

# MARKET PROCEDURE: CONSUMPTION DEVIATION APPLICATIONS

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1.0	1 October 2019	Market Procedure: <del>for</del> Consumption Deviation Applications resulting from the Procedure Change Proposal AEPC_2019_09 related to the Rule Change Proposal RC_2015_03: Formalisation of the Process for Maintenance Applications

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## 1. INTRODUCTION

### 1.1. Purpose and scope

- 1.1.1. This is the Market Procedure: Consumption Deviation Applications (Procedure) made in accordance with AEMO's functions under clause 2.1A.2(h) of the Wholesale Electricity Market ~~(WEM)~~ Rules (WEM Rules). This Procedure is also made under clauses 4.26.2CE and 4.28.9E of the WEM Rules.
- 1.1.2. This Procedure has effect only for the purposes set out in the WEM Rules and the WEM Rules prevail over this Procedure to the extent of any inconsistency.
- 1.1.3. The purpose of this Procedure is to describe:
- the process that a Market Customer must follow when submitting a Consumption Deviation Application for a Load under clause 4.28.9A of the WEM Rules or Associated Load under clause 4.26.2CB(a) of the WEM Rules;
  - the information and supporting evidence that a Market Customer must provide in its Consumption Deviation Application;
  - the process that AEMO must follow when it receives a Consumption Deviation Application;
  - the criteria that AEMO must consider when deciding whether to accept or reject a Consumption Deviation Application;
  - for Consumption Deviation Applications submitted under clause 4.26.2CE of the WEM Rules, the process that AEMO must follow when estimating what the consumption of an Associated Load would have been if it had not been affected by the matters set out in the Consumption Deviation Application, for the purposes of step 2(c) of Appendix 10 of the WEM Rules; and
  - the Application Fees that AEMO may charge under clause 4.26.2CC or 4.28.9B of the WEM Rules, to cover its costs of requesting clarification or further information of any aspect of a Consumption Deviation Application under clause 4.26.2CF or 4.28.9F of the WEM Rules.
- 1.1.4. In this Procedure, where obligations are conferred on a Rule Participant, that Rule Participant must comply with the relevant obligations in accordance with clauses 2.9.7, 2.9.7A, 2.9.7B, 2.9.7C and 2.9.8 of the WEM Rules, as applicable.
- 1.1.5. All interactions between AEMO and Market Participants referred to in this Procedure will be conducted through the Wholesale Electricity Market System (WEMS).
- 1.1.6. Reference to particular WEM Rules within the Procedure in bold and square brackets **[clause XX]** are included for convenience only and are not part of this Procedure.

### 1.2. Definitions and interpretation

- 1.2.1. Terms defined in the WEM Rules have the same meanings in this Procedure, unless otherwise specified in this clause. The words, phrases and abbreviations in Table 1 have the meanings set out opposite them when used in this Procedure.

**Table 1 Defined terms**

Term	Definition
Consumption Deviation Application	Application from a Market Customer to AEMO to replace one or multiple Trading Intervals, which are considered unrepresentative of the consumption of a Load, for the purpose of: <ul style="list-style-type: none"> <li>determining a Market Customer's Relevant Demand for a Demand Side Programme in accordance with Appendix 10 of the WEM Rules; or</li> <li>accepting a Load nominated by a Market Customer as a Non-Temperature Dependent Load in accordance with Appendix 5A of the WEM Rules.</li> </ul>
Indicative Individual Reserve Capacity Requirement (IRCR)	The estimated Individual Reserve Capacity Requirement published in accordance with clause 4.28.6 of the WEM Rules.
IRCR	Individual Reserve Capacity Requirement published in accordance with clause 4.28.7 of the WEM Rules.
Market Participant Interface (MPI)	A web-based application <del>which that</del> allows Market Participants to trade in the WEM, as well as access market related data.
National Metering Identifier (NMI)	The unique identification number assigned to a connection point.
Wholesale Electricity Market System (WEMS)	An interface system that AEMO uses to administer and operate the Wholesale Electricity Market.

1.2.2. The following principles of interpretation apply to this Procedure, unless otherwise expressly indicated:

- a) references to time are references to Australian Western Standard Time;
- b) terms that are capitalised, but not defined in this Procedure, have the meaning given in the WEM Rules;
- c) to the extent that this Procedure is inconsistent with the WEM Rules, the WEM Rules prevail to the extent of the inconsistency;
- d) a reference to the WEM Rules or Market Procedures includes any associated forms required or contemplated by the WEM Rules or Market Procedures; and
- e) words expressed in the singular include the plural and vice versa.

### 1.3. Related documents

1.3.1. The following Market Procedures, Power System Operation Procedures (PSOP), and market documents (available on the Market Web Site<sup>1</sup>) provide background information to this Procedure:

- (a) Market Procedure: Notices and Communications;
- (b) Market Procedure: Information Confidentiality;
- (c) PSOP: Dispatch
- (d) Market Procedure: Individual Reserve Capacity Requirements;
- (e) Market Procedure: Certification of Reserve Capacity; and

<sup>1</sup> Procedures are available at <http://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Procedures>. Other market documents are available at <https://www.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Participant-information/Guides-and-useful-information>.

- (f) WEMS MPI User Guide.

## 2. PROCESS FOR SUBMITTING A CONSUMPTION DEVIATION APPLICATION

### 2.1. Submitting an application for an Associated Loads of a Demand Side Programme

2.1.1. A Market Customer may submit a Consumption Deviation Application to AEMO in accordance with this Procedure for an Associated Load of a Demand Side Programme, where the Market Customer considers that the level of consumption of the Load has been affected for any Trading Interval in the relevant Capacity Year and the deviation in the level of consumption was as a direct consequence of **[clause 4.26.2CB]**:

- (a) a request received from System Management; or
- (b) a maintenance event.

2.1.2. A Consumption Deviation Application:

- (a) must only relate to one single NMI;
- (b) may cover multiple Trading Intervals; and
- (c) may cover multiple events affecting that NMI for that Capacity Year.

2.1.3. A Market Customer must submit a Consumption Deviation Application for an Associated Load, submitted in accordance with step 2.1.1 of this Procedure, as soon as practicable, on or before 31 October in the Capacity Year to which the Relevant Demand applies, subject to clause 4.26.2CH of the WEM Rules **[clause 4.26.2CD(a)]**.

2.1.4. A Market Customer must submit a Consumption Deviation Application through WEMS.

2.1.5. To submit a Consumption Deviation Application under step 2.1.4 of this Procedure, the Market Customer must use the WEMS MPI to upload:

- (a) a list<sup>2</sup> in the form nominated by AEMO<sup>2</sup> of all Trading Intervals during which the Associated Load was directly affected by a request received from System Management or a maintenance event, and a brief description of the reason for the deviation of the Associated Load during each Trading Interval; and
- (b) a written statement from the operator of the Associated Load, which must:
  - (i) be on the official letterhead of the operator's organisation;
  - (ii) include the full name and contact details of the registered business;
  - (iii) be dated;
  - (iv) include the full name, contact details and signature of a senior authority employed by the operator of the Associated Load; and

<sup>2</sup> ———The template file required by AEMO is available for download in the WEMS MPI and submission instructions are outlined in the WEMS MPI User Guide available at <https://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Participant-information/Guides-and-useful-information>.

- (v) include the following information relating to the Consumption Deviation Application in accordance with clause 4.26.2CD(b) of the WEM Rules:
  - (A) the NMI of the Associated Load;
  - (B) a list of all Trading Intervals covered by the Consumption Deviation Application, and the reason associated with deviation during each Trading Interval, which must be either directly related to a System Management request, or a maintenance event;
  - (C) the start and end time and date of each event covered by the Consumption Deviation Application;
  - (D) for applications covering a maintenance event, an explanation of the activities or issue that caused the event, including the typical duration and frequency of this type of event, and where the event affects the Associated Load for more than seven days, a detailed explanation and any supporting information directly addressing AEMO's assessment criteria in step 3.2.2 of this Procedure;
  - (E) for applications covering a planned maintenance event, evidence that the event was planned ahead of the affected Trading Interval(s), including for example dated purchase orders, schedules of maintenance and service requests;
  - (F) an explanation of how each of the events included in the Consumption Deviation Application affected the level of consumption of the Associated Load;
  - (G) the Market Customer's reasonable expectation of the level of consumption of the Associated Load, in MW, if the event had not occurred;
  - (H) a declaration to the effect that the maintenance interval records provided for the relevant Trading Month by the Market Customer in the list in step 2.1.5(a) of this Procedure are a true and accurate statement; and
  - (I) any other information the Market Customer wants AEMO to consider in its assessment of the application, including, for example, maintenance records or invoices from suppliers/contractors.

2.1.6. A Market Customer may withdraw a Consumption Deviation Application for an Associated Load of a Demand Side Programme at any time prior to it being accepted or rejected by AEMO through the WEMS MPI.

## 2.2. Submitting an application for a Non-Temperature Dependent Load

2.2.1. A Market Customer may submit a Consumption Deviation Application for a Load, nominated as a Non-Temperature Dependent Load under clause 4.28.8(a) or 4.28.8C(a) of the WEM Rules, where it considers the level of consumption of the Load has been affected for any Trading Interval as a direct consequence of **[clause 4.28.9A(b)]**:

- (a) the Trading Interval falling on a Trading Day that is not a Business Day; or
- (b) a maintenance event.

2.2.2. A Consumption Deviation Application for a Load nominated as a Non-Temperature Dependent Load:

- (a) must only relate to one single NMI;

- (b) may cover multiple Trading Intervals; and
  - (c) may cover multiple events affecting that NMI for the relevant Trading Months.
- 2.2.3. A Market Customer must submit a Consumption Deviation Application for a Load nominated as a Non-Temperature Dependent Load as soon as practicable, but at the latest, for an application that relates to the Indicative IRCR:
- (a) for the October Trading Month in the relevant Capacity Year, by 5:00 PM on the last Business Day falling on or before 20 August in accordance with clause 4.1.23(b) of the WEM Rules **[clause 4.28.9C(a)(i)]**; and
  - (b) for Trading Months other than October in the relevant Capacity Year, by 5:00 PM 25 Business Days prior to the start of the first Trading Month in which the Market Customer wants AEMO to take the additional nominated Loads into account, in accordance with clauses 4.28.8C and 4.1.23C of the WEM Rules **[clause 4.28.9C(a)(ii)]**.
- 2.2.4. A Market Customer must submit a Consumption Deviation Application through WEMS.
- 2.2.5. To submit a Consumption Deviation Application under step 2.2.4 of this Procedure, the Market Customer must use the WEMS MPI to upload:
- (a) a list<sup>3</sup> in the form nominated by AEMO<sup>3</sup> of all Trading Intervals during which the level of consumption of the Load was affected as a direct consequence of the Trading Interval falling on a Trading Day that is not a Business Day or a maintenance event, and a brief description of the reason for the deviation of the Load during each Trading Interval;
  - (b) a written statement from the operator of the Load, which must:
    - (i) be on the official letterhead of the operator's organisation;
    - (ii) include the full name and contact details of the registered business;
    - (iii) be dated;
    - (iv) include the full name, contact details and signature of a senior authority employed by the operator of the Load; and
    - (v) a declaration to the effect that the consumption deviation records provided for the relevant Trading Month by the Market Customer in the list in step 2.2.5(a) of this Procedure are a true and accurate statement; and
  - (c) any other information the Market Customer wants AEMO to consider in its assessment of the application, using the criteria specified in step 3.3.2 of this Procedure, including, for example, maintenance records, invoices from suppliers/contractors, noting a request for further clarification or information may attract an Application Fee (see section 4 of this Procedure) in accordance with clause 4.28.9B of the WEM Rules.
- 2.2.6. The Consumption Deviation Application in step 2.2.5 of this Procedure must contain all relevant Trading Intervals for all Trading Months required for the calculation defined in Appendix 5A of the WEM\_Rules and not previously included in a Consumption Deviation Application accepted or rejected ~~accepted~~ by AEMO.

<sup>3</sup> The template file required by AEMO is available for download in the WEMS MPI and submission instructions are outlined in the WEMS MPI User Guide available at <https://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Participant-information/Guides-and-useful-information>



2.2.7. A Market Customer may withdraw a Consumption Deviation Application for a Load nominated as a Non-Temperature Dependent Load prior to it being accepted or rejected by AEMO.

### **3. PROCESS FOR ASSESSING A CONSUMPTION DEVIATION APPLICATION**

#### **3.1. Receiving a Consumption Deviation Application**

3.1.1. AEMO must acknowledge receipt of a Consumption Deviation Application, made in accordance with section 2.1 or 2.2 of this Procedure, as soon as practicable.

3.1.2. AEMO must assess a Consumption Deviation Application as soon as practicable, and where it considers the information provided is satisfactory to demonstrate the application meets the applicable criteria must, for applications for:

- (a) an Associated Load of a Demand Side Programme, accept or reject the application within 10 Business Days of the receipt of the Consumption Deviation Application ~~ion~~  
[clause 4.26.2CG(a)]; and
- (b) a Load nominated as a Non-Temperature Dependent Load, accept or reject the application no later than the time the information is required for the calculation of the relevant Indicative IRCR under clause 4.1.23C of the WEM Rules [clause 4.28.9D].

#### **3.2. Criteria for assessing an application for an Associated Load of a Demand Side Programme**

3.2.1. Where a Market Customer submits a Consumption Deviation Application for an Associated Load of a Demand Side Programme, under section 2.1 of this Procedure, AEMO must consider the information provided in the application, and determine whether it meets the criteria for acceptance outlined in step 3.2.2 of this Procedure.

3.2.2. AEMO must consider the following criteria when assessing a Consumption Deviation Application for an Associated Load of a Demand Side Programme:

- (a) the application is submitted in accordance with the process outlined in section 2.1 of this Procedure;
- (b) the information provided in the written statement, provided under step 2.1.5(b) of this Procedure, is consistent with the information provided in the list provided by the Market Customer under step 2.1.5(a) of this Procedure;
- (c) for applications covering a maintenance event, the information provided demonstrates that the maintenance activity took place during the Trading Interval(s) identified in the application;
- (d) the Associated Load operated below the level of consumption deemed to be representative of that Load in accordance with the process for analysis outlined in step 3.2.3 of this Procedure; and
- (e) the information provided in the application demonstrates that the specified event(s) could reasonably be expected to have directly affected the level of consumption of the Associated Load in the relevant Trading Interval(s) to the extent specified in the Consumption Deviation Application.

- 3.2.3. When considering whether the Associated Load was operating below the level of consumption, deemed to be representative of that Load under step 3.2.2(b) of this Procedure, AEMO must perform analysis to estimate the representative level of consumption, including:
- (a) comparing the level of consumption in the nominated Trading Interval(s) to the level of consumption:
    - (i) immediately prior to, and after the specified event(s) and/or similar events;
    - (ii) in the equivalent Trading Interval(s) on adjacent days;
    - (iii) in the equivalent Trading Interval(s) on the same weekday in adjacent weeks and/or months; and
    - (iv) in the equivalent Trading Interval(s) on days of similar temperature and/or weather conditions; and
  - (b) any other analysis that AEMO considers relevant.

### **3.3. Criteria for assessing an application for a nominated Non-Temperature Dependent Load**

- 3.3.1. Where a Market Customer submits a Consumption Deviation Application, under section 2.2 of this Procedure, for a Load nominated as a Non-Temperature Dependent Load, AEMO must consider the information provided in the application, and determine whether it meets the criteria for acceptance outlined in step 3.3.2 of this Procedure.
- 3.3.2. AEMO must consider the following criteria when assessing a Consumption Deviation Application for a nominated Non-Temperature Dependent Load:
- (a) the application is submitted in accordance with the process outlined in section 2.2 of this Procedure;
  - (b) the information provided in the written statement, provided under step 2.2.5(b) of this Procedure, is consistent with the information provided in the list provided under step 2.2.5(a) of this Procedure;
  - (c) for applications covering a maintenance event, the information provided demonstrates that the maintenance activity took place during the Trading Interval(s) identified in the application; and
  - (d) the information provided in the application demonstrates that the specified event(s) could reasonably be expected to have directly affected the level of consumption of the Load in the specified Trading Interval(s).

### **3.4. Requesting additional information**

- 3.4.1. Where AEMO does not consider the information provided is satisfactory to demonstrate the application meets the criteria under step 3.2.2 or 3.3.2 of this Procedure, as applicable, AEMO may request the Market Customer to provide clarification or further information on any aspect of the Consumption Deviation Application that it considers is reasonably necessary to assess the application [clauses 4.26.2CF and 4.28.9F].

- 3.4.2. In making a request for additional information or clarification under step 3.4.1 of this Procedure, as soon as practicable, AEMO:
- (a) must make the request in writing by using the WEMS MPI and/or contacting the Market Customer by email;
  - (b) may specify a time and date by which a Market Customer must provide the information, in order to provide AEMO with a reasonable timeframe in which to make its assessment; and
  - (c) may specify an Application Fee to be paid upon submitting the additional information in accordance with clauses 4.26.2CC or 4.28.9B of the WEM Rules (see section 4 of this Procedure).
- 3.4.3. Where AEMO requests additional information or clarification under step 3.4.1 of this Procedure, the Market Customer may, but is not obliged to, provide this information.
- 3.4.4. Where a Market Customer provides additional information or clarification under step 3.4.3 of this Procedure:
- (a) it is deemed to be part of the Consumption Deviation Application [**clauses 4.26.2CF and 4.28.9F**];
  - (b) the Market Customer must provide it as soon as practicable, but at the latest by the time and date specified by AEMO in its request under step 3.4.1 of this Procedure; and
  - (c) AEMO must assess the Consumption Deviation Application:
    - (i) for an Associated Load of a Demand Side Programme, including any new information provided by the Market Customer, in accordance with section 3.2 of this Procedure, as soon as practicable, and within the required timeframe to accept or reject the application, that is, within 10 Business Days of receiving the additional information or clarification and Application Fee [**clause 4.26.2CG(b)**]; or
    - (ii) for a Load nominated as a Non-Temperature Dependent Load, including any new information provided by the Market Customer, in accordance with section 3.3 of this Procedure, as soon as practicable, and accept or reject the application no later than the time the information is required for the calculation of the relevant Indicative IRCR under clause 4.1.23C of the WEM Rules.
- 3.4.5. Where a Market Customer does not provide the additional information or clarification, requested by AEMO under step 3.4.1 of this Procedure, within the required timeframe under step 3.4.4(b) of this Procedure, AEMO must assess the Consumption Deviation Application on the basis of the contents of the original Consumption Deviation Application received under section 2.1 or 2.2 of this Procedure.~~that the additional information was not provided.~~

### **3.5. Outcomes of Consumption Deviation Applications**

- 3.5.1. AEMO must notify the Market Customer of the outcome of each Consumption Deviation Application, including the matters specified in steps ~~3.5.23-5.2~~ or ~~3.5.33-5.3~~ of this Procedure, as soon as practicable.
- 3.5.2. Where AEMO decides to reject the Consumption Deviation Application, the notification in step 3.5.1 of this Procedure must also provide a summary of the reason for the rejection.

- 3.5.3. Where AEMO accepts a Consumption Deviation Application relating to an Associated Load of a Demand Side Programme, AEMO must:
- recalculate the Relevant Demand of the Demand Side Programme,
  - replace the metered consumption of the 200 Calendar Hours referred to in Step 1 of Appendix 10 of the WEM Rules with AEMO's estimate of what the level of consumption of the Associated Load, in MW, would have been if the event had not occurred;
  - use the recalculated Relevant Demand in its calculations from the Trading Day following AEMO's notification to the Market Customer of the acceptance of the Consumption Deviation Application in step 3.5.1 of this Procedure (the effective date); and
  - publish the recalculated Relevant Demand in the WEMS MPI ~~by the effective date. on the date the recalculation becomes effective.~~
- 3.5.4. Where AEMO accepts a Consumption Deviation Application relating to a nominated Non-Temperature Dependent Load, AEMO must determine the status of the Load and determine the Market Customer's relevant IRCR in accordance with Appendix 5 of the WEM Rules.

#### 4. APPLICATION FEES

- 4.1.1. Where AEMO requests additional information under section 3.4 of this Procedure, AEMO may decide to charge an Application Fee to cover its costs of requesting clarification or further information of any aspect of a Consumption Deviation Application [clauses 4.26.2CC and 4.28.9B].
- 4.1.2. The Application Fee amount charged by AEMO under step 4.1.1 ~~of this Procedure~~ will be determined in accordance with the relevant Application Fee published by AEMO ~~in accordance with~~ under clause 2.24.2 of the WEM Rules.
- 4.1.3. In accordance with clause 2.24.7 of the WEM Rules, the Application Fee as published on the AEMO website:
- must reflect the estimated average costs to AEMO of processing that type of application ~~as published on the website~~;
  - must be consistent with the Allowable Revenue approved by the Economic Regulation Authority; and
  - may be different for different classes of Rule Participant and different classes of Ffacility.
- 4.1.4. Where AEMO decides to charge an Application Fee, it must notify the Market Customer in its written request for further information under step 3.4.2(c) of this Procedure of the:
- Application Fee amount;
  - due date of the Application Fee; and
  - process by which a Market Customer must pay the Application Fee.
- 4.1.5. A Market Customer must pay the Application Fee amount in order for upon submitting the further information or clarification requested under step 3.4.1 of this Procedure to be assessed for ~~assessment~~ by AEMO ~~under step 3.4.3 of this Procedure~~.
- 4.1.6. AEMO must assess the Consumption Deviation Application, including the additional information or clarification, as soon as practicable after receiving the Application Fee.

- 4.1.7. Where a Market Customer does not pay the Application Fee, AEMO is not required to assess any additional information or clarification provided, and the Consumption Deviation Application must be assessed on the basis that the additional information was not provided.