

# MEETING OUTCOMES – AEMO Workshop on Outages

MEETING: AEMO Workshop on Outages  
DATE: Tuesday, 26 June 2018  
TIME: 10.30am – 12.30pm (AWST)  
LOCATION: AEMO Perth Karinjini/Nambung/Ningaloo Rooms, Melbourne Orchid Room, Sydney Tamarama Room

## ATTENDEES:

NAME	COMPANY
Clayton James	AEMO
Marcus Arundale	AEMO
Matthew Fairclough	AEMO
Nicky Hong	AEMO
Vinay Chandrasekaran	AEMO
Chris McDonagh (VC)	Alinta Energy
Sonia Kolar (VC)	Alinta Energy
Gerrymaine Amoc	Bluewaters
Paul Arias	Bluewaters
Julian Fairhall	ERA
Sara O'Connor	ERA
Wendy Ng	ERM Power
Marc Hettler	Perth Energy
Jenny Laidlaw	Rule Change Panel
Laura Koziol	Rule Change Panel
Richard Cheng	Rule Change Panel
Angelina Cox	Synergy
Brad Huppatz	Synergy
Bryce Powdrill	Synergy

## 1. Welcome

AEMO explained the overall objective of the workshop was to ensure the WEM Rules reflected the operational reality of outages by working through common scenarios that impact Participants and AEMO to confirm a consistent approach using a recent Supreme Court judgement<sup>1</sup> as guidance.

## 2. Scenarios

- Question – What happens when a Facility is unavailable or undertaking a Planned Outage when submitting an Outage Plan?

Answer – AEMO will assess the Outage Plan where Participants make a good faith declaration that the Facility is reasonably expected to be available prior to the start of, and for the duration of, the outage.

- Question – What happens when a Participant declares in an Outage Plan that they expect their Facility to be available for the entire duration of the outage even though there exists the possibility of failure of plant due to wear and tear?

Answer – As long as the Participant reasonably expects the Facility to be available for the duration, the Outage Plan will be valid. If the risk of overrun is high, AEMO will request the Participant reconsider the duration. As a Planned Outage cannot be extended under the Market Rules, the

<sup>1</sup> BLUEWATERS POWER 2 PTY LTD -v- AUSTRALIAN ENERGY MARKET OPERATOR LTD [2017] WASC 98.  
Available at: <https://ecourts.justice.wa.gov.au/eCourtsPortal/Decisions/DownloadDecision/d6ad0c85-c57f-4a38-4825-8101001537ba>

Participant will need to request another Outage Plan for any extension or else submit a Forced Outage for the period that the Facility is out of service after the Planned Outage.

- Question – Can a Participant submit a request for an Outage Plan for a Facility that is on outage when the request is submitted?

Answer – In addition to indicating that to be a valid Outage Plan, the Facility must be available for dispatch prior to commencement and for the duration of the outage, the guidance also indicates that for an Outage Plan to be valid the Facility must be available at the time of the request. However AEMO understands that this relates to an Outage Plan that will commence prior to the Facility being capable of dispatch. If the Participant reasonably expects that the Facility will be in service prior to the commencement of the proposed Outage Plan, then AEMO must deem that the Outage Plan is valid, provided the information provided in the Outage Plan is meets the requirements of WEM Rule 3.18.6.

- Question – Can a Facility that is available be out of service?

Answer – Availability implies that that Facility is able to dispatch electricity in accordance with the latest Balancing Merit Order (BMO) and its Standing Data. If a Facility is out of service such that it will not be capable of dispatching electricity, it is not available.

- Question – When are Outage Plans not required by AEMO?

Answer – Based on guidance from the Supreme Court judgement, an Outage Plan is not required if a Facility undertaking maintenance is expected to be fully available for dispatch, which is when the Facility:

- Will be dispatched in-merit and can synchronise to meet this time frame; or
- Will not be dispatched in-merit, but can synchronise in accordance with Standing Data.

- Question – Why can't a Scheduled Outage be approved when a Facility trips after the Outage Plan has been accepted?

Answer – AEMO can approve a Scheduled Outage where the Participant informs AEMO in good faith that the Facility will return to service prior to commencement of the outage.

- Question – How should Participants provide AEMO confirmation that the Outage Plan is valid (that is, that the Facility will be available for dispatch prior to the commencement of the outage)?

Answer – As Outage Plans must be submitted in good faith, AEMO will assume that Outage Plans submitted by Participants include that confirmation. If AEMO has any reason to question that assumption, we will request further information.

- Question – Can AEMO assess an Outage Plan where required information has not been provided, even though it can be provided later if AEMO requests?

Answer – The process of assessing an outage begins when an Outage Plan is provided by a Participant. Until all information is provided the request is by definition not an Outage Plan under the Market Rules and AEMO cannot begin the process of assessment as AEMO has nothing to assess.

- Question – Can AEMO reconsider the removal of Pre-Accepted Outages? Pre-Accepted outages improve efficiency in the outage approval process, shortening the two-step process to one.

Answer – AEMO has identified that the Pre-Accepted Outages process does not fully conform with the outage assessment process outlined in clause 3.18 of the WEM Rules which requires all information to be submitted prior to AEMO's assessment. As such, AEMO has little option but to prevent further use of this process. AEMO will work with Participants to minimise the impost caused by this change.

- Question – Can AEMO provide any guarantees that an approved outage (Planned Outage) will go ahead?

Answer – AEMO performs a risk assessment prior to approving a Scheduled Outage. These risk assessments are performed to help AEMO determine the potential impact of the Scheduled Outage based on the power system conditions that are expected to be present during this outage. Given the difficulty of forecasting power system conditions at some future date, due in part to other outages, AEMO cannot provide any guarantees.

- Question – What does AEMO's risk mitigation strategy involve in respect to Planned Outages?

Answer – AEMO’s risk mitigation strategy involves assessing the likelihood that a Facility that is expected to be undertaking a Planned Outage will need to be recalled during the Planned Outage – an outcome that is contingent on power system conditions that AEMO expects to be present during the Planned Outage.

At a high-level, the Reserve Margin provides an indication of the likelihood that AEMO will recall a Facility undertaking a Planned Outage. Accordingly, the Reserve Margin is a significant factor in AEMO’s assessment of Outage Plans.

- Question – Is it reasonable for AEMO to expect a Facility to be recalled during a Planned Outage?

Answer – AEMO can only recall a Facility undertaking a Planned Outage in accordance with the recall time specified in the Facility’s Standing Data. As such, the initial provision of this information is part of the assessment process.

- Question – Can AEMO reconsider approving outages as late as possible? Participants have limited control and influence in regards to AEMO’s criteria for assessing Outage Plans, making it difficult for Participants to move an outage due to the uncertainty around future power system conditions. A long duration outage that is cancelled due to a short-term Forced Outage can create Power System Security issues and increase the risk of plant failure. As such, Participants strongly prefer early approval as it provides an increased level of certainty. Participants acknowledge that an approved outage (Planned Outage) can be revoked at any time due to a change in power system conditions.

Answer – AEMO will reconsider this position and revert to Participants.

### **3. Other and actions**

AEMO indicated to Participants that from 1 August AEMO would:

- Require that Outage Plans and Scheduled Outages be valid for assessment, reassessment and approval. This includes the assumed confirmation by the Participant that the Facility will be capable for dispatch should the outage not be approved.
- Assess any extension to an existing outage as a new Outage Plan.
- No longer offer Pre-Acceptance of Scheduled Outages.

AEMO will investigate Participant’s request to approve outages as early as possible and will revert to Participants.

### **4. Next meeting**

Stakeholders will be advised of the date for the next workshop.