



## **Draft National Electricity Amendment (Ramp Rates, Market Ancillary Service Offers, and Dispatch Inflexibility) Rule 2008**

under the National Electricity Law as applied by:

- (a) the National Electricity (South Australia) Act 1996;
- (b) the Electricity (National Scheme) Act 1997 of the Australian Capital Territory;
- (c) the National Electricity (New South Wales) Act 1997 of New South Wales;
- (d) the Electricity - National Scheme (Queensland) Act 1997 of Queensland;
- (e) the Electricity - National Scheme (Tasmania) Act 1999 of Tasmania;
- (f) the National Electricity (Victoria) Act 2005 of Victoria; and
- (g) the Australian Energy Market Act 2004 of the Commonwealth.

The Australian Energy Market Commission makes the following Rule under the National Electricity Law.

A handwritten signature in black ink, appearing to read "John Tamblyn", is written over the printed name.

John Tamblyn

Chairman

Australian Energy Market Commission

## **Draft National Electricity Amendment (Ramp Rates, Market Ancillary Service Offers, and Dispatch Inflexibility) Rule 2008**

### **1. Title of Rule**

This Rule is the *Draft National Electricity Amendment (Ramp Rates, Market Ancillary Service Offers, and Dispatch Inflexibility) Rule 2008*.

### **2. Commencement**

This Rule, Schedule 2 excepted, commences operation on [ ]. Schedule 2 of this Rule commences operation on 31 March 2009.

### **3. Amendment of the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 1.

### **4. Amendment of the National Electricity Rules consequent on the commencement of the National Electricity Amendment (Central Dispatch and Integration of Wind and Other Intermittent Generation) Rule 2008 No. 2**

The National Electricity Rules are amended as set out in Schedule 2.

### **5. Notes**

Notes do not form part of this Rule.

## Schedule 1      Amendment of National Electricity Rules

(Clause 3)

### [1]      New Clause 3.8.3A      Ramp rates

After clause 3.8.3, insert:

#### 3.8.3A Ramp rates

- (a) This clause 3.8.3A applies to a *Scheduled Generator* or *Market Participant* with *generating units, scheduled network services* and/or *scheduled loads* providing *ramp rates* to *NEMMCO* in accordance with the following clauses:
  - (1) with respect to notification of scheduled capacity prior to *dispatch*:
    - (i) clause 3.8.4(c);
    - (ii) clause 3.8.4(d);
    - (iii) clause 3.8.4(e);
  - (2) with respect to offers for *dispatch*:
    - (i) clause 3.8.6(b);
    - (ii) clause 3.8.6A(b);
    - (iii) clause 3.8.7(c); and
  - (3) with respect to *rebids*, clause 3.8.22(b).
- (b) Subject to clauses 3.8.3A(c) and 3.8.3A(i), a *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies must provide a *ramp rate* to *NEMMCO* for each *generating unit, scheduled network service* and/or *scheduled load* that is:
  - (1) at least:
    - (i) 3MW/minute in the case of a *scheduled network service* or *scheduled load*; or
    - (ii) the lower of 3MW/minute or 3% of the registered full *load* (MW generated) in the case of a *scheduled generating unit*

provided in accordance with clause 3.13.3(b), expressed as MW/minute rounded to an integer; or

- (2) at most the relevant *maximum ramp rate* provided in accordance with clause 3.13.3(b).

**Note:** The AER intends for this provision to be a civil penalty provision.

- (c) A *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies may provide a *ramp rate* to *NEMMCO* that is less than that specified in clause 3.8.3A(b)(1) if the *ramp rate* is affected by an event or other occurrence that:

- (1) physically prevents the relevant *generating unit, scheduled load* or *scheduled network service* from attaining a *ramp rate* of at least that specified in clause 3.8.3A(b)(1); or
- (2) makes it unsafe for the relevant *generating unit, scheduled load* or *scheduled network service* to operate at a *ramp rate* of at least that specified in clause 3.8.3A(b)(1),

for the period of time in which the *ramp rate* is affected by that event or other occurrence.

- (d) Where a *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies provides a *ramp rate* that is less than that specified in clause 3.8.3A(b)(1), it must provide a *ramp rate* to *NEMMCO* that is the maximum the relevant *generating unit, scheduled load* or *scheduled network service* can safely attain at that time.

**Note:** The AER intends for this provision to be a civil penalty provision.

- (e) Where a *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies provides a *ramp rate* that is less than that specified in clause 3.8.3A(b)(1), it must simultaneously provide *NEMMCO* with a brief, verifiable and specific reason why the *ramp rate* is below that specified in clause 3.8.3A(b)(1).
- (f) The *AER* may require, upon written request, the *Scheduled Generator* or *Market Participant* to provide such additional information as it may require from time to time to substantiate and verify the reason provided in clause 3.8.3A(e).
- (g) The *AER* must exercise its powers under clause 3.8.3A(f) in accordance with any guidelines issued by the *AER* from time to time in accordance with the *Rules consultation procedures*.

- (h) Where a *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies provides a *maximum ramp rate* in accordance with clause 3.13.3(b) of less than that specified in clause 3.8.3A(b)(1), it must provide *NEMMCO* with a brief, verifiable and specific reason why the *ramp rate* is below that specified in clause 3.8.3A(b)(1).
- (i) Clauses 3.8.3A(b), 3.8.3A(c) and 3.8.3A(e) do not apply to a *Scheduled Generator* or *Market Participant* to which this clause 3.8.3A applies where:
  - (1) it has provided a *maximum ramp rate* in accordance with clause 3.13.3(b) which is less than that specified in clause 3.8.3A(b)(1); and
  - (2) it has notified *NEMMCO* of this in accordance with clause 3.8.3A(h).
- (j) In addition to the obligations in clause 3.8.3A(d), where clause 3.8.3A(i) applies, the *Scheduled Generator* or *Market Participant* must only provide *ramp rates* that are, at most, the *maximum ramp rate* for the relevant *generating unit*, *scheduled load* or *scheduled network service* in accordance with clause 3.13.3(b).

**Note:** The AER intends for this provision to be a civil penalty provision.

**[2] Clause 3.8.4 Notification of scheduled capacity**

In clause 3.8.4(c)(4), omit “*ramp rate constraints*”, and substitute “*a ramp rate*”.

**Note:** This is a civil penalty provision.

**[3] Clause 3.8.4 Notification of scheduled capacity**

In clause 3.8.4(d)(3), omit “*ramp rate constraints*”, and substitute “*a ramp rate*”.

**Note:** This is a civil penalty provision.

**[4] Clause 3.8.4 Notification of scheduled capacity**

In clause 3.8.4(e)(2), omit “*ramp rate constraints*”, and substitute “*a ramp rate*”.

**Note:** This is a civil penalty provision.

**[5] Clause 3.8.6 Generating unit offers for dispatch**

In clause 3.8.6(b)(3), omit “a MW/min *ramp rate* capability”, and substitute “a MW/minute *ramp rate*”.

**[6] Clause 3.8.6A Scheduled network service offers for dispatch**

In clause 3.8.6A(b)(2), omit “a MW/min *ramp rate* capability”, and substitute “a MW/minute *ramp rate*”.

**[7] Clause 3.8.7 Bids for scheduled load**

In clause 3.8.7(c)(2), omit “a MW/min *ramp rate* capability”, and substitute “a MW/minute *ramp rate*”.

**[8] Clause 3.8.7A Market ancillary services offers**

In clause 3.8.7A(j)(3), after “*capability*,” omit “and”.

**[9] Clause 3.8.7A Market ancillary services offers**

In clause 3.8.7A(k), omit “.” and substitute:

;

- (l) the values associated with a *market ancillary service offer* referred to in clause 3.8.7A(j) must represent technical characteristics of the *ancillary service generating unit* or *ancillary service load*; and

**Note:** The AER intends for this provision to be a civil penalty provision.

- (m) rebids made under clause 3.8.22 of the values associated with the *market ancillary service offer* referred to in clause 3.8.7A(j) must represent technical characteristics at the time of *dispatch* of the *ancillary service generating unit* or *ancillary service load*.

**Note:** The AER intends for this provision to be a civil penalty provision.

**[10] Clause 3.8.19 Dispatch inflexibilities**

Omit clause 3.8.19(a) and substitute:

- (a) *A Scheduled Generator or Market Participant:*

- (1) that reasonably expects one or more of its *scheduled generating units, scheduled network services or scheduled loads* to be unable to operate in accordance with *dispatch instructions* in any *trading interval*, due to abnormal *plant* conditions or other abnormal operating requirements in respect of that *scheduled generating unit, scheduled network service or scheduled load*, must advise NEMMCO through the PASA process or in its *dispatch offer or dispatch bid* including any *rebid* pursuant to clause 3.8.22, in respect of that *scheduled generating unit, scheduled network service or scheduled load*, as appropriate under this Chapter 3, that the *scheduled generating unit, scheduled network service or scheduled load* is *inflexible* in that *trading interval* and must specify a fixed *loading level* at which the *scheduled generating unit, scheduled network service or scheduled load* is to be operated in that *trading interval*;
- (2) must not advise NEMMCO that a *scheduled generating unit, scheduled network service or scheduled load* is *inflexible* under clause 3.8.19(a)(1) unless it reasonably expects the *scheduled generating unit, scheduled network service or scheduled load* to be unable to operate in accordance with *dispatch instructions* in any *trading interval*, due to abnormal *plant* conditions or other abnormal operating requirements in respect of that *scheduled generating unit, scheduled network service or scheduled load*; and
- (3) must, as soon as practicable, advise NEMMCO that a *scheduled generating unit, scheduled network service or scheduled load* is not *inflexible* once it no longer reasonably expects the *scheduled generating unit, scheduled network service or scheduled load* to be unable to operate in accordance with *dispatch instructions* in any *trading interval*, due to abnormal *plant* conditions or other abnormal operating requirements in respect of that *scheduled generating unit, scheduled network service or scheduled load*.

**Note:** This is a civil penalty provision.

#### **[11] Clause 3.8.19 Dispatch inflexibilities**

In clause 3.8.19(b), omit “3.8.19(a)”, and substitute “3.8.19(a)(1)”.

**Note:** This is a civil penalty provision.

#### **[12] Clause 3.8.22 Rebidding**

In clause 3.8.22(b), after “Subject to clauses”, insert “3.8.3A, 3.8.7A, 3.8.19(a),”.

**Note:** This is a civil penalty provision.

**[13] Clause 3.8.22A Variation of offer, bid or rebid**

Omit clause 3.8.22A(a) and substitute:

- (a) *Scheduled Generators and Market Participants* must make *dispatch offers, dispatch bids and rebids* in relation to *available capacity* and *daily energy constraints* in good faith.

**Note:** This is a rebidding civil penalty provision.

**[14] Schedule 3.1 – Registered Bid and Offer Data**

In the table “Scheduled Generating Unit Data”, omit “normal and maximum *ramp rates*”, and substitute “*maximum ramp rate*”.

**[15] Schedule 3.1 – Registered Bid and Offer Data**

In the table “Semi-Scheduled Generating Unit Data”, omit “normal and maximum *ramp rate*”, and substitute “*maximum ramp rate*”.

**[16] Schedule 3.1 – Registered Bid and Offer Data**

In the table “Scheduled Load Data”, omit “normal and maximum *ramp rates*”, and substitute “*maximum ramp rate*”.

**[17] Schedule 3.1 – Registered Bid and Offer Data**

In the table “Scheduled Network Service Data”, omit “normal and maximum transfer *ramp rates*”, and substitute “*maximum ramp rates* for transfer”.

**[18] Chapter 10 New Definition**

In Chapter 10, insert the following new definition in alphabetical order:

**maximum ramp rate**

The *maximum ramp rate* that an item of equipment is capable of achieving in normal circumstances. This may be:

- (a) as specified by the manufacturer; or
- (b) as independently certified from time to time to reflect changes in the physical capabilities of the equipment.



**[19] Chapter 10 Substituted Definition**

In Chapter 10, omit the following definition and substitute:

**ramp rate**

The rate of change (expressed as MW/minute) of *active power* supplied from a *generating unit*, supplied to a *load* or transferred by a *scheduled network service*.

**Schedule 2 Amendment of the National Electricity Rules consequent on the commencement of the National Electricity Amendment (Central Dispatch and Integration of Wind and Other Intermittent Generation) Rule 2008 No. 2**

(Clause 4)

**[1] Clause 3.8.3A Ramp rates**

In clauses 3.8.3A(a) to (f), after “*Scheduled Generator*”, insert “, *Semi-Scheduled Generator*” wherever occurring.

**[2] Clause 3.8.3A Ramp rates**

In clauses 3.8.3A(h) to (j), after “*Scheduled Generator*”, insert “, *Semi-Scheduled Generator*” wherever occurring.

**[3] Clause 3.8.3A Ramp rates**

After clause 3.8.3A(b)(1)(ii), insert:

- (iii) the lower of 3MW/minute or 3% of the registered capacity in the case of a *semi-scheduled generating unit* provided in accordance with clause 3.13.3(b), expressed as MW/minute rounded to an integer; or

**[4] Clause 3.8.6 Generating unit offers for dispatch**

In clause 3.8.6(a)(2)(iii), omit “a MW/min *ramp rate* capability”, and substitute “a MW/minute *ramp rate*”.

**[5] Clause 3.8.6 Generating unit offers for dispatch**

Omit clause 3.8.6(g) and substitute:

- (g) A *Semi-Scheduled Generator's dispatch offer* may contain up to 10 *price bands* and must specify for each of the 48 *trading intervals* in the *trading day*:
  - (1) an incremental MW amount for each *price band* specified in the *dispatch offer*; and
  - (2) a MW/minute *ramp rate*.

**[6] Clause 3.8.19 Dispatch inflexibilities**

In clause 3.8.19(a), omit “If” and substitute “Subject to clause 3.8.19(a2), if”.

**Note:** This is a civil penalty provision.

**[7] Clause 3.8.19 Dispatch inflexibilities**

In clause 3.8.19(a1), omit “If” and substitute “Subject to clause 3.8.19(a2), if”.

**Note:** This is a civil penalty provision.

**[8] Clause 3.8.19 Dispatch inflexibilities**

After clause 3.8.19(a1), insert:

- (a2) Where clause 3.8.19(a) or clause 3.8.19(a1) applies, the *Scheduled Generator, Market Participant or Semi-Scheduled Generator*:
  - (1) must not advise *NEMMCO* that a *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load* is *inflexible* under clause 3.8.19(a) or clause 3.8.19(a1) unless it reasonably expects the *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load* to be unable to operate in accordance with *dispatch instructions* in any *trading interval*, due to abnormal *plant* conditions or other abnormal operating requirements in respect of that *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load*; and
  - (2) must, as soon as practicable, advise *NEMMCO* that a *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load* is not *inflexible* once it no longer reasonably expects the *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load* to be unable to operate in accordance with *dispatch instructions* in any *trading interval*, due to abnormal *plant* conditions or other abnormal operating requirements in respect of that *scheduled generating unit, semi-scheduled generating unit, scheduled network service or scheduled load*.

**[9] Clause 3.8.19 Dispatch inflexibilities**

In clause 3.8.19(b), after “clause 3.8.19(a)”, insert “or 3.8.19(a1)”.

**Note:** This is a civil penalty provision.

**[10] Clause 3.8.22 Rebidding**

In clause 3.8.22(b), after “Subject to paragraph (c) and clause” insert “3.8.3A, 3.8.7A, 3.8.19(a) and”.

**Note:** This is a civil penalty provision.

**[11] Clause 3.8.22 Rebidding**

In clause 3.8.22(b)(1), after “*ramp rates* of”, omit “*scheduled*”.

**Note:** This is a civil penalty provision.

**[12] Clause 3.8.22A Variation of offer, bid or rebid**

Omit clause 3.8.22A(a) and substitute:

- (a) *A Scheduled Generator, Semi-Scheduled Generator or Market Participant must make a dispatch offer, dispatch bid or rebid in relation to available capacity and daily energy constraints in good faith.*

**Note:** This is a rebidding civil penalty provision.

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