.4A, 7A.2.4B or 7A.2.4C (as applicable) for each Trading Interval covered in the Balancing Submission.

7A.2.4A. A Balancing Submission for a Balancing Facility that is a Scheduled Generator must specify the following details for each Trading Interval covered in the Balancing Submission:

- (a) a ranking of Balancing Price-Quantity Pairs covering available capacity; and
- (b) a declaration of the MW quantity that will be unavailable for dispatch, where the sum of:
 - (c) the quantities in the Balancing Price-Quantity Pairs; and
 - (d) the declared MW quantity of unavailable capacity,must be equal to the Scheduled Generator's Sent Out Capacity.

7A.2.4B. A Balancing Submission for a Balancing Facility that is a Non-Scheduled Generator must specify the following details for each Trading Interval covered in the Balancing Submission:

- (a) the Market Participant's best estimate of the Facility's output at the end of the Trading Interval (based on an assumption, for the purposes of this clause 7A.2.4B(a), that the Facility will not be subject to a Dispatch Instruction that limits its output during that Trading Interval); and
- (b) a declaration of the MW quantity that will be unavailable for dispatch (excluding any unavailable capacity to the extent that it relates to a temporary limitation in the intermittent energy source used by the Non-Scheduled Generator to generate electrical energy).

Amended proposed new clause 7A.2.4C to reflect the merger of Verve Energy and Synergy.

7A.2.4C. A Balancing Submission for the Balancing Portfolio must specify the following details for each Trading Interval covered in the Balancing Submission:

- (a) a Balancing Portfolio Supply Curve; and
- (b) a declaration of the MW quantity that will be unavailable for dispatch (excluding any unavailable capacity to the extent that it relates to a temporary limitation in the intermittent energy source used by a Non-Scheduled Generator in the Balancing Portfolio to generate electrical energy).

7A.2.5. For the purposes of clause 7A.2.4(b), where AEMO accepts a Balancing Submission from a Market Participant that complies with clause 7A.2.4(a), the submission will be deemed to constitute a declaration by an Authorised Officer of the Market Participant.

7A.2.6. A subsequent Balancing Submission made under clauses 7A.2.2, 7A.2.9(d), 7A.2.9(e) or 7A.2.9(f), 7A.2.10 or 7A.3.5 in respect of the same Balancing Facility covering the same Trading Interval as an earlier Balancing Submission, overrides the earlier Balancing Submission for, and has effect in relation to, that Trading Interval.

7A.2.7. Where a subsequent Balancing Submission is made under clause 7A.2.6, a Market Participant must create and maintain internal records of the reasons for submitting the subsequent Balancing Submission, including details of any changed circumstances and the impacts of those circumstances that gave rise to the new Balancing Submission.

7A.2.8. A Balancing Submission for each Trading Interval in the Balancing Horizon for which Balancing Gate Closure has not occurred must accurately reflect:

- (a) all information reasonably available to the Market Participant, including Balancing Forecasts published by AEMO, the information provided by AEMO under clause 7A.3.17 and the latest information available to it in relation to any Internal Constraint or External Constraint;
- (b) subject to clause 7A.2.9A(b), the Market Participant's reasonable expectation of the capability of its Balancing Facilities to be dispatched in the Balancing Market; and
- (c) the price at which the Market Participant submitting the Balancing Submission intends to have the Balancing Facility participate in Balancing.

Amended proposed new clause 7A.2.8A to reflect the merger of Verve Energy and Synergy.

7A.2.8A. A Market Participant (other than Synergy in respect of the Balancing Portfolio) 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:

(a) subject to an approved Planned Outage; or

(b) 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.

Amended proposed changes to clause 7A.2.9 to reflect the merger of Verve Energy and Synergy.

7A.2.9. Synergy, in relation to the Balancing Portfolio:

- (a) must, subject to clauses 7A.2.9(e) and 7A.2.9(f), ensure that its Balancing Portfolio Supply Curve accurately reflects:
 - i. all information reasonably available to it, including Balancing Forecasts published by AEMO and the latest information available to it in relation to any Forced Outage for a Facility in the Balancing Portfolio;
 - ii. subject to clause 7A.2.9A(b), Synergy's reasonable expectation of the capability of its Balancing Portfolio to be dispatched in the Balancing Market for that Trading Interval; and
 - iii. the price at which Synergy intends to have the Balancing Portfolio participate in Balancing;
- (b) must indicate in a manner and form prescribed by AEMO:
 - i. which quantities in the Balancing Portfolio Supply Curve it has priced at the Minimum STEM Price are for Facilities that are to provide LFAS;
 - ii. Facilities which are likely to provide LFAS; and
 - iii. for each completed Trading Interval, which Facilities actually provided the LFAS in the Trading Interval;
- (c) must:
 - i. ensure that quantities in the Balancing Portfolio Supply Curve that are required for the provision of Ancillary Services, other than LFAS, are priced at the Price Caps, to reflect that these quantities are not generally available for Balancing;
 - ii. advise AEMO in a manner and form prescribed by AEMO, the Facilities which are likely to provide the quantities specified in clause 7A.2.9(c)(i); and
 - iii. for each completed Trading Interval, advise AEMO which Facilities actually provided the Ancillary Services referred to in clause 7A.2.9(c)(i) in the Trading Interval;

- (d) may update its Balancing Portfolio Supply Curve in relation to any Trading Interval in the Balancing Horizon for which Balancing Gate Closure for that Trading Interval is more than two hours in the future:
 - i. by submitting its updated Balancing Portfolio Supply Curve to AEMO immediately before 6:00 PM; or
 - ii. otherwise by submitting its updated Balancing Portfolio Supply Curve to AEMO within one hour after LFAS Gate Closure;
- (e) may update its Balancing Portfolio Supply Curve in relation to any Trading Interval in the Balancing Horizon for which Balancing Gate Closure is more than two hours in the future if a Facility in the Balancing Portfolio has experienced a Forced Outage since the last Balancing Submission; ~~and~~
- (f) may after the time specified in clause 7A.2.9(d), update its Balancing Portfolio Supply Curve to reflect the impact of a Forced Outage which Synergy expects will cause a Facility to run on Liquid Fuel, where the Facility would not have run on Liquid Fuel but for the Forced Outage, in order to meet Synergy's Balancing obligations in relation to the Balancing Portfolio under this Chapter 7A-; and
- (g) must, if System Management approves a Planned Outage for a Facility in the Balancing Portfolio and a Trading Interval after the latest time specified in clause 7A.2.9(d), update its Balancing Submission for the Trading Interval as soon as practicable, but before Balancing Gate Closure for the Trading Interval, to:
 - i. make the capacity subject to the outage unavailable; and
 - ii. remove or reduce the quantity of the highest price Balancing Price-Quantity Pair or Balancing Price-Quantity Pairs (excluding any Balancing Price-Quantity Pairs that are required to be offered at the Price Caps under clause 7A.2.9(c)) to remove the capacity subject to the outage from its Balancing Portfolio Supply Curve.

Amended proposed new clauses 7A.2.9A, 7A.2.9B and 7A.2.9C to reflect the merger of Verve Energy and Synergy.

7A.2.9A. Synergy must, to the extent it is able to update its Balancing Submissions subject to clauses 7A.2.9(d)-(g) (as applicable), for each Facility in the Balancing Portfolio, and for each Trading Interval in the Balancing Horizon, use its best endeavours to ensure that, at all times:

- (a) any of the Facility's capacity that is subject to an approved Planned Outage is declared as unavailable in the Balancing Submission for the Balancing Portfolio and that Trading Interval, except where that Facility is subject to a Commissioning Test; and
- (b) any of the Facility's capacity that is subject to an outstanding request for approval of a Planned Outage is declared as available in the Balancing Submission for the Balancing Portfolio and that Trading Interval.

7A.2.9B. If System Management rejects a previously approved Planned Outage of a Balancing Facility (or a Facility in the Balancing Portfolio) under clause 3.19.5, then the relevant Market Participant must, as soon as practicable, update its Balancing Submission for any relevant Trading Intervals in the Balancing Horizon for which Balancing Gate Closure has not yet occurred, to reflect that the capacity will not be subject to a Planned Outage.

7A.2.9C. If System Management directs a Market Participant to return a Balancing Facility or a Facility in the Balancing Portfolio from a Planned Outage in accordance with the relevant Outage Contingency Plan under clause 3.20.1, then the Market Participant must, as soon as practicable, update its Balancing Submission for any relevant Trading Intervals in the Balancing Horizon for which Balancing Gate Closure has not yet occurred, to reflect the impact of System Management's direction on the proposed end time of the Planned Outage.

...

7A.2A. Unavailable capacity in a Balancing Submission

Amended proposed new clauses 7A.2A.1, 7A.2A.2 and 7A.2A.3 to reflect the merger of Verve Energy and Synergy.

7A.2A.1. Subject to clause 7A.2A.3, a Market Participant (other than Synergy in respect of the Balancing Portfolio) must, as soon as practicable after Balancing Gate Closure for each Trading Interval, for each of its Balancing Facilities that is an Outage Facility, ensure that it has notified System Management of a Forced Outage or Consequential Outage for any capacity declared unavailable in the Facility's Balancing Submission that:

- (a) was not subject to an approved Planned Outage or Consequential Outage at Balancing Gate Closure for the Trading Interval; and
- (b) is not attributable to a difference between the expected temperature at the site during the Trading Interval and the temperature at which the Sent Out Capacity for the Facility was determined.

7A.2A.2. Subject to clause 7A.2A.3, Synergy must, as soon as practicable after the latest time specified in clause 7A.2.9(d) for a Trading Interval, for each Facility in the Balancing Portfolio that is an Outage Facility, ensure that it has notified System Management of a Forced Outage or Consequential Outage for any capacity declared unavailable in the Facility's Balancing Submission that:

- (a) was not subject to an approved Planned Outage or Consequential Outage at that time for the Trading Interval; and
- (b) is not attributable to a difference between the expected temperature at the site during the Trading Interval and the temperature at which the Sent Out Capacity for the Facility was determined.

7A.2A.3. Clauses 7A.2A.1 and 7A.2A.2 do not apply to any capacity that was subject to a previously approved Planned Outage for the Trading Interval that was rejected by System Management under clause 3.19.5 less than 30 minutes before:

- (a) Balancing Gate Closure, for a Facility that is not in the Balancing Portfolio;
or
- (b) the latest time specified in clause 7A.2.9(d), for a Facility in the Balancing Portfolio.

...

Glossary

Balancing Portfolio Supply Curve: Means a ranking of the Balancing Price-Quantity Pairs ~~provided for covering available capacity in~~ the Balancing Portfolio.

Amended proposed changes to the definition of Balancing Submission to reflect the merger of Verve Energy and Synergy and the transfer of functions from the IMO to AEMO.

Balancing Submission: Means: ~~a submission by a Market Participant to AEMO, for a Balancing Facility or the Balancing Portfolio, and for one or more Trading Intervals, that includes the information specified in clause 7A.2.4.~~

- ~~(a) — for a Balancing Facility, other than the Balancing Portfolio, that is:
 - ~~i. — a Scheduled Generator, for each Trading Interval or Trading Intervals, a ranking of Balancing Price-Quantity Pairs for each MW of its Sent Out Capacity from zero capacity to the maximum Sent Out Capacity, together with associated Ramp Rate Limit for each Trading Interval; and~~
 - ~~ii. — a Non-Scheduled Generator, for each Trading Interval or Trading Intervals, the Market Generator's best estimate of the quantity for the Balancing Price-Quantity Pair, in MW, the Facility is able to reduce its output, together with the associated Ramp Rate Limit for each Trading Interval; and~~~~
- ~~(b) — for the Balancing Portfolio, the Balancing Portfolio Supply Curve together with the Portfolio Ramp Rate Limit.~~

Equipment List: Means the list maintained by System Management under clause 3.18.2(a).

Equipment List Facility: Means a Facility or item of equipment that is included on the Equipment List.

Outage Facility: Means an Equipment List Facility or a Small Outage Facility.

Small Outage Facility: Has the meaning given in clause 3.18.2A.