
Wholesale Electricity Market Rule Change Proposal Submission Form

**RC_2010_06 Application of Spinning Reserve to Aggregated
Facilities**

Submitted by

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Submission

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

Background

Although the Market Rules provide for two Facilities to be aggregated, physically (and operationally) the aggregated Facility would generally be expected to remain the sum of two (or more) separate physical Facilities.

Nevertheless, the formula in Appendix 2 of the Market Rules attributes a proportionately greater amount of Spinning Reserve costs the larger the Generator.

Thus aggregation of Facilities is likely to increase the proportionate cost of Spinning Reserve paid by the aggregated Facility should the aggregated Facility shift into a higher block range in Table 1 of Appendix 2.

Rule Change Proposal

RC_2010_06 would amend the Market Rules so that, for the purposes of attributing Spinning Reserve Costs under Appendix 2, the aggregated Facility would be treated as separate Facilities.

Alinta's views

In principle, Alinta supports RC_2010_06.

However, it is suggested that System Management be asked to advise whether in determining the required amount of Spinning Reserve, it treats (or would treat) aggregated Facilities as a single Facility or as separate Facilities.

To the extent that System Management does (or would) determine the required amount of Spinning Reserve by treating aggregated Facilities as separate Facilities, the changes to the Market Rules contemplated by RC_2010_06 appear appropriate.

The IMO may also like to consider whether the reference in proposed new Market Rule 2.30.7A should instead be to “Reserve_Share” (i.e. the allocation of the costs of Spinning Reserve to a Scheduled Generator) in place of “Spinning Reserve”.

2. Please provide an assessment whether the change will better facilitate the

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

The changes to the Market Rules contemplated by RC_2010_06 would not require Alinta to change its IT or business systems, and hence there is no specific period of time that would be required to implement the changes arising from the rule change proposal.