

Subject: Queries on PSOPs from RDIWG Meeting 20 on 22 March 2012

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----- Forwarded by John Rhodes/PER/Synergy on 29/03/2012 05:05 PM -----

From: John Rhodes/PER/Synergy
To: Phil Kelloway <Phil.Kelloway@westernpower.com.au>, Janine Ripper <Janine.Ripper@imowa.com.au>
Cc: Stephen MacLean/PER/Synergy@Synergy, Dave Frankel/PER/Synergy@Synergy
Date: 29/03/2012 05:02 PM
Subject: Re: FYI: Queries on PSOPs from RDIWG Meeting 20 on 22 March 2012

Hi Phil

Thanks for the opportunity to provide informal comments on proposed changes to the Power System Operating Procedures.

Our primary concern relates to the Communications and Control Systems PSOP.

In particular we note new clause 2.5, reproduced below for reference.

2.5 Demand-side Programs

1. A Market Customer who operates a Demand-Side Program must provide duplicated 24x7 monitored telephone contracts that will allow System Management to communicate Dispatch Instructions to the Market Customer.

While we recognise System Management must feel comfortable with communication arrangements, that they are both efficient and effective, in this case we believe the new communication requirement for Market Customers with DSPs to maintain duplicated 24 x 7 monitored telephone contacts imposes a level of costs which is difficult to justify given the obligations of DSPs under the Market Rules.

In particular we draw your attention to the fact that the DSP dispatch window is from 12PM to 8PM on business days, with a maximum lead time of 4 hours.

In this context it is difficult to understand why a 24 x 7 monitoring requirement is required as the earliest a dispatch instruction can take effect is 8AM on a Business Day for load to be dropped from 12PM. Given the position of DSPs in the merit order, it is very unlikely a dispatch instruction would be issued at 10PM on Friday night to take effect from 12PM on the following Monday.

Clearly, imposing such requirements adds costs for little if any real benefit and weakens the overall cost efficiency of dispatch arrangements.

In our view there is room for compromise, to reduce inefficient costs, and we suggest the following rewording as a discussion point:

A Market Customer who operates a Demand-Side Program must provide duplicated monitored telephone contracts during business days from the period commencing 7AM to the earlier of 6PM or 7PM less the number of hours representing the minimum dispatch lead time of any of its DSPs.

Key points to note are:

1. Since DSPs can only be dispatched on business days and they are typically the last capacity to be dispatched, we believe being available to receive dispatch instructions at 7AM on a business day is reasonable and provides sufficient time for dispatch instructions to be issued by System Management; and
2. Similarly, as the last hour for dispatch commences at 7PM, based on a minimum lead time of 1 hour while also recognising that typically most DSPs have a four hour lead time, we believe a reasonable end time for monitored communications is the earlier of 6PM (i.e., allows a DI to be issued for load to be dropped at 7PM for a DSP with a one

hour lead time) or 7PM less the minimum number of lead time hours of any of a Market Customer DSPs (i.e. must maintain monitored communications taking into account the shortest DSP lead time to effect a dispatch for 7PM).

We are happy to further discuss this suggestion at your convenience.

Cheers

John Rhodes

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Date: 26/03/2012 04:42 PM
Subject: FYI: Queries on PSOPs from RDIWG Meeting 20 on 22 March 2012

Folks,

System Management looks forward to receiving feedback on the Procedure Change Proposals **PPCL0021, PPCL0022 and PPCL 002a** as indicated on IMO's website.

From last week's RDI WG meeting SM has compiled the following list of issues which it will address as part of the Procedure Change Report process. Your comments on these or any other matters that you wish to raise as part of the informal process are welcomed.

If you have any further queries please contact either myself or Cameron Parrotte directly.

Many Thanks,
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