

MINUTES

MEETING: AEMO Procedure Change Working Group (APCWG)
 DATE: Thursday, 7 May 2020
 TIME: 2:00 – 3:00 pm
 LOCATION: WebEx

ATTENDEES:

NAME	COMPANY / DEPARTMENT
Nicole Markham	AEMO (Chair)
Neetika Kapani	AEMO
Rebecca Petchey	AEMO
Melinda Anderson	AEMO
Adrian Theseira	AEMO
Oscar Carlberg	Alinta Energy
Dev Singh	Collgar
Wendy Ng	ERM Power
John Nguyen	Perth Energy
Erin Stone	Point Global
Laura Koziol	RCPWA
Adnan Hayat	RCPWA

APOLOGIES:

NAME	COMPANY / DEPARTMENT
Greg Ruthven	AEMO
Mark Riley	AGL
Dimitri Lorenzo	Bluewaters
Jack Yates	CQ Energy
Marc Hettler	Perth Energy
Rhiannon Bedola	Synergy
Jo-Anne Chan	Synergy
Angelina Cox	Synergy

Agenda Item 1: Welcome

The Chair welcomed attendees and confirmed that the purpose of the meeting is to consider the proposed amendments to the Market Procedure: Reserve Capacity Security.

The Chair confirmed that Rebecca Petchey (AEMO) would provide a summary of the proposed amendments and this would be followed by the page by page review of the amended Market Procedure. The Chair informed attendees of the proposed process for how the virtual meeting would be conducted. No concerns were raised by attendees on the process.

Agenda Item 2: Procedure Change Proposal – Market Procedure: Reserve Capacity Security

Rebecca Petchey (AEMO) informed attendees that the changes to the Market Procedure are as a result of the Minister for Energy's amendments to the Wholesale Electricity Market Rules released in February 2020. The Minister's amendments include changes to the Reserve Capacity Price formula, together with changes for Demand Side Programmes

(DSPs). DSPs will now be required to provide DSM Reserve Capacity Security each year. AEMO is required to document the processes for DSM Reserve Capacity Security in a Market Procedure. The additional changes to the Market Procedure reflect the guideline that was developed in 2017 to clarify processes for Reserve Capacity Security.

The Chair then conducted a page turn of the Market Procedure and sought comments from attendees on the proposed amendments:

- Section 1 and throughout the Market Procedure:
 - Attendee comment: The procedure uses the term “WEM Rules” instead of ‘Market Rules’. This is inconsistent with the Wholesale Electricity Market Rules.
 - AEMO response: Noted.
- Section 1.2 Table 1 Defined terms
 - Attendee comment: Should the Temperature Dependence Curve definition refer to “sent out capacity”, and is that information the same as that referred to in clause 4.10.1(e) of the Wholesale Electricity Market Rules?
 - AEMO response: The definition of Temperature Dependence Curve has been aligned with the Market Procedure: Reserve Capacity Testing which is subject to a separate Procedure Change Proposal discussed at the February APCWG meeting. The reference to clause 4.10.1 has been removed because the term “Temperature Dependence Curve” is not defined under that clause. The clause only requires Market Participants to provide information about temperature dependence and does not specify the requirement for a curve. AEMO will consider whether the definition should specify “sent out capacity”.
- Section 3.3
 - Attendee comment: The word “security” is used throughout the procedure but does not appear to be defined in the procedure.
 - AEMO response: “Security” is defined in the Defined Terms table in Section 1.2.
- Step 3.6.5
 - Attendee comment: It is unclear how the timing in this step would work if the Market Participant decides not to provide the information.
 - AEMO response: AEMO will consider this feedback and whether further clarification is required.
- Steps 6.2.5 and 6.2.6:
 - Attendee comment: The sub-clauses in these steps do not commence at (a).
 - AEMO response: AEMO will review and update.
- Other comments:
 - General comment: Would AEMO be able to provide examples of what kind of consequential changes would be caused by the rule amendments?
 - AEMO response: The main change as a result of the amendments is the requirement for DSM Reserve Capacity Security for DSPs. There are now two types of Reserve Capacity Security, one for generation facilities and one for DSPs. DSPs must submit DSM Reserve Capacity Security every year unless they are subject to an exemption from AEMO. Consequential changes are therefore being

proposed to the Market Procedure: Reserve Capacity Security, rather than creating an entirely new procedure for DSM Reserve Capacity Security.

- General comment: The old procedure contained flow charts which were valuable as a reference point for the different steps of the process. Would AEMO consider re-instating the flow charts?
- AEMO response: AEMO will consider this feedback and assess whether flow charts can be re-incorporated into the procedure.

There were no further comments from attendees on the proposed amendments to the Market Procedure: Reserve Capacity Security.

Agenda Item 4: Future agenda items and next meeting

The Chair informed attendees that the next APCWG meeting is scheduled for 21 May 2020 to consider the proposed procedure amendments to improve the accuracy of the Outstanding Amount calculation under the Reduction of Prudential Exposure (RoPE) project. Papers for this meeting will be circulated on Thursday, 14 May 2020.

The Chair also advised that the Market Procedure: Reserve Capacity Testing, discussed at the February APCWG meeting, will be published for formal consultation in the coming weeks. If participants need more time to review any procedure changes AEMO will consider extending consultation timeframes.

Neetika Kapani (AEMO) also advised that AEMO would be informally consulting with stakeholders (using relevant available stakeholders contact lists) on the changes to the Market Procedure: Certification of Reserve Capacity. This follows closure of the formal consultation process and engagement with several Market Participants who provided feedback on the proposed changes. AEMO intends to circulate the amended procedure for further comment during the week commencing 11 May 2020.

The Chair then thanked everybody for attending and closed the meeting.