

# Forum meeting record

<b>Forum:</b>	<b>NEM Reform Electricity Wholesale Consultative Forum #13</b>
<b>Date:</b>	20 February 2024
<b>Time:</b>	1:00PM – 3:00PM AEDT
<b>Location:</b>	MS Teams

Warren Vosper	<b>AER</b>	Lya McTaggart	<b>Stanwell</b>
Alif Rahman	<b>AGL</b>	Chris Murphy	<b>Telstra Energy</b>
Anton King	<b>AGL</b>	Rowan Rogers	<b>Windlab</b>
Darshitha Puthoor Pisharam	<b>AGL</b>	Alice Kelly	<b>AEMO (Australian Energy Market Operator)</b>
Brett Oldham	<b>APA Group</b>	Andrew Akman	<b>AEMO</b>
Lindsay Williamson-Hanna	<b>CQ Energy</b>	Carla Ziser	<b>AEMO</b>
Lawrence Irlam	<b>Energy Australia</b>	Chris Muffett	<b>AEMO</b>
Feng Shen-Gauthier	<b>Energy Australia</b>	Emily Brodie	<b>AEMO</b>
Joseph Giddings	<b>Energy One</b>	Heidi Cummings	<b>AEMO</b>
Ingrid Farah	<b>Ergon</b>	Karen Wilbrink	<b>AEMO</b>
Adam Kent	<b>Global Roam</b>	Lenard Bayne	<b>AEMO</b>
Mark Lee	<b>Grid Beyond</b>	Monica Morona	<b>AEMO</b>
Lewis Wand	<b>Iberdrola</b>	Ned Western	<b>AEMO</b>
Yvonne Tuckett	<b>Origin Energy</b>	Nicole Nsair	<b>AEMO</b>
Thomas Lozanov	<b>Origin Energy</b>	Oliver Derum	<b>AEMO</b>
Aadrita Banerjee	<b>Origin Energy</b>	Paul Johnson	<b>AEMO</b>
Karel Mallinson	<b>Powerlink QLD</b>	Petar Pantic	<b>AEMO</b>
Sam Lynch	<b>SAS</b>	Rob Selbie	<b>AEMO</b>
Ron Logan	<b>Shell Energy</b>	Ulrika Lindholm	<b>AEMO</b>
Ian Chapman	<b>Stanwell</b>		

## 1 Welcome

(Slides 2-4)

- The chair welcomed members to the EWCF (Electricity Wholesale Consultative Forum) meeting and provided an overview of the agenda. An acknowledgement of country was provided.

## 2 Actions & Feedback from previous meeting

(Slides 5-6)

- All action items were closed.

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### 3 NEM Reform Forward View

(Slides 7-9)

- AEMO provided an overview of upcoming initiatives for 2024 and how AEMO intend to incorporate them into the NEM Reform Program. Further details are outlined on slide 8-9 of the accompanying slide pack.

### 4 Inflight Reform Update

(Slides 10-22)

- 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 provided an update on IESS activities to date.
- Key milestones and dates were provided with detailed information outlined on slide 13 of the accompanying slide pack.
- AEMO provided an Indicative Industry Timeline and is available on slide 14 of the accompanying slide pack.

#### Frequency Performance Payments (FPP)

- AEMO advised that an FPP information session will be held on 23 February and will provide an overview of the FPP reform and calculation process. Further details are available on slide 16 of the accompanying slide pack.
- AEMO provided a timeline on the FPP development and testing and is available on slide 17 of the accompanying slide pack.
- AEMO highlighted the recent publication of new FPP information resources: a Frequently Asked Questions document and six video explainers. All are available via the [FPP project page on AEMO's website](#).

#### Project Energy Connect -Market Integration (PEC-MI)<sup>1</sup>

- AEMO advised that the PEC-MI information session was provided on the 14 February 2024.
- Key directions paper consultation<sup>2</sup> dates are outlined on slide 19 of the accompanying slide pack.
- AEMO provided an overview of the PEC-MI approach, reason for change and the integrated PEC Stage 2 into AEMO systems.
- A PEC-MI Indicative Industry Timeline was provided and is available on slide 21 of the accompanying slide pack.

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<sup>1</sup> [AEMO | Project Energy Connect Market Integration Paper](#)

<sup>2</sup> <https://www.aemo.com.au/consultations/current-and-closed-consultations/project-energy-connect-market-integration-paper>

Raised by	Question/Issue Raised	Response
Rowan Rogers	Follow up question re PEC; what was/is the logic for sharing the proposed rule change publicly before submitting to AEMC?	AEMO will share the Rule Change Proposal once it is submitted to the AEMC. The reason is that the Final Report mentions the Rule Change Proposal and the 2 documents are related.

## 5 Consultation Update

(Slides 23-28)

### Consultation on updates to the Reserve Level Declaration Guidelines<sup>3</sup>

- AEMO provided an overview of the Reserve Level Declaration Guidelines consultation and outlined the proposed changes. Key details are available on slides 25 and 26 of the accompanying slide pack.
- In addition AEMO provided information on the key activities and dates for the consultation with further information outlined on slide 28 of the accompanying slide pack.

Raised by	Question/Issue Raised	Response
Ron Logan – Shell Energy	Will AEMO also consider submissions asking for reconsideration of the 95% confidence factor which is overly conservative.	Yes, AEMO welcomes all submissions regarding the proposed updates to the Reserve Level Declaration Guidelines.
	Will there be consideration for time stamp for the demand side?	The inclusion of time-of-day as a new input variable is considered with respect to all input variables including the demand error.
	Regarding the RLDG consult, given the extra issues that need to be considered, I think a normal 2 stage and not a single stage expedited consultation process is warranted.	AEMO will consider all submissions in its decision whether it should follow the standard (rather than expedited) consultative procedure for this proposal.
Yvonne Tuckett – Origin Energy	Does the FUM also trigger RRO?	No, the FUM is only used to determine LOR trigger levels and RERT in the operational forecasting timeframe. RRO is determined through reliability gaps identified through the Electricity Statement of Opportunities (ESOO) in the long-term forecasting timeframe.

## 6 Procedures Consultation Roadmap

(Slides 29-33)

- AEMO provided a Reform Indicative Consultation timelines with detailed information outlined on slide 31 and 32 of the accompanying slide pack.
- In addition, AEMO provided a Wholesale Electricity indicative Consultation Timeline with details outlined on slide 33 of the accompanying slide pack.

<sup>3</sup> <https://www.aemo.com.au/consultations/current-and-closed-consultations/2024-Consultation-on-changes-to-Reserve-Level-Declaration-Guidelines>

## 7 NEM Wholesale Issues & Changes

(Slides 34-38)

- AEMO presented two NEM Wholesale Issues and changes to participants with further information available on slides 35 -38 of the accompanying slide pack.

Raised by	Question/Issue Raised	Response
Ron Logan – Shell Energy	With regards to slide 35 - so what you are indicating is that data could be 14 to 7 days in arrears rather than 21 to 14 days.	AEMO believes that reducing the notification period of Default Contribution Factors from five business days would be a relatively simple change to implement. However the AEMO analysis and curation period cannot practically be shortened.

## 8 Other reforms

(Slides 39-46)

### IDAM, IDX & PC

- AEMO provided a recap for the Foundational & Strategic Initiatives with detailed information outlined on slides 41 and 42 of the accompanying slide pack. In addition, AEMO provided an overview of the two options, with key information outlined on slide 47 of the accompanying slide pack.
- AEMO provided key milestones/next steps as outlined on slide 43

### SCADA Lite

- AEMO provided a summary of the SCADA Lite release and function with detailed information outlined on slide 45 of the accompanying slide pack.
- In addition, AEMO has now reviewed investment approval to proceed with SCADA lite with the expectation that SCADA lite Go -Live in 3<sup>rd</sup> quarter of 2024.

Raised by	Question/Issue Raised	Response
Ron Logan – Shell Energy	Will the costs of SCADA Lite result in an addition to participant fees?	<p>AEMO's proposed approach to SCADA Lite costs is as follows:</p> <ul style="list-style-type: none"> <li>• The base capability for AEMO to support SCADA Lite connections will be recovered through market fees associated with NEM Reform (referred to as NEM Functions in the fee structure)</li> <li>• The costs associated with each connection such as the communication links and hardware are recovered on an annual basis from the connecting participant.</li> </ul>

## 9 Stakeholder Sentiment Survey - Results

(Slides 47-49)

- AEMO presented results from the recent NEM Reform stakeholder sentiment survey.

## 10 For noting

(Slides 50-53)

### Upcoming Engagements

- Refer to slide 52 & 53.

## 11 General questions and other business

(Slides 61-63)

- Queries and feedback may be sent to [NEMReform@aemo.com.au](mailto:NEMReform@aemo.com.au).

### OPEN ACTION ITEMS

(Item = Meeting # – Agenda # – Reference)

Item	Topic	Action	Responsible
13.6.0.1	Procedures Consultation Roadmap	AEMO to provide participants with an update on the AEMC Clarifying mandatory primary frequency response (PFR) obligations for bidirectional plant Rule Change consultation.	AEMO
13.7.0.1	NEM Wholesale Issues & Changes	Participants to advise AEMO if ICF 001 is a priority for their organisation.	Participants
13.9.0.1	Stakeholder Sentiment Survey - Results	AEMO to look at if MS teams chat interactions can be shared with external participants.	AEMO
13.11.1	General questions and other business	AEMO to consider including a section in EWCF slide pack on related changes to ST PASA.	AEMO