

MINUTES

MEETING: Marginal Loss Factor Calculation Methodology 2020 – Workshop 1
 DATE: Friday, 5 June 2020
 TIME: 1:00 pm – 3:00 pm
 LOCATION: Video conference only (WebEx)

ATTENDEES:

COMPANY	COMPANY
Flow Power	CS Energy
DP Energy	Lighthouse Infrastructure Management Limited
Alinta Energy	Acilallen Consulting
AEMO	Clean Energy Investor Group
Major Energy Users	EDL Energy
Windlab	innogy Renewables Australia
Partners Group	Aurora Energy Research Pty Ltd
Baringa Partners	Origin
ERM Power	Vena Energy
AGL	Foresight
NEOEN	Energy Australia
Clean Energy Council	HydroTasmania
TasNetworks	RES Australia
Stanwell	John Laing
InterGen	

Welcome and introduction

Meeting started at 1:00pm.

AEMO welcomed stakeholders to the workshop, and introduced the purpose of the methodology review and the workshop:

- Methodology review will consider improvements to the Forward Looking Loss Factor (FLLF) methodology, and incorporate changes arising from the AEMC’s Transmission Loss Factors rule change.
- Review will be undertaken during 2020, with a final determination to be made around November 2020.
- The objective is to incorporate changes to the methodology for the MLF determination for FY2021-22.
- Stakeholders were generally supportive of the need to undertake the review, and the objectives of the review.

Proposed MLF reports and timing

AEMO outlined the proposed approach for the publication of 3 MLF reports and 3 additional studies for each target period:

- Stakeholders generally supported the publication of the 2020-21 Indicative study report, and thought it was useful to AEMO and industry
- Stakeholders requested AEMO to consider publishing the draft report early (increase the gap between draft and final MLFs)
- Stakeholders requested that when there are significant changes in MLFs between reports that AEMO explain the reasons for change
- Stakeholders suggested that proposed timeframe for publishing the sensitivity studies could be delayed, to allow better information to be used (initial proposal late August 2020)
- Stakeholders asked about a backcast study for 2019-20, and AEMO indicated that a historical comparison study would be published for 2019-20 later this year.
- Stakeholders asked if AEMO is still planning to release additional confidential information to a selected group of consultants who can provide improved MLF forecasting services to the market.

ACTION: AEMO to provide feedback on the release of additional confidential information

The provision of a scenario sensitivity study was discussed, and the following noted for AEMO to consider:

- Consultation on the inclusion of new generator units – AEMO to engage with connections team and utilise ESOO reports.
- The use of demand scaling factors
- Different scenarios for major loads, wind draughts and hydro inflows (wet vs dry year)
- Integrating findings from the scenario study into the prelim-draft-final reports
- Some indication of MLF sensitivity to different technologies generation profiles (wind vs solar)
- Results of the study to include standard deviations, annual volume weighted static MLFs within days, across seasons

Issues for consideration

AEMO outlined the key areas of issues that had been identified for discussion, and sought stakeholder feedback on the following:

Network data

- Stakeholders asked about intentions for AEMO to release of modelling information. AEMO indicated that it is considering this as part of the release of additional confidential information (action above)

Load forecast data

- Stakeholders asked should AEMO utilise newer historical load rather than maintaining three year cycle. AEMO indicated that this would be considered and discussed in more detail.
- Stakeholders asked if AEMO can supply aggregated load data. AEMO indicated that this would be considered as part of the publication of additional information.

Controllable network element flow data

- AEMO outlined that the current method of applying ratio based on capacity not reflective of reality.
- Stakeholders asked about the modelling of synchronous condensers (VIC and SA). AEMO indicated this will be discussed in more detail.

Generator data

- No specific feedback – covered as part of supply demand balance.

Supply-demand balance

- AEMO outlined that the treatment of hydro generation is problematic, and this will be discussed in more detail.
- Stakeholders mentioned that at the Forecasting Reference Group it was discussed the use of additional summer capacity information, and this may be of use to improve the MLF process.
- Stakeholders noted plans to have MTPASA data at DUID level, but the rule change to progress this may have been delayed.
- AEMO indicated that it would be reviewing the minimal extrapolation approach and discussing at coming workshops. Stakeholders agreed with the need to review the approach, and also to look at extrapolation capping.

Intra-regional static loss factors

- Stakeholders asked about voltage control, in particular how AEMO manages voltage profiles across the day and seasons

ACTION: AEMO to arrange a separate session with interested stakeholders on voltage control.

- Stakeholders asked if AEMO can handle a pre-determined MLF (for connection points close to interconnectors).

ACTION: AEMO to clarify arrangements for connection points close to interconnectors.

Inter-regional loss factor equations

- AEMO noted that the current methodology does not cover looped networks. AEMO will be looking at incorporating looped networks in future.
- Stakeholders asked if the current inter-regional equations were fit for purpose, and AEMO will consider this, particularly in light of looped regions.

ACTION: AEMO to consider if inter-regional equations are fit for purpose as part of considering looped regions.

Publications

- Covered as part of the reports and timings item above.

Unexpected and unusual system conditions

- Stakeholders suggested that the provisions for unexpected and unusual conditions should be used sparingly, and that routine arrangements and conditions incorporated into the substantive sections of the methodology.

New connection points or interconnectors

- No specific feedback

Guidelines

- No specific feedback

High level prioritisation

This item was not discussed due to time constraints, and AEMO proposed to cover this at the next workshop.

Closing summary

AEMO thanked stakeholders for their contribution, and noted that the next workshop would be held on Thursday 18 June.

Meeting finished at 3:00pm