

MINUTES – WA Electricity Consultative Forum (WAECEF)

MEETING: WAECEF 24
 DATE: Wednesday, 19 February 2020
 CONTACT: WAelectricityforum@aemo.com.au

ATTENDEES:

NAME	COMPANY
Dean Sharafi	AEMO (Chair)
Laura Tomkins	AEMO (Secretariat)
Robin Parsons	AEMO
Cameron Parrotte	AEMO
Rick Dolling	AEMO
Nicole Markham	AEMO
Neetika Kapani	AEMO
Greg Ruthven	AEMO
Teresa Smit	AEMO
Martin Maticka	AEMO
Nick Eaton	Alcoa
Audelle Hong	Alinta
Michael Puls	APA
Scott Davis	BHP
Tim Rosser	Blairfox
Louise Thomas	CCIWA
Cherie Cooper	Change Energy
Geoff Gaston	Change Energy
Chris Wallace	CleanTech Energy
Zhang Fan	Collgar Wind Farm
Devendra Singh	Collgar Wind Farm
Steve Gould	Community Electricity
Stuart Kelly	Energy Exemplar
Matthew Bouraee	Energy Exemplar
Noel Schubert	ERA
Matt Shahnazari	ERA
Wendy Ng	ERM Power
Kate Ryan	EPWA
Aden Barker	ETIU
Quentin Jeay	Kleenheat
Peter Kolf	KPK Specialist Advisory Services Pty Ltd
Robin Coombe	Oakley Greenwood
Sarah Rankin	MHE
Stephen Archer	Pearl Clean Energy
Patrick Peake	Perth Energy
Jayesh Halai	Perth Energy
Marc Hettler	Perth Energy
Stephen Eliot	Rule Change Panel
Andrew Woodroffe	Skyfarming
Neil Canby	Sunrise Energy Group
Jo-Anne Chan	Synergy
Dean Frost	Western Power

1. Welcome and Previous meeting minutes

Dean Sharafi (AEMO) opened the meeting at 1:00pm, welcomed attendees to WAECF No.24 and gave an Acknowledgement of Country.

The minutes from the previous WAECF (3 December 2019) were endorsed. AEMO to publish the minutes as final on the website (Action Item 1.1).

2. Confirmation of Terms of Reference (ToR)

Dean Sharafi (AEMO) discussed the amendments to the current ToR, there were no comments and the amendments were endorsed, AEMO to publish the amended version as final on the website.

3. Summer Operations Issues and Overview

Teresa Smit (AEMO) presented on a few key findings/events that occurred on the system over the summer period including; The system peak and minimum demand, non-synchronous generation penetration, an underfrequency load shedding event and transmission line trips.

4. Quarterly Energy Dynamic (QED) Report update

Rick Dolling (AEMO) provided an overview of the recently published QED 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 Q4 2019. Key insights that were discussed include:

- A new all-time record minimum demand was set.
- The WEM also recorded its highest Q4 demand on record.
- Wind and rooftop PV generation increased by an average 87 MW and 63 MW, respectively compared to Q4 2018.
- The average Balancing Price increased by 23% compared to Q4 2018.
- For the first time since the WEM commenced in 2006, the wholesale electricity price cleared at the Minimum STEM Price, during three Trading Intervals over the weekend of 12-13 October 2019.

5. AEMO Operational and Project Updates

5.1 RCM Process update

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

- Requests for Expressions of Interest for existing and potential capacity that is intending to come on to the grid for the 2022-23 Capacity Year, and related information for the next 10 years, has been released. Response deadline is 1 May 2020.
- The Reserve Capacity timetable for the 2020 Reserve Capacity Cycle has been uploaded on the AEMO website and at this stage, no deferral of the 2020 Reserve Capacity Cycle is expected.
- The Minister of Energy has approved the Reserve Capacity Pricing rules, which will be gazetted over the coming weeks.
- The 2020 WEM Electricity Statement of Opportunities (ESOO) is underway, noting forecasting activities are being transitioned in-house. AEMO should be able to share draft forecasts at the April WAECF.
- Neetika requested any WEM-specific content suggestions for the ESOO be sent to wa.capacity@aemo.com.au or WAelectricityforum@aemo.com.au
- The Certified Reserve Capacity Market Procedure will be discussed at the AEMO Procedure Change Working Group on 20 February 2020.

5.2 AEMO Projects Status update

Nicole Markham (AEMO) presented an update on the current AEMO projects, including the following:

Live Projects:

- Business Continuity Capability: AEMO's new back up facility went live on Friday, 14 February 2020.
- Reduction of Prudential Exposure (RoPE) is progressing on track for expected completion in Q2 2020.
- There will be a WEM Reform implementation group held 3 March 2020 to discuss technical options and analysis/solution design.
- Reserve Capacity Mechanism (RCM) is running as a stand-alone project, modifications have been approved and pricing work is progressing for the 2020 cycle.
- PSO Project (eTerra EMS) target implementation date is Q2 2020. Baseline model is in place and testing in progress; training has commenced.
- System Management System Transition (SMST) is dependent on the Power System Operation (PSO) project being implemented; target date still Q2 2020.
- Metering System Upgrade is on track for implementation in May 2020.
- STEM Fortran Replacement is progressing, although there have been some resource constraints, however still due to finish within the approved timeline.

Changes to Market Participant Interface for Rule Change RC_2013_15:

- Rule Change RC_2013_15 went live on 13 February 2020, which included some changes to the handling of Opportunistic Maintenance. The key change being the AEMO Control Room needs to be called to discuss Opportunistic Maintenance before anything is submitted in the system.
- Market participant interface and guideline has been updated and is available on the Market website.
- All queries to be directed to System Management Operations wa.sm.operations@aemo.com.au

MPI Demo sessions overview:

- Due to delay in the PSO & SMST project, the MPI demo sessions have been postponed. New session dates will be communicated closer to cut-over date, that has yet to be confirmed.

6. Stakeholder Updates

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

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

ETS workstream:

- The overall program is tracking ahead of schedule.

Taskforce activities:

- In December the Energy Transformation Taskforce (Taskforce) met on two occasions and approved the Distributed Energy Resources (DER) roadmap, which was submitted to the Minister for Energy on 23 December 2020, anticipating this will be considered by Cabinet in the next few weeks and published in March 2020.
- The Taskforce also approved two more papers as part of the high level design of the Foundational Regulatory Framework workstream. The papers that were approved and have been published on the website are around Settlement and Essential System Services Scheduling and Dispatch.

- Whole of System Plan (WoSP) - an information paper was released summarising the modelling methodology as well as the assumptions.
- Draft rules for consultation around the constraints governance framework and technical rules change management have been published
- The Taskforce has already met in 2020 and two more Foundational Regulatory Framework papers were endorsed. These are the high level design of the approach to allocating capacity credits to generators in a constrained access environment (the Network Access Quantity proposal) and Outage Planning and Management.
- A second meeting later in February is scheduled to consider the Registration Participation Framework and the framework for Operating States in Contingency Events.
- The Taskforce will also look at another package of access code changes, which will be a consolidated pack across most workstreams. Public consultation most likely to be held April through to May 2020.

WoSP modelling is underway, which has two phases: The first is a resource planning model, to determine what is the least cost mix of generation, storage and network to meet the various different demand scenarios, then this will run into a market dispatch modelling which determines the commercial outcomes for generators and what would the market outcomes be, with eventual iteration between the two models. The first phase is currently underway. Draft results will be shared with the sector via an industry workshop in the first half of 2020.

Working Groups are well underway and ticking along, a WEM Reform Implementation Group will be established by ETIU and AEMO to consider the implementation via systems and processes of the changes to the Wholesale Electricity Market. The first meeting is scheduled for 3 March, invites will be sent out to all signed up to the TDOWG updates.

Still on track to meet the timeframes that were in the Energy Transformation Strategy, the key milestones are:

- DER Roadmap by the end of 2020
- Publication of WoSP due Q3 2020
- Making of amendments to Market Rules and Access code and related instruments by Q3 2020 to enable to WEM arrangements to commence on 1 October 2022

6.2 Energy Policy WA (EPWA) update

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

- The Minister approved the amendments to the WEM Rules for the new capacity pricing arrangements. These arrangements will take effect for the 2019 capacity cycle (2021 capacity year). Publication due by the end of February.
- Pilbara Electricity Reforms – the Bill to amend the legislation was introduced in to parliament on 29 November 2019, with debate anticipated to commence March 2020. Working towards a 1 July 2020 kick off date.
- A paper around a new approach to exemptions has been published, proposing a new exemption framework including binding codes of conduct for different businesses. The first code of conduct to be developed is around Behind the Meter services, particularly solar PPAs. The first Behind the Meter Working Group was held last week.

6.3 Rule Change update

Stephen Elliot (RCPWA) provided an update on the following Rule Change Panel activities:

RC_2013_15 Outage Planning Phase 2 – Outage Process Refinements:

- The Amending Rules from this proposal commenced on 1 February 2020.

RC_2014_03 Administrative improvements to outage process:

- A call for further submissions was issued on 6 January 2020 and submissions closed on 31 January 2020.
- The intent is to publish a Draft Rule Change Report in mid-April 2020 with submissions to close in mid-May 2020.

RC_2017_02 Implementation of a 30-Minute Balancing Gate Closure:

- The intent is to publish a Draft Rule Change Report in mid-April 2020 with submissions to close in mid-May 2020.

RC_2018_05 ERA Access to market information and SRMC investigation process:

- The Minister made a decision on 6 January 2020 to propose additional changes to the Amending Rules for this Rule Change Proposal.
- The Rule Change Panel consulted on the Minister's proposed changes, with submissions closing on 3 February 2020, and the Rule Change Panel published a revised Final Rule Change Report on 17 February 2020.
- The Rule Change Panel has submitted the Amending Rules from the revised Final Rule Change Report to the Minister for approval, and the Minister's approval is due 17 March 2020. The Amending Rules will commence on 23 June 2020, pending Ministerial approval.

RC_2019_04 Administrative Improvements to Settlement:

- Submissions on this Rule Change Proposal closed on 31 January 2020.
- The intent is to publish a Draft Rule Change Report on 28 February 2020 with submissions to close on 30 March 2020.

RC_2019_05 Amending the Minimum STEM Price definition and determination:

- Submissions on this Rule Change Proposal closed on 18 December 2020.
- The intent is to publish a Draft Rule Change Report on 28 February 2020 with submissions to close on 30 March 2020.

RC_2020_01 Market Participant Fee calculation manifest error:

- The Rule Change Panel published this Rule Change Proposal on 24 January 2020.
- This is a Fast Track Rule Change Proposal and submissions closed on 17 February 2020.
- The intent is to publish a Final Rule Change Report on 24 February 2020.
- The Amending Rules from this Rule Change Proposal contains Protected Provisions, so the Rule Change Panel will submit the Amending Rules to the Minister for approval on 24 February 2020 and the deadline for the Minister's decision will be 24 March 2020.
- The Amending Rules will commence on 30 March 2020, pending Ministerial approval.

Other Rule Change Panel-related matters:

- North Country Spinning Reserve Issue:
 - ETIU advised the MAC at the meeting on 11 February 2020 that AEMO will develop a Rule Change Proposal to address the North Country Spinning Reserve issue and will submit it to the Minister for approval.
 - The intent is for the Rule Change Proposal to:

- allow multiple generators to form the largest contingency; and
 - change how Spinning Reserve costs are allocated when multiple generators form the largest contingency to maintain the cost causality principle.
- The next MAC meeting is scheduled for 24 March 2020.

8. Other Business

No other business was raised

9. Next meeting

Dean Sharafi (AEMO) outlined dates for upcoming forums. The next WAECF meeting is scheduled for 15 April 2020. The meeting was closed at 1.58 pm.

Action items raised at meeting – WA Electricity Consultation Forum

Item	Topic	Action required	Responsible	By
1.1	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	Ongoing