
**Wholesale Electricity Market
Rule Change Proposal Submission Form**

RC_2009_08 Updates to Commissioning Provisions

Submitted by

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Organisation:

Under the current Market Rules, System Management is unable to approve a Commissioning Test for a new Facility after 30 November.

To the extent that a new Facility is unable to complete Commissioning Tests by 30 November, the effect of the Market Rules is to oblige the Facility to verify its output capability while being required to trade in the energy market. This means that a Facility commissioning after 30 November does so without the benefit of relief from the full provisions of the energy market, including the requirement to submit Resource Plans and consequent exposure to penalty balancing prices and compliance issues.

Rule Change Proposal

RC_2009_08 would amend to Market Rules to allow new Facilities to conduct Commissioning Tests for a four month period from the date of first connection to the South West Interconnected System (SWIS).

During the commissioning period, the new Facility would not be required to operate in the energy market. That is, it would not be required to submit Resource Plans, and would not be subject to the Upward Deviation Administered Price and the Downward Deviation Administered Price.

However, new Facilities would become subject to all Reserve Capacity Obligations from no later than 1 December. As a result, new Facilities would continue to be liable to pay Capacity Cost Refunds for Forced Outages from at least that date.

Draft Rule Change Report

The IMO's draft decision was to accept RC_2009_08 as proposed, with a minor amendment to Market Rule 3.21A.16 to clarify that System Management would only need to provide the IMO with Commissioning Test plan information on a daily basis, not every time that the Commissioning Test plan was varied.

The IMO also requested that Market Participants specifically submit on the proposed requirement under amended Market Rule 10.6.1 for the IMO to publish the approved Commissioning Test plans provided to it by System Management under the new clause 3.21A.16.

A workshop on RC_2009_08 was held on Monday 24 August 2009, and the IMO subsequently also issued an addendum to its Draft Rule Change report on Tuesday 25 August 2009.

Alinta's views

Alinta supports the intent of RC_2009_08.

The amended Market Rules would retain a strong financial incentive for Market Participants to complete commissioning of new Facilities ahead of periods of peak system demand. However, to the extent this cannot be achieved, the amended Market Rules would ensure that efforts by Market Participants to complete commissioning as soon as possible after 1 December were not unduly impeded.

RC_2009_08 would also require the IMO to make approved Commissioning Tests supplied to it under clause 3.21A.16 by System Management available from the Market Web Site as

- (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

