

Forum meeting record

Forum:	NEM Reform Electricity Wholesale Consultative Forum #11
Date:	21 November 2023
Time:	1:00PM – 3:00PM AEDT
Location:	MS Teams

Brett Oldham	APA Group	Suvid Satyawadi	Tally-Group
Anne McTernan	Arrow Energy	Chris Murphy	Telstra Energy
Mitchell Taylor	CS Energy	Liam McManus	Vena Energy
Dan Mascarenhas	Energy Australia	Rowan Rogers	Windlab
Peter Brook	Energy Council	Brian Nelson	AEMO (Australian Energy Market Operator)
Ingrid Farah	Ergon	Carla Ziser	AEMO
Ligia Veliz Escobar	Iberdrola	Emily Brodie	AEMO
Lewis Wand	Iberdrola	Karen Wilbrink	AEMO
Yvonne Tuckett	Origin Energy	Lenard Bayne	AEMO
Liz Robertson	Origin Energy	Nick Cimdins	AEMO
Karel Mallinson	Powerlink QLD	Nicole Nsair	AEMO
Ron Logan	Shell Energy	Oliver Derum	AEMO
Audrey Follett	Snowy Hydro	Paul Johnson	AEMO
Ian Chapman	Stanwell	Ulrika Lindholm	AEMO

1 Welcome (Slides 2-4)

- Carla Ziser welcomed members to the EWCF (Electricity Wholesale Consultative Forum) meeting and provided an overview of the agenda.

2 Actions & Feedback from previous meeting (Slides 5-6)

- All action items were closed.

3 Inflight Reform Update (Slides 7-23)

- An overview was provided of the following inflight initiatives:
 - Integrating Energy Storage Systems (IESS)
 - Frequency Performance Payments (FPP)
 - Project Energy Connect -Market Integration (PEC-MI).

Integrated Energy Storage System (IESS)

- AEMO updated members about the roles and responsibility for the IESS project with details outlined on slide 9 of the accompanying slide pack. AEMO noted that no change to how industry interact with the project team.
- AEMO provided members with an overview of the IESS high-level and indicative industry timeline with further information outlined on slides 10 and 11 of the accompanying slide pack. AEMO noted that updates to procedures relating to IESS will be discussed as part of item 6 of the accompanying slide pack.
- AEMO outlined the IESS industry preparations with further information outlined on slide 12 of the accompanying slide pack.
- AEMO presented activities that have occurred since the previous EWCF and key activities for the month of November and December 2023 with further information outlined on 13 of the accompanying slide pack.
- Participants were encouraged to refer to the IESS participant toolbox¹ for key project information and in addition, participants were encouraged to refer to the IESS Indicative Change Program page² for procedure status updates.

Frequency Performance Payments (FPP)

- AEMO provided an update on progress in implementing the FPP reform. AEMO noted that the FPP High-Level Technical Design document will be published on 8 December. Further details on this publication are available on slide 17 of the accompanying slide pack.
- AEMO advised the forum that following discussions with industry, there was no longer any explicit support for AEMO to produce additional day-ahead and hour-ahead estimates of FPP outcomes, beyond what is stipulated in the Frequency Contribution Factors Procedure.

Raised by	Question/Issue Raised	Response
Ron Logan	Is there any update regarding the issue of the time between AEMO issuing the dispatch instructions and these being received by participants	AEMO continues to not support the introduction of an 'offset' at the start of each FPP assessment interval (five-minute trading interval). The alternative to addressing the issue is to reduce the time taken for dispatch instructions to be received
Rowan Rogers	Will that publication have an asterisks/disclaimer on it? I envisage a litany of 'feedback' which could consume your time.	Yes, the document will contain (brief) context of the reform and explain how participants can contribute to/stay engaged with the reform.

¹ [AEMO | Integrating Energy Storage Systems Participant Toolbox](#)

² [AEMO | Indicative change program](#)

Project Energy Connect -Market Integration (PEC-MI)³

- AEMO advised that an information session regarding the consultation for PEC-MI was conducted on 14 November.
- AEMO outlined key feedback from stakeholders on slide 22 of the accompanying slide pack.
- AEMO outlined the directions paper consultation timeline with key dates outlined on slide 23 of the accompanying slide pack. In addition, participants are welcome to contact the project team via NEMReform@aemo.com.au should they have any questions.

Raised by	Question/Issue Raised	Response
Yvonne Tuckett – Origin Energy	Will the PEC-MI be added under the NEM Reform Program roadmap.	It will once it has gone through internal approvals.

4 Other reforms

(Slides 24-26)

IDAM, IDX & PC⁴

- AEMO provided an update on progress to date and noted that preparation has begun on the business case. In addition, AEMO noted a walkthrough of the draft business case will be conducted via the focus group in January and February 2024. Further details regarding the industry consultation timeline are outlined on slide 26 of the accompanying slide pack.
- AEMO advised that the draft business case is expected to be published on the 8 December.

5 Consultation Update

(Slides 27-39)

Implementation of MII changes

- AEMO advised that the final report and determination was published on 5 July with internal testing, process documentation updates and training underway. AEMO advised the communication reminders on the go live will be communicated via AEMO communications email and market notices.
- AEMO noted that previous investigation showed that in 2022 the dispatched FCAS threshold would have triggered two times and noted that implementation does not require participants to do anything different from the current practices.
- AEMO provided a worked example of the newly introduced trigger and existing high-level processes with detailed information outlined on slide 31 of the accompanying slide pack.

Raised by	Question/Issue Raised	Response
Yvonne Tuckett – Origin Energy	When will the release be?	Tentatively 6 th Dec

³ [AEMO | Project Energy Connect Market Integration Paper](#)

⁴ [AEMO | NEM Reform Foundational and Strategic Initiatives Focus Group \(FaSI FG\)](#)

Regional Benefit Directions Procedures

- AEMO provided an overview of the Regional Benefit Directions procedure and noted that submissions have now closed.
- AEMO advised that two submissions were received with further detail outlined on slide 34 of the accompanying slide pack. AEMO are currently reviewing submissions received and will formally respond in the final report which is scheduled to be published on 19 December.
- Participants are encouraged to email NEMIntervention@aemo.com.au with any questions regarding the Regional Benefits Directions procedure⁵.

Raised by	Question/Issue Raised	Response
Ron Logan – Shell Energy	Will AEMO be contacting stakeholders about their submissions?	If AEMO requires clarity or has a question on a submission, they will be in contact with stakeholders.

Demand Side Participation (DSP) Forecasting Methodology and DSP Information Guidelines Consultation

- AEMO provided an overview of the Demand Side Participation Forecasting Methodology that is currently underway. Participants can find further information by visiting Demand Side Participation (DSP) Forecasting Methodology and DSP Information Guidelines Consultation⁶ webpage.
- AEMO provided details on what AEMO's proposal for the methodology and guidelines with further information available on slide 38 of the accompanying slide pack.
- AEMO noted that stage 2 submissions close on 28 November followed by the final documents and determination scheduled to be published on 20 December.
- Participants can forward their written submissions on the draft proposal and issues identified in the draft report to Energy.Forecasting@aemo.com.au by 5:00 pm (Melbourne time) on 28 November 2023.

Raised by	Question/Issue Raised	Response
Chris Murphy – Telstra Energy	Could the three year time series used for DSP risk underestimating the forecast if DSP is ramping up and the most recent year is significantly higher than years earlier in the sample period?	AEMO aims for a three-year time series to account for annual changes in DSP, however the DSP forecast methodology allows for the use of a different period if a forecast based on three years is likely to bias the forecast in one direction or another.

⁵ [AEMO | Regional Benefit Directions Procedures](#)

⁶ [AEMO | Demand Side Participation \(DSP\) Forecasting Methodology and DSP Information Guidelines Consultation](#)

6 Procedures consultation roadmap

(Slides 40-45)

- AEMO provided a reform indicative procedure change timeline with further information outlined on slide 42 of the accompanying slide pack and in addition, presented a document change summary for inflight projects
- Members are encouraged to refer to the [Indicative Change Table](#) for further information.
- In addition, AEMO presented the wholesale electricity indicative consultation timeline document with further information available on slide 45 of the accompanying slide pack.

7 NEM Wholesale Issues & Changes

(Slides 46-50)

- AEMO discussed the ICF register and discussed the first issue raised on reducing the notice period for default contribution factors (DCF's). Further detailed information is available on slides 48 and 49 of the accompanying slide pack.
- AEMO advised that participants can forward ICF's to NEMReform@aemo.com.au.

Raised by	Question/Issue Raised	Response
Ron Logan – Shell Energy	Why does AEMO need a seven-day analysis period? The length of the AEMO analysis period should also be considered.	AEMO is open to considering whether a shorter analysis period is achievable, given the relationship between the speed of the analysis and the ongoing cost of conducting it (which would be higher to produce a reliably faster result).

8 Upcoming engagements

(Slides 51-60)

- AEMO provided an overview of the upcoming engagements for the remaining year and presented a view for the first four months of 2024.

Face to Face EWCF – 12 December 2023

- AEMO advised that the next EWCF meeting in December will be face to face and encouraged members to attend at one of AEMO's offices in Brisbane, Sydney and Melbourne. The meeting will be held on 12 December with an updated invite to issued shortly. Further information on the proposed agenda is available on slide 56 of the accompanying slide pack.

NEM Reform – Program Review

- AEMO will undertake a review of the program for 2023 to help inform the programs 2024 delivery and leverage industry insights. Additional information is outlined on slide 58 of the accompanying slide pack.
- AEMO advised that a review process with participants will be conducted over the next several weeks with the proposed approach outlined on slide 59 of the accompanying slide pack.
- AEMO will consolidate feedback and present at the February 2024 PCF meeting.

9 General questions and other business

(Slides 61-63)

NEM Reform Program Website uplift

- AEMO informed participants that the programs website has been updated to improve visibility, access to information relating to the program. In addition, improvements were made to how participants access supporting artefacts.
- Queries and feedback may be sent to NEMReform@aemo.com.au.

OPEN ACTION ITEMS

(Item = Meeting # – Agenda # – Reference)

Item	Topic	Action	Responsible
11.3.0.1	Frequency Performance Payments (FPP)	AEMO to contact Shell Energy in relation to the delay in issuing dispatch instruction and commencement time of the calculation.	AEMO
11.7.0.1	NEM Wholesale Issues & Changes	Participants to provide input to better consider and agree on the intended effect of a rule change proposal.	Participants
11.8.0.1	Upcoming Engagements	Participants to RSVP for the 12 December meeting by COB 30 November.	Participants