
Status Report prepared under
clause 7.12 of the Market Rules by
System Management
22 September to 21 December 2007
[PUBLIC VERSION]



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1 Introduction

1.1 System Management

Western Power is established under section 4(1)(b) of the *Electricity Corporations Act 2005* and has the functions conferred under section 41 of that act.

Part 9 of the *Electricity Industry Act 2004* makes provision for a wholesale electricity market and provides for the establishment of Market Rules.

One of the core functions undertaken by Western Power is the management of the electricity transmission and distribution networks. Regulation 13 of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* provides that the Market Rules may confer on an entity the function of operating the SWIS in a secure and reliable manner.

Clause 2.2 of the *Wholesale Electricity Market Amending Rules (September 2006)* (**Market Rules**) confers this responsibility upon the segregated (“ring fenced”) business unit of Western Power known as System Management. Amongst these responsibilities, the functions of System Management are to:

- release information required by the Market Rules;
- monitor rule participants compliance with the Market Rules relating to dispatch and power system security and power system reliability; and
- provide regular reports to the IMO and other market participants.

Included in the requirement to monitor and report is this Status Report, described in clause 7.12 of the Market Rules.

1.2 Status Report

System Management has prepared this report pursuant to its obligations under clause 7.12 of the Market Rules, for the period 22 September to 21 December 2007.

2 Issuance of Dispatch Instructions

During the period, System Management issued a total of 41 Dispatch Instructions to Market Participants.

Of these, 21 were “minimum MW” instructions, 3 were “target MW” instructions, and 17 were instructions to return to the Resource Plan.

3 Non-compliance with Dispatch Instructions

No instances of non-compliance with Dispatch Instructions occurred.

4 Transmission constraints

A “transmission constraint” refers to the configuration of the transmission network that has an effect or potential effect of constraining or otherwise varying the output of a generator. The resultant situation has a generation facility either decrease output, or not increase output as it would if the constraint did not exist.

System Management has identified zero instances of potential or actual transmission constraints during the relevant period that meet the definition above. This does not include any potential or actual transmission constraints arising because of commercial decisions taken by market participants. This also does not include situations where a generator is unable to operate due to planned or unplanned Network outages.

5 Shortfalls in Ancillary Services

No instances of shortfalls in Ancillary Services occurred. Note that situations where clause 3.10.2(d) of the Market Rules applies are not classified as a shortfall.

6 Involuntary curtailment of load

One instance of involuntary curtailment of load, requiring major rotational load shedding, occurred. On 28 November 2007 at 13:49 WST approximately 38 MW of load was automatically shed. All load was reconnected within an hour. Further material is provided under the Emergency Operating State section of this report.

7 Energy forecasts by intermittent generators

[Material removed for confidentiality reasons]

8 High Risk Operating State

Two instances of a High Risk Operating State occurred.

On 12 November 2007 from 10:00 until 14:00, System Management advised Participants that one or more market participants have been notified by fuel suppliers and/or transporters that a fuel shortfall is likely and which will limit the availability of generation during the next 24 hours and where this might affect power system security or reliability. System Management dispatched generators to meet the exigencies of the heightened operating state.

On 28 November 2007 from 14:30 WST until 18:30 WST, System Management advised Participants that there was insufficient Spinning Reserve following the occurrence of an Emergency Operating State. Please see comments under Emergency Operating State.

9 Emergency Operating State

One instance of an Emergency Operating State occurred on 28 November 2007 at approximately 13:41 WST, due to the trip of a generation facility. The state lasted until 14.40 WST, when the SWIS was stabilised to the point that the Emergency Operating State was cancelled. At this point the SWIS entered a High Risk Operating State and was subsequently returned to a Normal Operating State.

This incident was deemed to be notifiable to the IMO pursuant to clause 3.8.1 of the Market Rules and investigations were commenced. System Management understands that the IMO is currently coordinating an investigation into the incident.