

# WHOLESALE ELECTRICITY MARKET

## Submission to Procedure Change Proposal

**AEPC\_2020\_01**

**Revisions to BMO tie-break methodology**

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### Submission

Clause 2.10.7 of the Wholesale Electricity Market Rules provides that any person may make a submission for a Procedure Change Proposal (including proposals developed by AEMO, the Economic Regulation Authority or the Rule Change Panel) by completing this Procedure Change Submission form.

Submissions should be provided by email to the nominated contact in the call for submissions published with the Procedure Change Proposal.

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

Alinta Energy broadly supports the Procedure Change Proposal and its intent to strengthen power system security when the Balancing Market clears at the Minimum STEM Price.

Alinta Energy is concerned with the operation of clause 2.1.5.(b) of the Market Procedure: Balancing Facility Requirements as there are a variety of reasons why the quantity of the Balancing Price-Quantity Pair at the Minimum STEM Price may exceed the Facility's minimum stable loading level as indicated in Standing Data under Appendix 1(b)(xiii) of the WEM Rules.

It is noted that the clause will take into account relevant factors such as temperature at the location of the Facility, but Alinta Energy would like to confirm that AEMO will also consider the following factors as also being relevant:

- A facility may be required to stay at a higher loading level than its minimum stable loading level indicated in Standing Data due to online maintenance activities required to be conducted. An example of this scenario is when a valve needs to be changed whilst the facility remains online. If the facility is dispatched below a certain set point, the valve would be activated and endanger the safety of equipment or person. Hence the minimum set point for the valve change should be reflected in the Balancing Price-Quantity Pair at the Minimum STEM Price that identifies its minimum stable loading level during this activity.
- A facility may only be able to run at the minimum stable loading level for a limited number of hours each year due to its environmental license. The facility should be able to choose when to run at its minimum stable loading level and when to run at a higher level to conserve the allowable environmental hours.
- A facility may be required to reach a certain level of generation before it can ramp down to its minimum stable loading. This requirement is reflected in Standing Data under Potential Energy Limits (Appendix 1.(b).xii of the WEM Rules).

Alinta Energy suggests the word 'after' should be replaced by 'unless' in clause 2.1.5(b). The current wording implies that minimum stable loading can only go downwards due to relevant factors and not upwards.

- b) the quantity of the Balancing Price-Quantity Pair at the Minimum STEM Price does not exceed the Facility's minimum stable loading level as indicated in Standing Data under Appendix 1(b)(xiii) of the WEM Rules, ~~after~~ unless taking into account relevant factors, including but not limited to, temperature at the location of the Facility.

**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.**

Alinta Energy anticipates that it will cost circa \$30,000 to modify existing trading systems to implement this Procedure Change Proposal.

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

Alinta Energy anticipates that it will require 4 weeks, from the date of publication of the Procedure Change Report, to modify existing trading systems to implement this Procedure Change Proposal.