

## MINUTES – WA Electricity Consultative Forum (WAECF)

MEETING: WAECF 25  
 DATE: Wednesday, 15 April 2020  
 CONTACT: [WAelectricityforum@aemo.com.au](mailto:WAelectricityforum@aemo.com.au)

### ATTENDEES:

NAME	COMPANY
Dean Sharafi	AEMO (Chair)
Laura Tomkins	AEMO (Secretariat)
Robin Parsons	AEMO
Cameron Parrotte	AEMO
Rick Dolling	AEMO
Nicholas Nielsen	AEMO
Neetika Kapani	AEMO
Andrei Costache	AEMO
Greg Ruthven	AEMO
Gregory Staib	AEMO
Martin Maticka	AEMO
Paula Welke	AEMO
Andrew Turley	AEMO
Magnus Hindsberger	AEMO
Teresa Smit	AEMO
Joachim Tan	AEMO
Mark Riley	AGL Energy
Michael Puls	APA Group
Naomi Donohue	APA Group
Nick Eaton	Alcoa
Sam Lei	Alinta
Audelle Hong	Alinta
Michelle Nguyen	Alinta
Neil Stockdale	Alinta
Oscar Carlberg	Alinta
Graham Pearson	Australia Energy Council
Scott Davis	BHP
Dimitri Lorenzo	Bluewaters
Kailei McCrea	Bluewaters
Louise Thomas	CCIWA
Cherie Cooper	Change Energy
Geoff Gaston	Change Energy
Dev Singh	Collgar Wind Farm
Steve Gould	Community Electricity
George Bell	Cristal Pigment Australia
Jack Yates	CQ Partners
Michelle Thomas	EDL Energy
Izzi Messina	Enzen Australia
Kate Ryan	EPWA
Rachelle Gill	EPWA
Richard Cheng	ERA
Elizabeth Walters	ERA
Wendy Ng	ERM Power
Peter Kolf	KPK Specialist Advisory Services Pty Ltd

Sarah Rankin	Moonies Hill Energy
Hugh Webster	Mumbida Wind Farm
Stephen Archer	Pearl
Jean-Phillippe Montandon	Perth Energy
Jean-Philippe Montandon	Perth Energy
Patrick Peake	Perth Energy
Erin Stone	Point Global
John McLean	PSC Consulting
Victor Francisco	PSC Consulting
Stephen Eliot	RCPWA
Jenny Laidlaw	RCPWA
Ian Porter	SEN
Rhiannon Bedola	Synergy
Jason Froud	Synergy
Jo-Anne Chan	Synergy
Rhiannon Bedola	Synergy
Neil Canby	Sunrise Energy Group
Rodney Littlejohn	Tersum Energy
Rod Littlejohn	Tersum Energy
George Bell	Tronox
Peter Huxtable	Water Corporation
Matt Timmings	
Noel Schubert	

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## 1. Welcome and Previous meeting minutes

Dean Sharafi (AEMO) opened the meeting at 1:06 pm, welcomed attendees to WAECF No.25

The minutes from the previous WAECF (19 February 2020) were endorsed. AEMO to publish the minutes as final on the website (Action Item 1.1).

## 2. 2020 WEM Electricity Statement of Opportunities (ESOO) Draft Forecasts

Grace Lui (AEMO) opening the presentation and briefly summarised the key purpose of the 2020 WEM ESoo and the expected unserved energy assessment process. Grace also provided an update on the ESoo delivery timeline.

Joachim Tan (AEMO) and Magnus Hindsberger (AEMO) presented the Draft 2020 WEM ESoo annual energy, preliminary maximum and minimum energy forecasts produced in-house for the upcoming 2020 WEM ESoo. The presentation provided an overview of AEMO's Draft annual electricity, maximum and minimum demand forecasts for the 2020 WEM ESoo outlook period. It outlined the applied assumptions for Covid-19 and the risks associated with Covid-19 in AEMO's draft forecasts.

In addition, the presentation compared a breakdown of AEMO's draft forecasts by residential and business sectors for the annual energy forecasts against forecasts from the published 2019 WEM ESoo, and for the first time provided a view of minimum demand for the WEM, all while outlining the improvements to the WEM forecasting process. Noting that AEMO is currently reviewing all impacts relating to the Covid-19 before finalising the 2020 WEM ESoo forecasts.

## 3. AEMO Operational and Project Updates

### 3.1 Covid-19 Update

Cameron Parrotte (AEMO) provided an update on AEMO's response to Covid-19, noting:

- Back-up control centre has been set up and the shifts are split between the two
- All AEMO staff that can, are working from home
- Extra cleaning and tests available to staff

Cameron also mentioned:

- Requests to swap bank guarantees have been accommodated where allowed, however deferral of settlement invoices or fees have been declined as AEMO is bound by the rules that are in place to mitigate risk for all participants. AEMO will continue to provide support and guidance on these issues.
- There has been no movement in outage requests, extensions and deferrals
- There has been some good information sharing through online meetings such as the SWIS Weekly look ahead, Weekly Covid-19 sharing meeting and others run through Energy Policy WA
- AEMO continues to work on Low Load/ minimum demand challenges although limited impacts to demand from COVID-19 at this stage.
- Participants are encouraged to reach out to AEMO if there would be interest in a broader review of the regulatory reform program/prioritisation in WA and if so how.

### 3.2 RCM Process update

Neetika Kapani (AEMO) provided an update on Reserve Capacity activities including:

- AEMO released an issues paper on Thursday 9 April 2020, seeking feedback from Stakeholders on the remainder of timelines associated with the 2020 Reserve Capacity Cycle, in particular the 2020 WEM ESoo and the 2020 certified Reserve Capacity process. AEMO is cognisant that several business operations have been and will be impacted by Covid-19 and encourages submissions and responses to the issues paper and use the opportunity to capture any rule obligations that will difficult to comply with in the current environment. Submissions close on 23 April, any queries should be directed to [wa.capacity@aemo.com.au](mailto:wa.capacity@aemo.com.au)
- ESoo progress:

- Drafting of chapters has commenced and are proceeding as per the 2020 Reserve capacity Timeline, with the intention to publish by 17 June 2020, with intention of seeking board approval in early June.
- Market Procedures:
  - Formal consultation closed on 9 April for the Certified Reserve Capacity market procedure. 5 submissions were received and currently working towards publishing the procedure change report in the next few weeks.
  - The Reserve Capacity Testing Market Procedure was presented at the Procedure Change Working Group on 7 April 2020 and currently incorporating the feedback received prior to finalising the procedure for formal consultation expected later next week.
  - Reserve Capacity security market procedure is currently being updated with the aim to socialise at the Procedure Change working group scheduled for the end of May.
- The Reserve Capacity team has been working at putting together a New Generator factsheet, with the aim to assist potential Market Participants in working out the various steps and timeframes required to participate in the Reserve Capacity Market.

### 3.3 Quarterly Energy Dynamic (QED) Update

Nicholas Nielsen (AEMO) provided an overview on the soon-to-be published Quarterly Energy Dynamics report. 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 Q1 2020, including the following highlights:

- High overnight temperatures drove high average demand in the WEM, particularly in the evening and overnight, resulting in the WEM's third-highest daily peak operational demand at 3,916MW at 17:30 on 4 February.
- Gas Powered Generation increased significantly to meet the increased evening and overnight demand, while continuing uptake of rooftop PV resulted in a WEM-record low operational demand of 1,135 MW at 11:00 on 4 January.
- This was the second record low in 3 months but only the third in 15 years, illustrating the challenges associated with managing the uptake of distributed PV while ensuring the security of the electricity system.
- A new Rule Change to Spinning Reserve cost allocation resulted in more capacity being made available to the market by generators at lower costs, while on the LFAS market additional competition and a new approach by AEMO in setting LFAS capacity requirements resulted in a decrease in total LFAS cost of \$5 million compared to Q1 2019.
- In the Gas System, consumption and production were both down by 3-4%, and the system experienced a significant number of Linepack Capacity Alerts (35 Amber and 2 Red); nearly twice as many as the 5 previous years combined.

### 3.4 AEMO Projects Status update

Dean Sharafi (AEMO) provided a slide with the status on the current AEMO projects, noting there will be a sequence change in the delivery of the Power System Operation project (PSO) and System Management Systems Transition (SMST) project with the SMST project being delivered before PSO.

## 4. Stakeholder Updates

### 4.1 Energy Transformation Implementation Unit (ETIU) - Energy Transformation Strategy (ETS) high level update

Kate Ryan (EPWA) provided an update on ETS activities including:

Energy Transformation Workstream:

- The Minister has indicated that the Energy Transformation Strategy is a critical piece of work and will continue on current timelines.
- The Taskforce met late May for the third meeting this year and is scheduled to meet again towards the end of April.
- Distributed Energy Resources (DER) Roadmap

- Released on 4 April 2020 with the support of government for all recommendations noting, that the recommended tariff pilots have been delayed due to Covid-19.
- The DER team have been planning and commencing some early implementation activities and working closely with all delivery partners.
- Foundation Regulatory Framework WEM Design and introduction of Constrained Network access):
  - Continuing to work through the design
  - Taskforce has approved and published (on website) an information paper from the compliance and monitoring regime for Generator performance standards
  - Taskforce has considered aspects of the timing of the 2020 Capacity Cycle and the initial allocation of network access quantities - how capacity credits are allocated in the new constrained access environment. An information paper to be released in the new few days.
  - Work continues on the high-level design and detailed design of rule drafting
- Whole of System Plan (WoSP)
  - Modelling is well underway
  - Will be able to share draft findings with the sector in a couple of months' time before the plan is finalised and submitted to government around July.

Kate also mentioned a package of proposed amendments to the access code is being finalised. These amendments relate to all of the workstreams under the Energy Transformation Strategy as well as some administrative and process improvements in the access code. These are about to be submitted to the Minister so that formal public consultation can occur.

#### **4.2 Rule Change update**

Stephen Elliot (RCPWA) provided details on Rule Change Panel activities prior to the meeting and made the following updates:

- RC\_2019\_05 – the deadline for submissions on draft rule change report had been extended to 22 April 2020. AEMO had asked for a further extension, which the Rule Change Panel has accepted, which will take it out to 30 April 2020.
- The next MAC meeting will be held on 5 May 2020

Stephen also mentioned, if anyone is having difficulty responding to Rule Change panel work due to Covid-19, to contact him directly.

Dean Sharafi (AEMO) opened the forum to questions through Slido, the topics covered included the WEM 2020 ES00 Draft forecasts, IRCR demand response, Covid -19 impacts and project status delays. Any questions that went unanswered will be shared with stakeholders in a Questions/answers sheet at a later date.

#### **5. Other Business**

No other business was raised

#### **6. Next meeting**

Dean Sharafi (AEMO) outlined dates for upcoming forums. The next WAECF meeting is scheduled for 10 June 2020. The meeting was closed at 2.15 pm.

**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>
1.1	<b>Previous meeting minutes</b>	AEMO to publish the minutes from the previous WAECF as final on the website.	AEMO	Completed
11.1	<b>PV Forecast</b>	AEMO to further investigate the suggestion of publishing PV generation AEMO has accounted for in generating the Load Forecast for each Trading Interval.	AEMO	Ongoing