
Wholesale Electricity Market Rule Change Proposal

Change Proposal No: RC_2011_0 8
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Submitted by

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Urgency:	3 - High
Change Proposal title:	Curtailed Load Dispatch for Network Control Services and Changes to the Reserve Capacity Obligation Quantity for Curtailed Loads under certain circumstances
Market Rule(s) affected:	Clauses 4.12.4, 4.12.8, 4.26.2D and 7.6.10

Introduction

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

- (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; and
- (e) to encourage the taking of measures to manage the amount of electricity used and when it is used.

Details of the proposed Market Rule Change

- 1) Outline the issue concerning the existing Market Rules that is to be addressed by the proposed Market Rule change:

Issue 1: The Market Rules limit the dispatch of Curtailable Loads and so limits the effectiveness of alternate options to network investment in Network Control Service Contracts

System Management may dispatch curtailable load facilities under its obligations in Clause 7.6.10.

“7.6.10. Where a Market Participant has Capacity Credits granted in respect of a Curtailable Load:

(a) the IMO must provide System Management with the details of the Reserve Capacity Obligations to enable System Management to dispatch the Curtailable Load.

(b) System Management may issue directions to the Curtailable Load in accordance with the Reserve Capacity Obligations.”

The Reserve Capacity Obligations are determined by the particular availability class, being 24, 48, 72 or 96 hours in any year and by Rule 4.12.8 which prevents full dispatch for more than 2 days. (i)3(cu)-2near

Issue 2: The Market Rules reduce the Reserve Capacity Obligation Quantity (RCOQ) for Curtailable Loads for unintended purposes being Network Control Service Dispatch, Ancillary Service, Tests and Balancing Support.

The IMO, at the MAC meeting of 13 July 2011, requested System Management include this issue in this submission as it is related to the RCOQ of curtailable loads. This expands the scope of the concept to include Ancillary Services Contracts, Testing and Balancing Support Contracts.

System Management may issue a dispatch instruction under Market Rule 7.6.6

iii. must be specified as dropping to zero once the capacity from the block has been called the maximum number of times per year as specified in accordance with clause 4.10.1(f)(iv); and

- ii. will equal zero for the remainder of a Trading Day in which the capacity has been dispatched under clause 7.6.6(e) for the number of hours per day that are specified under clause 4.10.1(f)(iii);
- iii. will equal zero once the capacity has been dispatched under clause 7.6.6(e) for the maximum number of times per year specified under clause 4.10.1(f)(iv) ~~excluding where the Facility has been requested to perform a Reserve Capacity test in accordance with clause 4.25;~~
- iv. must account for staffing and other restrictions on the ability of the Facility to curtail energy upon request; and
- v. will equal zero for ~~intervals~~ Trading Intervals

- (b) zero, where System Management has not issued a Dispatch Instruction under clause 7.6.6(e) to the Demand Side Programme for Trading Interval t as advised to the IMO by System Management under clause 7.13.1.

7.6.10. Where a Market Participant has Capacity Credits granted in respect of a Demand Side Programme:

- (a) the IMO must provide System Management with the details of the Reserve Capacity Obligations to enable System Management to dispatch the Demand Side Programme; and
- (b) any Dispatch Instructions issued by System Management