

Procedure Change No: PC_2009_10

Market Procedure for Reserve Capacity Testing

Submitted by

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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 generally supports this Market Procedure as a logical basis for implementing the Market Rules.

We make the following comments:

- i) Section1. Suggest review the use of the punctuation.
- ii) Section 1.6, we suggest interchanging sub-clauses 5 and 6 and making new-6 (current 5) contingent on there being a legitimate need to challenge the date.
- iii) Section 1.6 sub-clauses 2 and 8; we'd prefer to see a reasonableness obligation placed on the Imo regarding the costs of the calibration
- iv) Section 1.7.1; we note that a Generator is required to be proven twice a year including the winter period, when there is a considerably diminished threat to system integrity, and that Curtailable Load is required to be proven only once a year, during the winter period when it is least likely to be needed. While we accept this in good faith, it seems to us that generators should only be tested once a year unless the IMO has reason for suspicion.
- We perceive that in section 1.8.1, the reference to clause 1.7.6 should refer to 1.7.1 in order to correct a "normal operation test" for ambient temperature. Ideally, clause 1.7.6 would also acknowledge this condition as well.
- vi) Section 1.7.5 (c). We accept the logic of this, but would prefer to see a reasonableness obligation that a nominated test date should have regard to the likelihood of the temperature being within specification so as to minimize costs (which could perhaps be included in sub-clause 7).
- vii) Section 1.8.6. This is self-evident and insofar as it needs to be stated, should be included in the applicable clause.
- viii) Clause 1.8.10. Suggest delete "been".
- ix) Section 1.9.1 (b). We suggest the word "failed" is inappropriate, as a Facility might not pass because its STEM submissions didn't merit it being called to operate at full output.
- x) We suggest eliminate the duplication in clauses 1.9.8 & 9 (or harmonise the style) and harmonise with clause 1.9.11.
- xi) 1.9.14 (a). We perceive the reference to be incorrect and unnecessary.
- xii) 1.9.15. We suggest remove the several clause references and write it plainly instead.
- xiii) 1.9.16 (a). We perceive the reference to be incorrect and unnecessary.
- xiv) 1.10.3. Suggest delete "(either in all or in part").
- xv) 1.12.2 Suggest delete "either in part of in total")

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

LGP supports the IMO's contention that the revised Market Procedure is consistent with the Wholesale Market Objectives.



3. 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.

The procedure change will not impact adversely on LGP.

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

LGP could implement the changes immediately.