

- (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.

Downward Dispatch Instruction Payment (EDIP) for Non-Scheduled Generators

Non-Scheduled Generators

Under the current Market Rules (MR 6.17.6(c) and MR 9.8.1)

- Non-Scheduled generators are treated differently than Scheduled Generators for downward dispatch instruction payments
- Results in potential adverse outcomes for Non-Scheduled Generators

Including the imbalance the effective downward Dispatch Instruction Payment (EDIP) for a Scheduled Generator is:

a) $EDIP = \text{Dispatch Quantity} * (\text{Bid Price})$

The effective downward DIP for a Non Scheduled Generator is:

b) $EDIP = \text{Dispatch Quantity} * (\text{MCAP} + \text{Bid Price})$

Under a) Scheduled Generators always pay or are paid their desired bid price and the MCAP value does not impact upon this.

Under b) Non Scheduled Generators are adversely impacted in instances where $MCAP > 0$.

Non-Scheduled Generators

For Non Scheduled Generators:

- the Dispatch Quantity is relative to it's Resource Plan; unless
- no Resource Plan is submitted – where the Dispatch Quantity is based upon System Management's estimate of the output reduction for the dispatch period.

This means that a Non Scheduled Generator may be disadvantaged based on a combination of the level of downward Dispatch Quantity, the submitted Resource Plan Quantity and the estimated output for the dispatch period.

Dispatch Quantity of Non-Scheduled Generators

The fast track rule change is required due to the f

6.17.5B

A Market Participant may provide System Management with information specified in the Power System Operation Procedure to support the calculation of the quantity described in clause 7.7.5A(a).

6.17.6

The Dispatch Instruction Payment, DIP(p,d,t), for Market Participant p and Trading Interval t of Trading Day d equals the sum of:

The Dispatch Instruction Payment, DIP(p,d,t), for Market Participant p and Trading Interval t of Trading Day d equals the sum of:

<SNIP>

- (c) the sum over all Non-Scheduled Generators registered by the Market Participant of the amount that is the product of:
 - i. the quantity by which the Non-Scheduled Generator was instructed by System Management to reduce its output (where for the purpose of this calculation a Loss Factor adjustment is to be applied to the quantity specified by System Management so that the result is measured at the Reference Node); and
 - ii. the Standing Data price defined in Appendix 1(e)(v) that was current at the time of the Trading Interval for the Non-Scheduled Generator for a decrease in generation, (accounting for whether the Trading Interval is a Peak Trading Interval or an Off-Peak Trading Interval);

6.17.6

- (c) the sum over all Non-Scheduled Generators registered by the Market Participant of the amount that is the product of:
 - i. the quantity by which the Non-Scheduled Generator was instructed by System Management to reduce its output (where for the purpose of this calculation a Loss Factor adjustment is to be applied to the quantity specified by System Management so that the result is measured at the Reference Node); and
 - ii. the Standing Data price defined in Appendix 1(e)(v) that was current at the time of the Trading Interval for the Non-Scheduled Generator for a decrease in generation, (accounting for whether the Trading Interval is a Peak Trading Interval or an Off-Peak Trading Interval) less MCAP for the Trading Interval;

Market Participants receiving downward dispatch instructions would be treated equally i.e. Intermittent Generators would not be disadvantaged relative to Scheduled Generators.

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