



INDEPENDENT
MARKET
OPERATOR

Wholesale Electricity Market Submission to Procedure Change Proposal

PPCL0024: Revised PSOP – Monitoring and Reporting Protocol (Further consultation process)

Submitted by

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Date submitted:	<i>1 July 2013</i>

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 and IMO Market Procedures should be submitted to:

Independent Market Operator

Attn: Group Manager, Market Development
PO Box 7096
Cloisters Square, Perth, WA 6850
Fax: (08) 9254 4399
Email: market.development@imowa.com.au



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

Background

Currently under the Power System Operation Procedure (PSOP): Monitoring and Reporting the Tolerance Range applicable to Scheduled Generators is determined based on the dispatched Ramp Rate of a Facility in each Trading Interval (i.e. is a dynamic value that potentially adjusts in each Trading Interval). System Management proposed to amend the formula for determining the Tolerance Range to use the Ramp Rate for a Facility stated in Standing Data which will result in a static value being calculated.

As part of the consultation process for PPCL0024 Alinta raised concerns around the continued need for a separate consultation process on changes to the Tolerance Range given that a formula had been specified within the PSOP (as part of the recent Balancing market changes). The original processes for consultation had been developed prior to a formula being derived to ensure sufficient regulatory oversight in setting the tolerances.

Alinta's views

Alinta wishes to clarify that it had supported System Management in removing duplicate consultation requirements (approximately 10 weeks in total if a procedure change proposal is progressed) on the grounds that it would result in an inefficient use of industry resources. While System Management's proposed amendments would remove the duplicate consultation, Alinta is concerned that there would be no transparency of the outcomes of System Management's annual review (i.e. there is no requirement to produce a report on the outcomes of System Management's annual review). Alinta recommends further reviewing the annual review process to ensure sufficient regulatory oversight would be provided.

Additionally, System Management proposes additional changes to the tolerance range formula to limit changes in Standing Data from having effect until the next review period. Alinta queries the rationale for these changes and suggests that as they were not consulted on as part of System Management's recent annual review the changes should not be included into the PSOP at this time.