

## MINUTES – WA Electricity Consultative Forum (WAECF)

MEETING: WAECF 18  
 DATE: Tuesday, 26 February 2019  
 CONTACT: [WAelectricityforum@aemo.com.au](mailto:WAelectricityforum@aemo.com.au)

### ATTENDEES:

NAME	COMPANY
Dean Sharafi	AEMO (Chair)
Laura Tomkins	AEMO (Secretariat)
Cameron Parrotte	AEMO
Stuart Featham	AEMO
Robin Parsons	AEMO
Kang Chew	AEMO
Mike Hales	AEMO
Greg Ruthven	AEMO
Rick Dolling	AEMO
Luke Dowling	AEMO
Julius Susanto	AEMO
Khadijah Hansia	AEMO
Neetika Kapani	AEMO
Magnus Hindsberger	AEMO (VC)
Martin Maticka	AEMO
Michelle Nguyen	Alinta Energy
Kirk Reeve	Alinta Energy
Tim McLeod	Amanda Energy
Louise Tydde	ATCO
Scott Davis	Australian Energy Council
Paul Arias	Bluewaters Power
Cherie Cooper	Change Energy
Geoff Gaston	Change Energy
Steven Kane	ERA
Irina Stankov	ERA
Natalie Robins	ERA
Wendy Ng	ERM Power
Anlee Khuu	Jackson McDonald
Chayan Gunendran	Kleenheat
Kim Duong	Kleenheat
Elizabeth Aitken	Perth Energy
Patrick Peake	Perth Energy
Matthew Martin	Public Utilities Office
Aditi Varma	Public Utilities Office
Jenny Laidlaw	Rule Change Panel
Stephen Eliot	Rule Change Panel
Richard Cheng	Rule Change Panel
Susanna Floth	SkyFarming
Andrew Woodroffe	SkyFarming
Dominic Regnard	Synergy
Jason Froud	Synergy
Peter Huxtable	Water Corporation

## 1. Welcome

Dean Sharafi (AEMO) opened the meeting at 1:00pm and welcomed attendees to WAECF No.18.

## 2. Previous meeting minutes

Kang Chew (AEMO) provided a brief update on the responses from action item 7.1.2, Dominic Regnard added two comments;

- The off-peak Spinning Reserve requirement is high, then market will be paying a higher number
- Any LFAS consumed the modelling treats has always provided these services and in reality, both up and down services are consumed.

No further questions were raised, this item is now completed.

Jenny Laidlaw (RCP) made a correction to action item 7.1, Dean Sharafi (AEMO) responded and no further comments were raised. All actions from the previous WAECF (11 December 2018) have now been completed and the minutes were endorsed.

AEMO to publish the minutes from the previous meeting as final on the website (Action Item 2.1).

## 3. Rule Change Update

Steven Elliot (RCP) provided an update on the following:

- RC\_2013\_15 Outage Planning Phase 2 – Outage process Refinements
- The submission for the Call of Further Submissions closed on 11 January 2019 and all submissions have been published on the Panel's website.
  - Targeting late March 2019 for publishing a Draft Rule Report.
- RC\_2014\_03 Administrative improvements to outage process
- RCP Support and AEMO have recommended discussions on how the proposal can be implemented, AEMO is considering some questions from RCP Support and then RCP Support will develop a program to progress the proposal. The next step will be a Call for Further Submissions.
- RC\_2014\_09 Managing Market Information
- A call for further submissions was published on 21 January 2019 and submissions are due 1 March 2019.
- RC\_2015\_01 Removal of Market Operations Market Procedures
- Targeting early March 2019 for publishing a Draft Rule Change Report.
- RC\_2015\_03 Formalisation of the Process for Maintenance Applications
- Targeting mid-March 2019 for publishing a Draft Rule Change Report.
- RC\_2017\_02 Implementation of a 30-minute Balancing Gate Closure
- AEMO has provided the Panel with information on technical challenges that AEMO will face with implementing the proposal and the Panel now needs to formulate a plan on how and when to analyse and process the proposal.
- RC\_2018\_05 ERA Access to market information and SRMC investigation process
- RCP Support has held follow-up meetings with parties that made submissions on the Rule Change Proposal and a supplementary submission has been published on the Panel's website.
  - Targeting late March 2019 for publishing a Draft Rule Change Report.
- RC\_2018\_06 Full Runway Allocation of Spinning Reserve Costs
- A Draft Rule Change Report will be published tomorrow.
- RC\_2018\_07 Removal of constrained off compensation for Network Outages
- A Draft Rule Change Report will be published tomorrow.

Regarding the Market Advisory Committee (MAC):

- The MAC meeting scheduled for 12 March 2019 has been cancelled.
- The Panel has made a decision on the 2019 MAC appointments and successful candidates will be notified later today.

#### **4. Wholesale Electricity Market and Network Reform Program Update**

Aditi Varma (PUO) noted the following

- The Market Design and Operations Working Group (MDOWG) meeting 1, took place last week where information on WEM Reform Process and Foundation Design Features were shared and from that questions were opened to the industry.
- An AIE event is planned on 6 March 2019 where the Minister is planning to make a statement. The PUO is working with the Minister's office on a presentation which will provide more clarity around the WEM Reform Program and a list of priorities for the Electricity Sector.
- The second MDOWG meeting has been moved to 12 March 2019, its planned to deep drive into Energy Scheduling dispatch so all dispatch traders and technical people are encouraged to attend.

#### **5. AR5 Submission Update**

Stuart Featham (AEMO) provided an update on the following:

- Broader Stakeholder session was held on 31 January 2019, the updated presentation and minutes from this session have been uploaded to the AEMO website.
- AEMO are continuing to engage with the ERA and are on track to submit the submission on 15 March 2019.

Liz Aitken (Perth Energy) raised concerns with the significant number that is forecast for WEM Reform related expenditure and asked if there was going to be a breakdown provided. Stuart Featham (AEMO) responded, there is a detailed breakdown and justification of all the Capex projects costs going in to the AR5 submission (including WEM Reform), which will not be made available to participants prior to the submission to the ERA.

#### **6. Q4 2018 Quarterly Energy Dynamics (QED) Report**

Rick Dolling (AEMO) presented on the recently published Quarterly Energy Dynamics (QED) report.<sup>1</sup> The report aims to provide energy market participants, businesses, consumers, governments and other interested parties with information on the market dynamics, trends and outcomes during Q4 2018. This presentation pack summarised some of the key observations from Q4 2018 in the WEM.

Liz Aitken (Perth Energy) suggested for the next QED report, adding how many times GIA was used and the financial impact onto the Market, as well what the impact is to a Gate Closer. How much the price shifted within the Gate Closure window.

#### **7. Investigation of Generator Trips in November 2018**

Julius Susanto (AEMO) presented on the event that occurred in November 2018 when a generator tripped. The presentation was intended to provide an insight into the investigative work that AEMO undertakes after significant system events (e.g. large generator or load contingency). A case study showing the concurrent trips of two gas-fired generators is given as an example of how the system behaves after a contingency event

#### **8. 2019 WEM ESOO Development**

Neetika Kapani and Magnus Hindsberger (AEMO) provided an update of the 2019 WEM ESOO development progress, procurement of which is almost complete. Work is being undertaken internally by AEMO to develop in-house peak demand forecasts in parallel with those developed by the external consultants for the 2019 WEM ESOO.

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<sup>1</sup> <http://aemo.com.au/Media-Centre/AEMO-publishes-Quarterly-Energy-Dynamics---Q4-2018>

## 9. Residential Batteries and Potential Impact on Peak Demand

Luke Dowling (AEMO) presented on the initial findings of an analysis investigating residential batteries potential contribution to reducing peak demand. The analysis was based on household interval meter data that was provided by Western Power and will inform the 2019 WEM ESOO peak demand forecast development.

The analysis carried out will be used as a cross validation check for the DER forecasts developed by external consultants for the 2019 WEM ESOO.

Feedback from participants was positive and suggestions on what would be useful to include in further analysis noted below:

- Liz Aitken (Perth Energy) suggested having the analysis capturing all 300,000 household batteries.
- Andrew Woodroffe (Skyfarming) suggested that the analysis include data from the Meadow Springs battery
- Patrick Peake (Perth Energy) suggested AEMO put forward a paper outlining AEMO's view on how batteries should be installed and what would be good for the system, this could in turn assist PUO with policy development.

## 10. AEMO's Market Development functions

Stuart Featham (AEMO) provided an overview of AEMO's WA 'market development' functions, covering the following topics

- AEMO's functions as defined in the WEM Rules
  - 1.20.1 – preparing for and facilitating the implementation of WEM Reforms
  - 2.1A.2(IA) – contribute to the development and improve the effectiveness of the operation and administration of the Wholesale Electricity Market
- The process is must undergo to fulfil its functions under 2.1A.2(IA) and the need to seek MAC's input before any detailed work is undertaken on Rule Change Proposals
- What AEMO has been doing to deliver these functions over the last 12 months
- The makeup of the WA Market Development team and how it is allocated to projects

## 11. Other Business

### • **Reduction of Prudential Exposure (RoPE) update**

Mike Hales (AEMO) provided a brief overview of current progress of the Reduction of Prudential Exposure (RoPE) project.

- RoPE project is progressing on time and underbudget. Project team are completing the End-to-End testing of the application prior to a planned Market Trial deployment on 20 March 2019 and subsequent production release in May 2019.
- Market Procedures to align with the Rule Change RC\_2017\_06 have been addressed at the APCWG (21 February 2019) and the documents will be circulated for the formal review period in the coming week.

### • **RCM Update**

Neetika Kapani (AEMO) provided an update on the following:

- Certification window for the 2018 Reserve Capacity cycle will close at 5:00 pm WST on 28 February 2019. A reminder to upload all supporting documentation for applications to the WEMS portal was provided.
- The CRC assignment for the 2018 RC cycle will be done on 29 April 2019 and the final allocation of Capacity Credits is on 15 May 2019. Please refer to the RC timeline for other relevant dates- <http://aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Reserve-capacity-mechanism/Reserve-capacity-timetable>

- The certification window for the 2019 RC cycle will open on 1 May 2019. A stakeholder workshop to provide information about the 2019 RC cycle certification requirements is expected to be held mid-April 2019.
- AEMO has developed an Independent Expert Report (IER) guideline to assist the accredited independent experts on our website in their preparation of an IER for certification purposes. Following a workshop with accredited experts, AEMO has incorporated the feedback received and published this guideline on the website ([http://aemo.com.au/-/media/Files/Electricity/WEM/Reserve\\_Capacity\\_Mechanism/Certification/2019/Information-guide-for-independent-expert-reports-in-the-Reserve-Capacity-Mechanism.pdf](http://aemo.com.au/-/media/Files/Electricity/WEM/Reserve_Capacity_Mechanism/Certification/2019/Information-guide-for-independent-expert-reports-in-the-Reserve-Capacity-Mechanism.pdf)). Market participants are encouraged to view this guideline as well.

Wendy Ng (ERM Power) asked if there will be any changes to the process of the 2019 cycle. Neetika Kapani (AEMO) responded and said that on the assessment side of things there are no changes, however it is worth noting, the PUO is looking at the drafting for the Reserve Capacity Pricing, which could come into effect for the 2019 cycle. Matthew Martin (PUO) added, until there is a clear indication from the minister of Energy on this, the PUO will be putting out draft rule amendments, depending on that submission, the PUO will comment stakeholders.

- **Other Updates**

- AEMO will be sending out Expressions of interest for Load Rejection and Spinning Reserve for 2019-2020, then soon after for 2020-2021
- A Market Notification has been issued, advising that AEMO will be increasing the frequency of load forecast data for the Balancing Market to 5-minute intervals (Balancing Load data), going forward.

- **PV (Photovoltaic) Forecasting**

Paul Arias (Bluewaters) asked about PV forecasting and if AEMO would be publishing this information particularly the estimated PV output per trading interval for the next 24 hours. Dean Sharafi (AEMO) responded that AEMO has no obligation to publish this as it is inbuilt in the Load Forecast, however it will be taken on notice (action item 11.1) and investigated further.

## 12. Next meeting

Dean Sharafi (AEMO) outlined dates for upcoming forums. The next WAECF meeting is scheduled for 9 April 2019. The meeting was closed at 2:52pm.

**Action items raised at meeting – WA Electricity Consultation Forum**

<b>Item</b>	<b>Topic</b>	<b>Action required</b>	<b>Responsible</b>	<b>By</b>
2.1	Previous meeting minutes	AEMO to publish the minutes from the previous WAECF as final on the website.	AEMO	Completed
11.1	PV Forecast	AEMO to further investigate the suggestion of publishing PV generation AEMO has accounted for in generating the Load Forecast for each Trading Interval.	AEMO	TBC