



Draft Rule Change Report

Title: Local Black Start Procedures

Ref: RC_2008_21

Standard Rule Change Process

CONTENTS

1.	INTRODUCTION	2
2.	THE RULE CHANGE PROPOSAL.....	3
2.1.	Submission Details.....	3
2.2.	Details of the Proposal	3
2.3.	The Proposal and the Market Objectives	4
2.4.	Amending Rules proposed by System Management.....	4
2.5.	The IMO's Initial Assessment of the Proposal	4
3.	SUBMISSIONS	5
3.1.	Market Advisory Committee	5
3.2.	Submission from Synergy	5
3.3.	Submission from Landfill Gas and Power Pty Ltd (LGP)	5
3.4.	Public Forums and Workshops	6
4.	THE IMO'S ASSESSMENT AND DECISION.....	7
4.1.	Assessment.....	

1. INTRODUCTION

On 4 June 2008 System Management submitted a Rule Change Proposal regarding changes to clause 3.7 of the Wholesale Electricity Market Rules (Market Rules).

This Proposal is being processed using the Standard Rule Change Process, described in section 2.7 of the Market Rules.

The standard process adheres to the following timelines, outlined in section 2.7 of the Market Rules:

The key dates in processing this Rule Change Proposal are:

Based on the submissions received, the IMO's draft decision is to implement the Rule Change Proposal in the form outlined in section 6 of this Report.

This Draft Rule Change Report on the Rule Change Proposal has been prepared by the IMO in accordance with clause 2.7.6 of the Market Rules.

Interested parties are invited to provide further submissions in relation to this Draft Rule

2. THE RULE CHANGE PROPOSAL

on e

Name:	Alistair Butcher
Phone:	9427 5787
Fax:	9427 4228
Email:	Alistair.butcher@westernpower.com.au
Organisation:	System Management
Address:	
Date submitted:	4 June 2008
Urgency:	Normal
Change Proposal title:	Local Black Start Procedures

e o e o o

System Management submitted that clause 3.7 of the Market Rules deals with system restart (or “black start”) arrangements. This provision requires System Management to make operational plans and preparations to restart the SWIS in the event of a supply shutdown, and also requires System Management to use its reasonable endeavours to restart the system in the event of a shutdown.

System Management has entered into a deed for the provision of system restart service, and is currently assessing the adequacy of the service which has been procured.

As part of its assessment, System Management has undertaken a review of the existing arrangements for restarting the SWIS and has identified the need for information to be provided to assist it in understanding the likely condition and capabilities of plant following a system shutdown or major system disturb

prme

a-26.529(h)1(m)1.45(2)(a)115(9)579(5)849(7)682(1)8

System Management will use the local black system procedures as a major input into developing detailed electrical sub-network restart procedures.

Clause 4.8.12 of the National Electricity Rules mandates that generators in the NEM prepare similar documents for the approval of NEMMCO.

e o o n d e M e O e c e

System Management submitted that this proposed Rule Change would better address objective (a) of the Market Objectives. System Management submitted that the changes as submitted would promote the economically efficient, safe and reliable production and

and revised the text of the proposed Rule Change as shown below (~~deleted words~~, added words):

4. THE IMO'S ASSESSMENT AND DECISION

A e e n

ss ons

All parties responding within the prescribed submission period expressed support for the Rule Change Proposal. The changes proposed by Landfill Gas and Power Pty Ltd were incorporated into the proposed amendments to the Market Ruly

Td [(R)4.12.6 TL () /R39 1139 1176.441 12.6 TL T*
4rit (b)1.319687(O)-5.07M4(i)4.47915()-4.7729((b)1.31982

Public Domain

The IMO has made its draft decision on the basis that the resulting Amending Rules will allow the Market Rules to better address the Wholesale Market Objectives.

The wording of the relevant Amending Rules is presented in section 6 of this Report.

5. CALL FOR SUBMISSIONS

The IMO invites Market Participants to make submissions on this Draft Rule Change Report and proposed Rule Change. The submission period is 20 Business Days from the publication date of this Report.

Submissions must be delivered to the IMO by close of business on Friday 19 September 2008.

The IMO prefers to receive submissions by email to marketadmin@imowa.com.au using the submission form available on the IMO website:

http://www.imowa.com.au/10_5_1_b_rule_change_proposal.htm

Submissions may also be sent to the IMO by fax or post, addressed to:

Independent Market Operator
Attn: Manager Market Administration
PO Box 7096
Cloisters Square, Perth, WA 6850
Fax: (08) 9254 4399

6. PROPOSED AMENDING RULES

The IMO proposes the following new clauses to the Market Rules (~~deleted words~~, added words):

- 3.7.3 System Management must publish guidelines for the preparation of Local Black System Procedures and may amend the guidelines from time to time.
- 3.7.4 Each Scheduled Generator and Non-Scheduled Generator must develop Local Black System Procedures in accordance with the guidelines published under clause 3.7.3.
- 3.7.5 Local Black System Procedures must provide su

7. GENERAL INFORMATION ABOUT RULE CHANGE PROPOSALS

Clause 2.5.1 of the Wholesale Electricity Market Rules (Market Rules) provides that any person (including the Independent Market Operator) may make a Rule Change Proposal by completing a Rule Change Proposal Form and submitting this to the Independent Market Operator (IMO).

In order for the proposal to be progressed, the change proposal must explain how it will enable the Market Rules to better contribute to the achievement of the Wholesale Market Objectives. The market objectives 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
- (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
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used

A Rule Change Proposal can be processed using a Standard Rule Change Process or a Fast Trac.4422(g)13()-15.6326(a)12.198 ()-Bc5422(g)13()-15.6326(a)12.198 22(g)13.634422(g)1.442