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**ELECTRICITY INDUSTRY ACT 2004  
ELECTRICITY INDUSTRY (WHOLESALE ELECTRICITY  
MARKET) REGULATIONS 2004**

**WHOLESALE ELECTRICITY MARKET RULES**

Amending Rules No. 1 (December 2006)

I, Francis Logan, Minister for Energy for the State of Western Australia, under regulation 6(2) of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* hereby make the amending rules contained in this document.

These amending rules are to commence at 8:00am (WST) on 1 December 2006.

FRANCIS LOGAN MLA, Minister for Energy.

Dated at Perth this day 28th of November 2006.

**1. Market Rule 6.15.1(a) amended**

Deleting the existing clause 6.15.1(a), and replacing it with the following—

- 6.15.1(a) where no Dispatch Instructions were issued in respect of the Registered Facility for the Trading Interval, equal to the energy to be generated and sent out or consumed by the Registered Facility indicated in the applicable Resource Plan (where for the purpose of this calculation a Loss Factor adjustment is to be applied to the quantity of energy so that the result is measured at the Reference Node) for that Trading Interval plus;
1. where the Metered Schedule for the Trading Interval is higher than or equal to the applicable Resource Plan value, the Facility's Facility Dispatch Tolerance as a positive value to the extent that the resulting Dispatch Schedule does not exceed the Metered Schedule or
  2. where the Metered Schedule for the Trading Interval is lower than the applicable Resource Plan value, the Facility's Facility Dispatch Tolerance as a negative value to the extent that the resulting Dispatch Schedule is not lower than the Metered Schedule;

**2. Market Rule 4.26.2 amended**

Deleting the existing clause 4.26.2, and replacing it with the following—

- 4.26.2. The IMO must determine the capacity shortfall ("Capacity Shortfall") in Reserve Capacity supplied by each Market Participant p holding Capacity Credits in each

Trading Interval  $t$  of Trading Day  $d$  and Trading Month  $m$  relative to its Reserve Capacity Obligation Quantity as—

$$SF(p, m, d, t) = \text{Max}(\text{RTFO}(p, d, t), \text{RCOQ}(p, d, t) - A(p, d, t)) + \text{Max}(0, B(p, d, t) - C(p, d, t))$$

Where

$$A(p, d, t) = \text{Min}(\text{RCOQ}(p, d, t), \text{CAPA}(p, d, t));$$

$$B(p, d, t) = \text{Min}(\text{RCOQ}(p, d, t) - \text{RTFO}(p, d, t), \text{DSQ}(p, d, t));$$

$$C(p, d, t) = \text{Min}(\text{DSQ}(p, d, t), \text{MSQ}(p, d, t));$$

$\text{RCOQ}(p, d, t)$  is the total Reserve Capacity Obligation Quantity of Market Participant  $p$ 's unregistered facilities that have Reserve Capacity Obligations, plus the sum over all of the Registered sum over all of Facilities registered to Market Participant  $p$  of the product of the factor described in clause 4.26.2B as it applies to the Registered Facility and the Facility's Reserve Capacity Obligation Quantity in Trading Interval  $t$  of Trading Day  $d$ ;

$\text{CAPA}(p, d, t)$  is for Market Participant  $p$  and Trading Interval  $t$  of Trading Day  $d$ —

- (a) equal to  $\text{RCOQ}(p, d, t)$  for a Trading Interval where the STEM auction has been suspended by the IMO in accordance with clause 6.10;
- (b) subject to paragraph (a), for the case where Market Participant  $p$  is not the Electricity Generation Corporation, the sum of—
  - i. the sum of the Reserve Capacity Obligation Quantities in Trading Interval  $t$  of that Market Participant's Interruptible Loads and Curtailable Loads; plus
  - ii. the MW quantity calculated by doubling the total MWh quantity of energy sent out by Facilities registered by that Market Participant net of the MW quantity calculated by doubling the total MWh quantity of energy to be consumed by that Market Participant including demand associated with any Curtailable Load or Interruptible Load, but excluding demand associated with any Dispatchable Load during that Trading Interval as indicated by the applicable Resource Plan; plus
  - iii. the MW quantity calculated by doubling the total MWh quantity covered by the STEM Offers which were not scheduled and the STEM Bids which were scheduled in the relevant STEM Auction, determined by the IMO for that Market Participant under clause 6.9 for Trading Interval  $t$ , corrected for Loss Factor adjustments so as to be a sent out quantity in accordance with clause 4.26.2A; plus
  - iv. double the total MWh quantity to be provided as Ancillary Services as specified by the IMO in accordance with clause 6.3A.2(e)(i) for that Market Participant corrected for Loss Factor adjustments so as to be a sent out quantity in accordance with clause 4.26.2A; plus
  - v. the greater of zero and  $(\text{BSFO}(p, d, t) - \text{RTFO}(p, d, t))$ ; and
- (c) subject to paragraph (a), for the case where Market Participant  $p$  is the Electricity Generation Corporation, the sum of—
  - i. the sum of the Reserve Capacity Obligation Quantities in Trading Interval  $t$  of that Market Participant's Interruptible Loads and Curtailable Loads; plus
  - ii. the MW quantity calculated by doubling the total MWh quantity of the Net Contract Position quantity of that Market Participant for Trading Interval  $t$ , corrected for Loss Factor adjustments so as to be a sent out quantity in accordance with clause 4.26.2A; plus
  - iii. the MW quantity calculated by doubling the total MWh quantity of the STEM Offers which were not scheduled and the STEM Bids which were scheduled in the relevant STEM Auction, determined by the IMO for that Market Participant under clause 6.9 for Trading Interval  $t$ , corrected for Loss Factor adjustments so as to be a sent out quantity in accordance with clause 4.26.2A; plus
  - iv. double the total MWh quantity to be provided as Ancillary Services as specified by the IMO in accordance with clause 6.3A.2(e)(i) for the Electricity Generation Corporation corrected for Loss Factor adjustments so as to be a sent out quantity in accordance with clause 4.26.2A; plus
  - v. the greater of zero and  $(\text{BSFO}(p, d, t) - \text{RTFO}(p, d, t))$ .

$\text{BSFO}(p, d, t)$  is the total MW quantity of Forced Outage associated with Market Participant  $p$  before the STEM Auction for Trading Interval  $t$  of Trading Day  $d$ , where this is the sum over all the Market Participant's Registered Facilities of the lesser of the Reserve Capacity Obligation Quantity of the Facility for Trading Interval  $t$  and the MW Forced Outage of the Facility for Trading Interval  $t$  as provided to the IMO by System Management in accordance with clause 7.3;

$\text{RTFO}(p, d, t)$  is the total MW quantity of Forced Outage associated with Market Participant  $p$  in real-time for Trading Interval  $t$  of Trading Day  $d$ , where this is the sum over all the Market Participant's Registered Facilities of the lesser of the Reserve Capacity Obligation Quantity of the Facility for Trading Interval  $t$  and

the MW Forced Outage of the Facility for Trading Interval  $t$  as provided to the IMO by System Management in accordance with clause 7.13.1(e);

$DSQ(p,d,t)$  is a MW quantity calculated by doubling the MWh value of the sum over all of the Facilities registered by Market Participant  $p$  of each Facility's Dispatch Schedule for Trading Interval  $t$  of Trading Day  $d$ ;

$MSQ(p,d,t)$  is a MW quantity calculated by doubling the MWh value of the sum over all of the Facilities registered by Market Participant  $p$  of the greater of zero and each Facility's Metered Schedule for Trading Interval  $t$  of Trading Day  $d$  corrected for Loss Factor adjustments applicable to that Facility so as to be a sent out quantity.

### 3. Market Rule 9.13.1 amended

Deleting the existing clause 9.13.1, and replacing it with the following—

- 9.13.1. The applicable Market Participant Fee settlement amount for Market Participant  $p$  for Trading Month  $m$  is—

$$MPFSA(p,m) = (-1) \times (\text{Market Fee rate} + \text{System Operation Fee rate} + \text{Regulator Fee rate}) \times (\text{Monthly Participant Load}(p,m) + \text{Monthly Participant Generation}(p,m))$$

Where

Market Fee rate is the charge per MWh for IMO's services determined in accordance with clause 2.24.2 for the year in which Trading Month  $m$  falls;

System Operation Fee rate is the charge per MWh for System Management's services determined in accordance with clause 2.24.2 for the year in which Trading Month  $m$  falls;

Regulator Fee rate is the charge per MWh for funding the Economic Regulation Authority's activities with respect to the Wholesale Electricity Market determined in accordance with clause 2.24.2 for the year in which Trading Month  $m$  falls;

$$\text{Monthly Participant Load}(p,m) = (-1) \times \text{Sum}(d \in D, t \in T, \text{Metered Load}(p,d,t));$$

where

Metered Load( $p,d,t$ ) for a Market Participant  $p$  for a Trading Interval  $t$  is the sum of the mathematical absolute values of the Metered Schedules for the Non-Dispatchable Loads, Dispatchable Loads, Interruptible Loads and Curtailable Loads, registered to the Market Participant for Trading Interval  $t$ ; and

$$\text{Monthly Participant Generation}(p,m) = \text{Sum}(d \in D, t \in T, \text{Metered Generation}(p,d,t));$$

where

Metered Generation( $p,d,t$ ) for Market Participant  $p$  for Trading Interval  $t$  is the sum of the mathematical absolute values of the Metered Schedules for Scheduled Generators and Non-Scheduled Generators, registered to the Market Participant for Trading Interval  $t$ ; and

$D$  is the set of all Trading Days in Trading Month  $m$ , where " $d$ " is used to refer to a member of that set;

$T$  is the set of all Trading Intervals in Trading Day  $d$ , where " $t$ " is used to refer to a member of that set.

### 4. Market Rule 6.14.2(a) amended

Deleting the existing clause 6.14.2(a), and replacing it with the following—

- 6.14.2(a) If the STEM Auction was suspended for the Trading Interval under clause 6.10.1, and the process described in clause 6.9 cannot subsequently be completed by the time MCAP must be published under clause 6.14.1, the IMO must determine MCAP for the Trading Interval to be the value of MCAP for the equivalent Trading Interval—
- i. if the IMO is determining MCAP for a Business Day, MCAP will be the value for the most recent Trading Day in the past which is a Business Day and commenced on the same day of the week;
  - ii. if the IMO is determining MCAP for a day which is not a Business Day, MCAP will be the value for the most recent Trading Day in the past which is not a Business Day.

### 5. Market Rule 6.17.6(b)i amended

Deleting the existing clause 6.17.6(b)i, and replacing it with the following—

- 6.17.6(b)i. if the Dispatch Schedule for the Registered Facility is set in accordance with clause 6.15.1(a) for Trading Interval  $t$ , the Balancing Support Contract energy dispatched from the Facility in Trading Interval  $t$  as specified by System Management in accordance with clause 7.13(dA) is zero (where for the purpose of this calculation a Loss Factor adjustment is to be applied to the quantity specified by System Management so that the result is measured at the Reference Node) and the Network Control Service Contract energy dispatched from the Facility in Trading Interval  $t$  as specified by System Management in accordance with clause 7.13(dB) is zero (where for the purpose of this calculation a Loss Factor adjustment is to be applied to the quantity specified by System Management so that the result is measured at the Reference Node), the amount for the Registered Facility is zero;