Wholesale Electricity Market Rule Change Proposal Submission

RC_2015_03

Formalisation of the Process for Maintenance Applications

Submitted by

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interpretation of the Market Rules by AEMO, has already significantly added to the cost and time of preparing DSM claims. The proposed rule change legitimises the power of AEMO to tailor the process as it see's fit. If a similar process is allowed for by the proposed rule change for NDTL applications, it will significantly increase

The timeframe for the receipt of meter data at the completion of the Capacity Year for the individual NMI's and the subsequent compilation of the CDA, submission, review before the date for which Reserve Capacity Credits are published is unworkable and has for the last 2 years since the introduction of the new assessment criteria resulted in a reduced Relevant Demand and the requirement for Capacity refunds. It also precludes any time for resubmission should it be necessary before DSM Relevant Demand figures are calculated and published by AEMO. The peak 200 hours used in the calculations are not available until, at the earliest, 1 October of each year for the previous consumption year. Meter data availability and the time for compilation of the CDA and does not allow for the application of a CDA for the full year as at 30 September, but necessitates a CDA to be submitted for a period less than a year, so as to allow for processing time. With the changing load profile in the WEM the peak sent out hours are no longer restricted to the summer months with many of the periods occurring in the period immediately before the 30 September.

In 2017/18 Capacity year, for example, 45 of the 200 hours occurred in the period 1 August through to 12 September. Simcoa, having been penalised the year before with the submission which resulted in a reduction in the Relevant Demand due to the submission not being approved prior to the issuance of Capacity Credits due to an extended period for the providing documentation to the satisfaction of AEMO, submitted a CDA 15/09/2018 for the period 1 October 2017 through to 1 August 2018. This was the last meter data Simcoa had received when the CDA preparation process commenced. AEMO published the Relevant demand at a much-reduced level on 1st October, which became effective on 3rd October. The reason for the reduced level was that 45 of the top 200 hours had occurred in the period between when the CDA data was analysed and the end of September. It is impossible to follow the procedure laid out in Appendix 10 of the WEM Rules, and the guideline issued by AEMO and have a valid CDA approved on 1st October when AEMO publish the Relevant Demand. This Capacity Refunds attributable to this situation

has the potential to cost Simcoa a significant portion of it's yearly DSM-3()- 0 1 90arittedlidtel

Relevant Demand determination of top 200 sent out total demand hours (2 consecutive trading intervals) throughout the full RC year. Whilst it is not part of the proposed rule change, these processes should be aligned.

Finally, the proposed impost of a fee for the processing of any CDA by a Market Participant to essentially obtain what is, essentially by the design of the Market Rules, a right of the Market Participant in providing a service to the Market is <u>simply</u>