

Wholesale Electricity Market Rule Change Proposal Submission Form

RC_2010_26 Correction of Minor, Typographical and Manifest Errors

Submitted by

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Submission

- Please provide your views on the proposal, including any objections or suggested revisions**

Background

As part of its ongoing review and of the Wholesale Electricity Market Rules (the Market Rules), the IMO has committed to submitting three Rule Change Proposals per year to address minor and typographical errors that have been identified in the Market Rules. This Rule Change Proposal constitutes the second such proposal for the 2010 calendar year.

The Rule Change Proposal put forward by the IMO contemplates language and punctuation improvements, corrects prior cross referencing errors and removes ambiguities. The Rule Change further seeks to address manifest errors. In particular, the removal of the inability to accept a Procedure Change submission unless it is on the standard form (clause 2.10.7); and the removal of the requirement for System Management to warn Market Participants about deviations to Resource Plans even when inside the Tolerance or Facility Tolerance Range (Clause 7.10.5); and incorrect clause referencing (clause 9.4.7).

Change Proposal

On 20 September the IMO submitted a Rule Change Proposal to address an omnibus of amendments under the Fast Track Rule Change Process. The Rule Change addresses the following matters:

Minor or Procedural Matters:

- Replacement of the word “practical” with “practicable”;
- Replacement of the words “as soon as able” with “as soon as practicable”;
- Replacement of the words “as soon as possible” with “as soon as practicable”;
- Corrections to use consistent and correctly defined terms within the Market Rules, including correction of the spelling for “programme”, use of capitals for defined terms; insertion of the word Auction in reference to the suspension of the STEM Auction process; insertion of plural for Dispatchable Loads; adjustments to reflect the current tense; insertion of punctuation; removal of words “megawatt hours” and “dollars per megawatt hour” and replacement with abbreviations for consistency; replacement of the word “Date” with “Deadline”; replacement of the word “details” with the words “the identity”; removal of the word “data” following the words “Resource Plan”; inclusion of the word “clause” before the Market Rules clause references; removal of the words “the sum of” where there is only one value to be cross referenced;
- Correction of cross referencing errors between Market Rules clauses
- Replacement of the word “Reserved” with “Reserve” when referencing matters associated with Certified Reserve Capacity;
- Replacement of the word “Administrative” with “Administered” in reference to Facility Dispatch Tolerance, DDAP, UDAP and MCAP definition; and
- Addition of a definition for “Local Black Start Procedures”, which while contemplated in RC_2008_21 was not included in the glossary.

Manifest Errors

- Removal of the inability to accept a Procedure Change submission unless it is on the standard form);
- Removal of the requirement for System Management to warn Market Participants about deviations to Resource Plans even when inside the Tolerance or Facility Tolerance Range (Clause 7.10.5); and
- Incorrect clause referencing.

Perth Energy's Views

Perth Energy supports the IMO's process of continuous review and improvement of the Market Rules. Perth Energy has reviewed the substantial volume of changes put forward in this Market Rule Change Proposal and finds that they meet the requirements of the Fast Track rule change process. Perth Energy views that the changes improve the consistency and integrity of the Market Rules.

Perth Energy acknowledges the intent of the IMO to be flexible in the way it addresses its stakeholder's needs, contemplating Procedure Change Proposals in formats other than the standard form (clause 2.10.7). Perth Energy considers that it is a requirement for the IMO to determine the form and content of the supporting data necessary for it to most efficiently advance a proposal through the Procedural Change Process. While it is Perth Energy's preference as a Market Participant to review proposals in a consistent format, it is accepted that there may be occasions when this may not be possible. In such circumstances, Perth Energy views it as important that appropriate flexibility is available to the IMO in managing the process. Perth Energy supports the correction of this manifest error.

Perth Energy further acknowledges the intent behind Rule Change RC_2009_22 – The Use of Tolerance Levels By System Management – to simplify the reporting requirements and compliance obligations of Market Participants and System Management, particularly those associated with trivial excursions from Resource Plans which are within the Tolerance Range of the Facility. However, as highlighted by the IMO in this Rule Change Proposal, the drafting of the Amending Rules to implement RC_2009_22 has led to System Management unintentionally being placed in a position of having to warn Market Participants about deviations to Resource Plans even when inside the Tolerance Range of the Facility. Perth Energy supports the IMO's contention that the intention of RC_2009_22 was to exempt System Management from having to warn Market Participants in such circumstances. Perth Energy therefore supports the correction of the manifest error in the drafting of clause 7.10.5.

Perth Energy agrees that cross referencing errors within the Market Rules do constitute a manifest error. As such, Perth Energy supports the IMO's proposal to correct the cross referencing in clause 9.4.7, with regard to its reference to clause 9.4.5 (b) as opposed to (c).

2. Please provide an assessment whether the change will better facilitate the achievement of the Market Objectives

Perth Energy agrees with the IMO that the proposed amendments, which will improve the integrity of the Market Rules, are consistent with the operation of the Wholesale Market Objectives.¹

¹ The objectives of the market are:

(a) to promote the economically efficient, safe and reliable production and supply of electricity and electricity related services in the South West interconnected system;

- 3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems) and any costs involved in implementing these changes.**

There will be no impact for Perth Energy.

- 4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.**

Perth Energy does not require any lead time to implement the change.

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- (b) to encourage competition among generators and retailers in the South West interconnected system, including by facilitating efficient entry of new competitors;
- (c) to avoid discrimination in that market against particular energy options and technologies, including sustainable energy options and technologies such as those that make use of renewable resources or that reduce overall greenhouse gas emissions;
- (d) to minimise the long-term cost of electricity supplied to customers from the South West interconnected system; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.