
Wholesale Electricity Market Rule Change Proposal

Change Proposal No: RC_2011_05
Received Date: 9 June 2011

Submitted by

Name:	Brendan Clarke
Phone:	9427 5940
Fax:	9427 4228
Email:	Brendan.Clarke@westernpower.com.au
Organisation:	System Management
Address:	
Date submitted:	9 June 2011
Urgency:	Fast Track Rule change process
Change Proposal title:	Curtailed Load Dispatch Clarification
Market Rule(s) affected:	Clause 7.6.3

Introduction

This Market Rule Change Proposal can be posted, faxed or emailed to:

Independent Market Operator

Attn: Troy Forward, Manager Market Administration & System Capacity
PO Box 7096
Cloisters Square, Perth, WA 6850

Fax: (08) 9254 4399

Email: marketadmin@imowa.com.au

The paper should explain how it will enable the Market Rules to better contribute to the achievement of the wholesale electricity market objectives. 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;
- (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;

In summary System Management uses the following dispatch order to increase supply:

- x Appendix 1 (i)xA allows a Dispatchable Load to submit a Consumption Increase & Decrease Prices not less than the Minimum STEM Price and not more than the Alternative Maximum STEM Price

These prices are the same as a Liquid Supply Increase price for a scheduled generator as given in Appendix 1(c)vi. A reader of this clause could infer that System Management should dispatch curtailable and dispatchable loads in the same class as Non Verve Liquid facilities.

As such System Managements interpretation may lead to an inefficient dispatch as curtailable

System Management believes that dispatching curtailable loads and dispatchable loads as liquid facility is theoretically better as it provides higher dispatch payments for lower capacity factor facilities. System Management notes generally this is associated with lower capacity

3 7t(0 Tw1(22 S2(y)s. S2(y)Tj0 -1.15 T TD.0Tc0)Tj0 -1.82701TD.000614c0 [_____]8(ca_____

4) Describe how the proposed Market Rule change would allow the Market Rules to better address the Wholesale Market Objectives:

This proposed Rule Change would better address objective (a) of the Market Objectives. The change as submitted would promote the economic

- x System Controllers would not be distracted from their primary function of maintaining power system security.

Costs:

- x No costs have been anticipated by System Management other than the administrative costs to change the rules.
-