

## MEETING RECORD

MEETING: Wholesale Demand Response Consultative Group (WDR CG)  
 DATE: Tuesday, 22 September 2020  
 TIME: 10:00am – 12:30pm  
 LOCATION: WebEx only  
 MEETING NUMBER #04

### ATTENDEES:

NAME	COMPANY
Greg Ruthven (Chair)	AEMO
Adam Gorton	AEMO
Anne-Marie McCague	AEMO
Basilisa Choi	AEMO
Chris Espinoza	AEMO
Emily Brodie	AEMO
Katalin Foran	AEMO
Luke Barlow	AEMO
Madison Pigliardo	AEMO
Rebecca Bailey	AEMO
Adam Day	AER
Ben Pryor	ERM Power
Damien Edwards	CQ Energy
Declan Kelly	AEMC
Elisabeth Ross	Enel X
Emma Fagan	Tesla
Gemma Carr	Bluescope Steel
Greg Zooeff	Nyrstar
John Chiodo	Local energy
Justin Betlehem	Ausnet Services
Melissa Perrow	Brickworks
Kyle Auret	AGL
Michael Zammit	VIOTAS
Paul Grznic	Aurora
Sarah Grundy	Brave Energy
Shaun Cole	Origin Energy
Trenton Gilbert	DNV GL

**NOTE:** some attendees who joined through WebEx and phone may not have been identified.  
 Please advise via email to [WDR@aemo.com.au](mailto:WDR@aemo.com.au) if you attended the meeting but have not been noted above.

Disclaimer - This document provides an overview of the main points of discussion at an industry forum convened by AEMO on 22 September 2020 to provide information and invite perspectives and feedback on matters relating to Wholesale Demand Response implementation. Readers please note that:

- This document is a summary only and is not a complete record of discussion at the forum.
- For presentation purposes, some points have been grouped together by theme and do not necessarily appear in the order they were discussed.
- The views expressed at the forum and reflected here are not necessarily those of AEMO.

## **1. Welcome (G. Ruthven, slides 1- 5)**

Attendees were welcomed to the WDR CG meeting. AEMO noted that the meeting was being recorded for the purposes of preparing meeting notes.

## **2. Notes, actions and feedback from previous meeting (E. Brodie, slides 6 - 9)**

The draft meeting notes from WDR CG meeting #3 were endorsed by the WDR CG and will be published as final on the AEMO website.

AEMO provided consolidated responses to the actions arising from WDR CG #3. All actions were closed except for:

- 01.12.01 (WDR CG to provide ideas for future agenda items) which will remain open on an ongoing basis.
- 02.06.01 (WDR CG to provide WDR scenarios to AEMO) which will remain open on an ongoing basis.
- 02.06.02 (AEMO to develop a worked example of how WDR will work in practice using scenarios provided by the WDR CG) which will remain open on an ongoing basis. When the WDR CG provides scenarios, AEMO will commit to providing worked examples based on these scenarios within two weeks where practicable.

## **3. Stakeholder engagement update (E. Brodie, slides 11-14)**

AEMO listed upcoming WDR forums that are in the planning stages. It then covered recent website updates and intended website updates. In response to AEMO's question on website content, Ausnet commented that it would like to see key information in one place e.g. timeline, registration information etc.

**ACTION 04.03.01:** AEMO to include timeline information on WDR webpages.

## **4. Update on WDR Guidelines and TWG (G. Ruthven, slides 15-20)**

AEMO presented the summary of positions coming out of the first Technical Working Group (TWG) meeting. It then set out the proposed agenda for TWG #2 which is scheduled for Mon 12 Oct 2020.

AEMO also presented its indicative approach to WDR SCADA requirements, noting that telemetry and communications will be discussed in detail at the TWG #2 meeting.

Origin enquired if AEMO expected applicants to make their own assessment of whether SCADA will be required when making an application (noting an individual applicant may not have visibility of other applications being considered concurrently by AEMO). AEMO responded that the registration requirements will be made as clear as possible up front but there will be opportunities for participants to test out their understanding before going through the registration process.

AEMO explained that it was considering requiring SCADA (or equivalent) where a Demand Response Service Provider (DRSP) had classified 5 MW or more of WDR behind a transmission node (TNI), irrespective of whether any aggregated WDRU exceeded 5 MW. This was intended to provide AEMO with the required visibility while avoiding perverse incentives for DRSPs to cap aggregations at 4.9 MW. AEMO asked attendees whether they could envisage a reason why a DRSP may not wish to aggregate WDR behind a single TNI. No attendee specifically responded to this question.

Enel X commented that the proposed telemetry and communications requirements for aggregated WDR seemed to be more stringent than what was envisaged in the AEMC's final determination. AEMO responded that it was continuing to analyse the requirements for aggregations of WDR. It expected that it was more likely to require SCADA if an aggregation was concentrated in a small area (such as behind a TNI), and less likely to require SCADA for an aggregation of dispersed, small loads.

In response to a question from AEMC, AEMO noted that it expected that SCADA data for aggregated WDRUs would represent the aggregated facility, not the individual sites.

In response to a question from Local Energy, AEMO clarified that the telemetry requirements would be based upon a single threshold, with SCADA or the proposed SCADA-lite telemetry option being alternative methods of meeting the requirement. It is intended that SCADA-lite is a lower cost option.

## **5. Overview and approach to DRSP registration, WDRU classification and aggregations (A. Gorton, slides 21 – 28)**

AEMO provided an overview of DRSP registration and WDRU classification and aggregation processes.

In response to questions from Origin and AGL, AEMO confirmed that:

- DRSPs will only need to register once, but must classify at least one load to be able to register (akin to the current MASP process). An application to classify is made at the same time as the registration application.
- Applications must be made each time a DRSP wants to classify or aggregate additional loads.

Tesla asked if the registration approach will be like the VPP registration where it's a more streamlined process to include additional MW/ additional WDRUs to an existing DRSP registration. AEMO confirmed that it is designing and implementing the 'portfolio management' system for both ASL and WDR classifications and that the system will assist in streamlining these applications.

In response to a question from Nyrstar on NER Chapter 3 financial obligations, AEMO pointed to slide 24 which sets out where to find key supporting information for applications.

In response to a question from Brickworks on application processing timeframes, AEMO clarified that it has 5 days to perform an initial assessment of an application. Once the application is complete (following any further interactions with the applicant), AEMO has 15 business days (under the NER) to decide on the application.

WDR CG members concurred with the proposed approach to DRSP registration and WDRU classification/aggregation and also supported registration forms that are designed to enable joint applications to register, classify and aggregate.

In response to a question from AEMO, Brickworks, Enel X and Local Energy indicated they were likely to apply to AEMO to classify the same load as both a WDRU and ASL. Therefore registration forms that are designed to enable applications for DRSP registration and both ancillary service load (ASL) classification/aggregation and WDRU classification/aggregation would be supported.

AEMO stated it would welcome further feedback at any stage and provided contact information for AEMO's registration team (slide 28) to enable WDR CG members to do so.

## **6. Discussion: WDR Scenarios (B. Choi and G Ruthven, slides 30 – 40)**

AEMO presented four WDR worked examples to the group based on scenarios provided by the WDR CG:

1. Inability to respond within dispatch interval
2. Load shedding by NSP
3. Bidding and receiving dispatch instructions
4. Maximum responsive component (MRC) capping in settlement

VIOTAS and Nyrstar suggested that it would be very difficult for many DR sources to follow the Fast Start Inflexibility Profile (FSIP) as very few sites can come off within 5 mins, limiting the demand response that can be brought to market. AEMO responded that the FSIP is designed to provide flexibility through lead times and ramp rates so that facilities **do not** have to come off in 5 minutes. i.e. there are tools available through the bidding process that allow DRSPs to indicate where there is a lead time and where ramping may occur over multiple 5-minute intervals.

In response to a question from VIOTAS on why WDRUs are being treated akin to scheduled generators, AEMC reiterated its approach to making the WDR Mechanism Rule. AEMC noted that through the rule change process it was aware of the trade-off of DRSP obligations and their interactions with wholesale market. AEMC determined that DRSPs resemble scheduled participants. This was an intentional decision so that WDR is transparent, contributes to setting price and can be dispatched. Understanding this will be a challenge for some facilities, ramp rates and FSIP can help accommodate participation in the scheduling process. AEMC noted that WDR is only one option to engage in demand response as RERT, FCAS and network services are also available.

Origin Energy asked if the RERT procedures will be updated to clarify how out-of-market provisions will apply to unscheduled reserves as it relates to wholesale demand response. AEMO took an action to find out.

**Action 04.06.01:** AEMO to establish what changes are required to the RERT procedures resulting from the WDR Rule.

## **7. Forward meeting plan (E. Brodie, slides 41 – 43)**

AEMO presented a draft agenda for the next WDR CG meeting and sought feedback on whether there were further topics the group wished to include on the agenda.

AEMO also noted that there was further information available in the meeting pack's appendices (slides 46 – 60):

- Draft program timeline
- WDR procedure change updates – Credit Limit Procedures and Demand Side Participation Information Guidelines are currently out for consultation.
- Summary of Regulatory Implementation Roadmap work

**ACTION 01.12.01:** WDR CG to provide feedback on topics and issues for future WDR CG agendas.

## **8. General questions and close (G. Ruthven, slides 44 - 45)**

Attendees were thanked for their attendance

## ACTION ITEMS RAISED AT WDR CG MEETINGS

ITEM	TOPIC	ACTION REQUIRED	RESPONSIBLE	DUE BY
04.03.01	Stakeholder engagement update	AEMO to include timeline information on WDR webpages.	AEMO	13-Oct-20
04.06.01	WDR Scenarios	AEMO to establish what changes are required to the RERT procedures resulting from the WDR Rule.	AEMO	13-Oct-20
03.09.02	Approach to dispatch compliance	WDR CG to advise the specific aspects of the WDR mechanism rule it would like more information on with respect to AEMO's discretion.	WDR CG	Ongoing
03.09.03	Approach to dispatch compliance	Subject to Action 03.09.02 and as appropriate, AEMO to develop a table/s describing its level of discretion in the specific aspects of WDR (as nominated by the WDR CG).	AEMO	Ongoing
02.06.01	Forward meeting plan	WDR CG to provide WDR scenarios to AEMO.	WDR CG	Ongoing
02.06.02	Forward meeting plan	AEMO to develop a worked example of how WDR will work in practice using scenarios provided by the WDR CG.	AEMO	Ongoing
01.12.01	Forward meeting plan	Provide feedback on topics and issues for future WDR CG agendas	WDR CG	Ongoing