

Wholesale Electricity Market – Submission to Procedure Change Proposal

Procedure Change: PC_2012_02

New Market Procedure for Balancing Facility Requirements

Submitted by

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Date submitted:	6.1.12

Submission

Clause 2.10.7 of the Wholesale Electricity Market Amending Rules provides that any person may make a submission for a Procedure Change Proposal by filling in this Procedure Change Submission form.

Submissions for Procedure Changes that relate to the Power System Operation Procedures should be submitted to:

Western Power Networks - System Management Division

Attn: Alistair Butcher, Market Strategic Development Manager GPO Box L921

Perth WA 6842 Fax: (08) 9427 4228

Email: market.development@westernpower.com.au

Submissions for Procedure Changes that relate to IMO Market Procedures should be submitted to:

Independent Market Operator

Attn: Manager Market Administration

PO Box 7096

Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

Email: marketadmin@imowa.com.au



1. Please provide your views on the Procedure Change Proposal, including any objections or suggested revisions:

LGP supports the New Market Procedure Proposal on the grounds that it reasonably and pragmatically implements the Balancing Facility Requirements of the new Balancing Market.

LGP is an operator of three Non-Scheduled Facilities plus one Scheduled Facility, with installed capacities of 5MW, 3.5MW, 1.2MW and 1.3MW. The age of our plants ranges from 2 to 18 years, and we have operated under the Wholesale Electricity Market since its commencement, and under the Top Up And Spill Market (TUAS) prior to that. We welcome the recognition in the new procedure that such small plants have been fit-for-purpose over their lifetimes, and that it is not economically viable or practicable to implement control systems of the sophistication required of major generating plant.

2. Please provide an assessment whether the Procedure Change Proposal is consistent with the Market Objectives and the Wholesale Electricity Market Amending Rules.

LGP considers that the New Market Procedure Proposal is in harmony with the Rule Change Proposal implementing the New Balancing Market and by extension all the Market Objectives. In particular, we consider that Market Objective C (non discrimination across technologies) is supported by the provisions relating to sub-10MW Facilities as the alternative of requiring full compliance would impair their financial viability.

 Please indicate if the Procedure Change Proposal will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.

LGP is able to comply with the imposts indicated in the proposed procedure.

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

The changes have been well publicised ahead of time, and LGP expects to comply on the required timescales.