Status Report prepared under clause 7.12 of the Market Rules by System Management 1 July 2013 – 30 September 2013



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1 Introduction

1.1 System Management

Western Power is established under section 4(1)(b) of the *Electricity Corporations Act 2005* and has the functions conferred under section 41 of that act.

Part 9 of the *Electricity Industry Act 2004* makes provision for a wholesale electricity market and provides for the establishment of Market Rules.

Regulation 13 of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* provides that the Market Rules may confer on an entity the function of operating the SWIS in a secure and reliable manner.

Clause 2.2 of the *Wholesale Electricity Market Amending Rules (September 2006)* (**Market Rules**) confers this responsibility upon the segregated ("Ring Fenced") business unit of Western Power known as System Management. Amongst these responsibilities, the functions of System Management are to:

- release information required by the Market Rules;
- monitor Rule Participants compliance with the Market Rules relating to dispatch and power system security and power system reliability; and
- provide regular reports to the IMO and other Market Participants.

Included in the requirement to monitor and report is this Status Report, described in clause 7.12 of the Market Rules.

1.2 Status Report

Clause 7.12 requires System Management to provide a quarterly report on the performance of the market with respect to the dispatch process. The report must include details of:

- the incidence and extent of issuance of Operating Instructions and Dispatch Instructions:
- the incidence and extent of non-compliance with Operating Instructions and Dispatch Instructions;
- the incidence and reasons for the issuance of Dispatch Instructions to Balancing Facilities Out of Merit, including for the purposes of this clause, issuing Dispatch Orders to the Verve Energy Balancing Portfolio in accordance with clause 7.6.2;
- the incidence and extent of transmission constraints;
- the incidence and extent of shortfalls in Ancillary Services, involuntary curtailment of load, High Risk Operating States and Emergency Operating States;
- the incidence and reasons for the selection and use of LFAS Facilities under clause 7B.3.8.

System Management has prepared this report pursuant to its obligations under clause 7.12 of the Market Rules, for the period 1 July 2013 to 30 September 2013.

Unless otherwise specified, data contained within this report refers to trading dates and not calendar dates.

2 Issuance of Dispatch and Operating Instructions.

System Management issued a total of 9,779 Dispatch Instructions to Market Participants during the current reporting period.

Figure 1 below shows the number of Dispatch Instructions issued for the preceding 15 months since 1 July 2012.

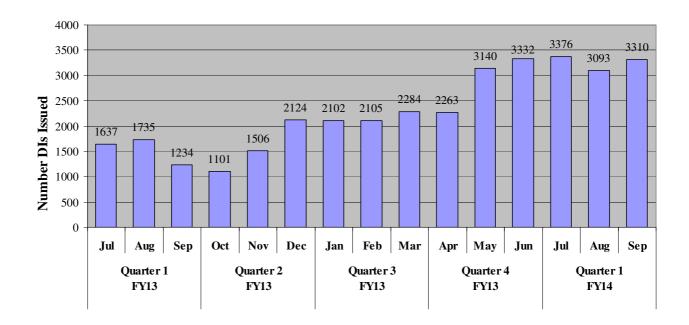


Figure 1: Dispatch Instructions per month

During the current reporting period, System Management issued a total of 132 Operating Instructions.

Under the Market Rules an Operating Instruction is required for Commissioning and Reserve Capacity Testing.

Figure 2 below shows the number of Operating Instructions issued for the preceding 15 months since 1 July 2012.

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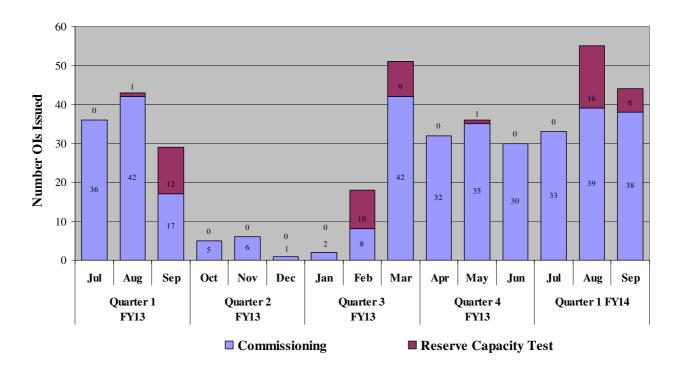


Figure 2: Operating Instructions per month

3 Non-compliance with Dispatch and Operating Instructions

In the current reporting period, System Management reported 400 instances of non-compliance with Dispatch Instructions by a Market Participant at the end of their scheduled interval taking into account the Tolerance Range where applicable.

System Management issued 21,396 one minute non-compliance notifications to Market Participants for non-compliance with Dispatch Instructions during the reporting period taking into account the Tolerance Range where applicable.

Under MR 7.7.6(b)i Market Participants are required to acknowledge receipt of Dispatch Instructions and Operating Instructions issued by System Management.

There were a total of 321 failures by Market Participants to acknowledge a Dispatch Instruction in accordance with System Management's Dispatch Power System Operating Procedure (section 6.6).

For the period 1 July 2013 to 30 September 2013 System Management identified a total of 32 instances of non acknowledgment of Operating Instructions.

Non-compliance data pertaining to the above has been provided to the IMO pursuant to the requirements of the Market Rules, the IMS Interface Market Procedure and established processes.

Figure 3 below provides historical non-compliance data over the past 15 months since 1 July 2012.

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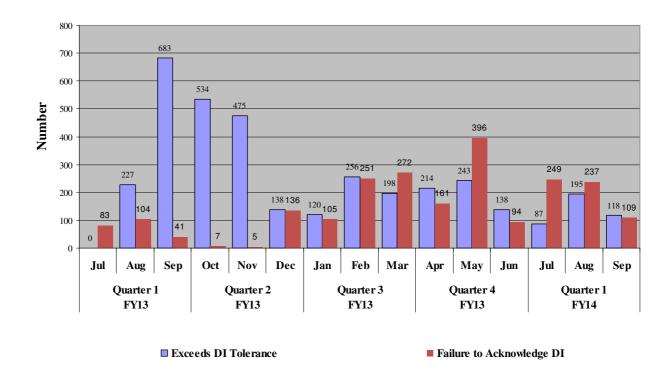


Figure 3: Dispatch Instruction non-compliance notifications (end of interval) and non-acknowledged Dispatch Instructions

4 Issuance of Dispatch Instructions to Balancing Facilities Out of Merit Order

4.1 Out of Merit instances reported to the IMO

During the reporting period System Management identified the following occasions of potential Out of Merit Dispatch to the IMO.

Date	3 August 2013
Interval	16:2
Details	At 16:50 System Management's Real Time Dispatch Engine (RTDE) issued a Dispatch Instruction to a Facility to increase its output for a response time of 17:00 as per the Balancing Merit Order (BMO). At 16:55 the Facility was verbally instructed to ignore the RTDE issued Dispatch Instruction and to remain at its current output. The verbal instruction was given due to perceived issues with the RTDE surrounding Dispatch Instructions sent to a commissioning Facility which were resolved at 17:07.
System Management action	At 17:07 the Facility was requested to return to following automated RTDE issued Dispatch Instructions.

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Date	6 August 2013
Interval	9:1 – 18:1
Details	At 09:15 due to an issue with Pi Data System Management's RTDE issued a number of incorrect Dispatch Instructions to certain Facilities. At 15:44 the issue reoccurred which again resulted in incorrect Dispatch Instructions being issued to certain Facilities.
System Management action	SM issued a DA (DA 2895 – Normal State) for interval 9:1 to 13:1 advising facilities that should they receive a 0MW that did not match their BMO position, to remain at their last known position. Verbal advice was given to a number of Market Participants to remain at their last known Dispatch Instruction. Another DA (DA 2897) was released for Interval 15:2 ending at 18:20 advising Facilities should they receive a Dispatch Instruction that did not match their BMO position to contact the SOCC Control room.

4.2 Other instances of Out of Merit dispatch

Section 5 of this report contains information pertaining to facilities that have been impacted by transmission constraints. Where a transmission constraint reported in section 5 has resulted in a facility/ies being dispatched to a position that differs from the applicable BMO then these instances will constitute Out of Merit Dispatch. Dispatch Advisory notifications are released for these transmission constraint related instances.

Section 6 of this report describes occasions of High Risk and Emergency Operating States that have occurred during the reporting period. During elevated Operating States there may be a need to dispatch facilities Out of Merit to return the power system to a Normal Operating State where indicated in the information provided in section 6.

5 Transmission constraints

A "transmission constraint" refers to the configuration of the transmission network that has an effect or potential effect of constraining or otherwise varying the output of a generator. The resultant situation has a generation facility either decrease output, or not increase output as it would if the constraint did not exist.

During the period there were a total of 111 intervals across 7 trade dates of decreased output due to a transmission constraint. 108 were on ALINTA_WWF, 2 were on INVESTEC_COLLGAR_WF1 and 1 on GREENOUGH_RIVER_PV1. These were predominately the result of severe weather conditions causing extensive loss of transmission lines in the North Country Region and others related to planned outages in the North Country region.

System Management issued Dispatch Advisories corresponding to these constraints.

6 Operating States, Shortfalls in Ancillary Services and Involuntary Curtailment of Load

6.1 High Risk Operating State

19 instances of a High Risk Operating States occurred during the report period.

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Date	16 July – 17 July 2013
Interval/s	15:2 – 12:1
DA Number	DA 2819
Details	Severe weather conditions caused extensive loss of transmission lines in the North Country Region. As a result, ALINTA_WWF was curtailed to 0MW.
System Management action	System Management continued to issue Dispatch Instructions according to the most recent BMO whilst waiting for aerial line patrols to fix these faults.

Date	17 July 2013
Interval/s	12:2 – 17:1
DA Number	DA 2823
Details	A continuation of previous DA 2819. Severe weather conditions have caused extensive loss of transmission lines in the North Country Region resulting in ALINTA_WWF being curtailed to 0MW.
System Management action	System Management continued to issue Dispatch Instructions according to the most recent BMO whilst waiting for aerial line patrols to fix these faults.

Date	17 July – 18 July 2013
Interval/s	15:2 – 11:2
DA Number	DA 2824
Details	A continuation of previous DA 2823. Severe weather conditions have caused extensive loss of transmission lines in the North Country Region resulting in ALINTA_WWF being curtailed between 0-60MW.
System Management action	System Management continued to issue Dispatch Instructions according to the most recent BMO whilst waiting for aerial line patrols to fix these faults.

Date	18 July 2013
Interval/s	12:1 – 17:2
DA Number	DA 2825
Details	An extension of DA 2824. Severe weather conditions have caused extensive loss of transmission lines in the North Country Region resulting in ALINTA_WWF being curtailed between 0-30MW.
System Management action	System Management continued to issue Dispatch Instructions according to the most recent BMO whilst waiting for aerial line patrols to fix these faults.

Date	23 July 2013
Interval/s	8:1 – 9:1
DA Number	DA 2835
Details	System Management's SCADA systems were degraded which affected the stability of the Load Forecast used to dispatch facilities.
System Management action	System Management issued Dispatch Instructions using the latest BMO. The SCADA system issues were investigated and resolved.

Date	23 July 2013
Interval/s	9:1 – 11:1
DA Number	DA 2836
Details	System Management's SCADA systems were degraded which affected the stability of the Load Forecast used to dispatch facilities.
System Management action	System Management issued Dispatch Instructions using the latest BMO. The SCADA system issues were investigated and resolved.

Date	8 August 2013
Interval/s	14:2 – 15:1
DA Number	DA 2937
Details	System Management SCADA system was out of service. The SCADA system was restored at 15:25.
System Management action	System Management issued Dispatch Instructions according to the last received and visible BMO.

Date	12 August 2013
Interval/s	9:2 – 9:2
DA Number	DA 2948
Details	At 09:37 BW2_BLUEWATERS_G1 tripped causing significant loss of generation.
System Management action	Facilities were dispatched accordingly to maintain system security and reliability.

Date	23 August 2013
Interval/s	19:2 – 20:1
DA Number	DA 3021
Details	At 19:35 BW2_BLUEWATERS_G1 tripped causing significant loss of generation.
System Management action	Facilities were dispatched accordingly to maintain system security and reliability.

Date	24 August 2013
Interval/s	9:1 – 10:2
DA Number	DA 2987
Details	Western Power Corporate Services conducted a 10 minute interruption to internet based services (MPI, NOI and 30 second real time data) between the times of 09:00 and 11:00.
System Management action	System Management dispatched as per the latest BMO. During the interruption, Dispatch Instructions were issued by phone.

Date	25 August 2013
Interval/s	7:2 – 11:2
DA Number	DA 2988
Details	Western Power Corporate Services conducted an IT Outage to internet based services between the times of 07:30 and 11:30. This interruption impacted System Management systems including the MPI, NOI and the 30 second real time data.
System Management action	System Management dispatched as per the latest BMO. Some Dispatch Instructions were issued by phone during this time.

Date	2 September 2013
Interval/s	23:1 – 23:1
DA Number	DA 3200
Details	MUJA_G6 tripped causing a significant loss of generation.
System Management action	Facilities were dispatched accordingly to maintain system security and reliability.

Date	7 September 2013
Interval/s	3:2 – 10:1
DA Number	DA 3215
Details	Lightning activity over the metropolitan area resulted in significant disturbances with possible Out of Merit Dispatch required to maintain system security and reliability.
System Management action	System Management stabilised and maintained system security, issuing Dispatch Instructions as required.

Date	12 September 2013
Interval/s	4:2 – 6:1
DA Number	DA 3336
Details	Issues with System Management's SOCC UI system meant the RTDE was unable to issue any Dispatch Instructions for the period 04:00 to 06:00.
System Management action	System Management issued Dispatch Instructions, telephonically or electronically according to the most recent BMO.

Date	18 September 2013
Interval/s	15:2 – 17:2
DA Number	DA 3423
Details	Problems with Pi database functions gave risk to the possibility of some out of merit Dispatch occurring during the system issues to maintain Power System Security and Reliability.
System Management action	System Management issued Dispatch Instructions, telephonically or electronically according to the most recent BMO.

Date	19 September 2013
Interval/s	18:2-20:2
DA Number	DA 3436
Details	Fuel supply restrictions occurred in the Kwinana Region impacting on Generation.
System Management action	Generation was dispatched up/down as per the BMO to compensate for this issue.

Date	20 September 2013
Interval/s	8:1 - 8:1
DA Number	DA 3437
Details	SWCJV_WORSLEY_COGEN_COGI tripped at 8:14am causing a significant loss (114MW) loss of generation.
System Management action	Facilities were dispatched as per the latest BMO to maintain system security and reliability.

Date	22 September 2013
Interval/s	19:2 – 08:1
DA Number	DA 3449
Details	System Management advised that due to severe weather warning forecast for the Metropolitan and surrounding areas, Non-scheduled Generation may be curtailed and Out of Merit Dispatch may occur during this time.
System Management action	System Management issued Dispatch Instructions as per the latest BMO.

Date	26 September 2013
Interval/s	15:2 – 16:2
DA Number	DA 3471
Details	System Management deployed a configuration change to their market systems to improve reliability. No outages were expected during the configuration change.
System Management action	System Management issued Dispatch Instructions as per the latest BMO.

6.2 Emergency Operating State

During the reporting period no instances of an Emergency Operating State were issued.

Figure 4 below provides historical data for High Risk and Emergency Operating States that have occurred over the past 15 months since 1 July 2012.

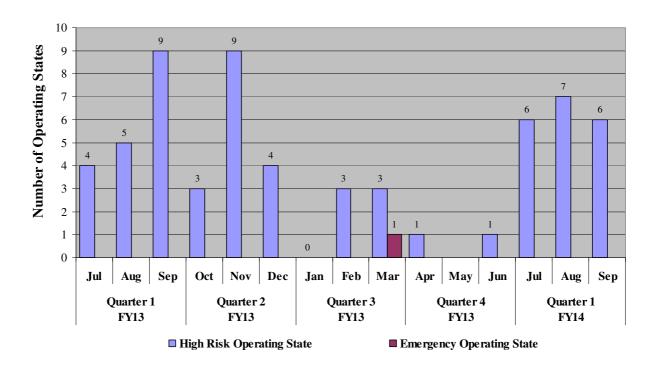


Figure 4: Number of High Risk and Emergency Operating States

6.3 Shortfalls in Ancillary Services

There were no instances of shortfalls in Ancillary Services for the period.

6.4 Involuntary curtailment of load

There were no instances of involuntary curtailment of load.

7 LFAS Facilities out of Merit Order

During the current reporting period there were no incidents where System Management was required to use LFAS Facilities outside of the LFAS Merit Order to operate the SWIS in a reliable and safe manner as per MR 7B.3.8.

*** END OF REPORT ***