

MEETING OUTCOMES – AEMO Procedure Change Working Group (WEM)

MEETING: AEMO Procedure Change Working Group (WEM) Meeting 7
DATE: Tuesday, 7 August 2018
TIME: 10.30am – 12.00pm (AWST)
LOCATION: AEMO Perth Karinjini/Nambung/Ningaloo Rooms, Sydney Board Room

ATTENDEES:

NAME	COMPANY
Matthew Fairclough	AEMO
Greg Ruthven	AEMO
Nicky Hong	AEMO
Marcus Arundale	AEMO
Vinay Chandrasekaran	AEMO
Jacinda Papps	Alinta Energy
Sam Lei (VC Sydney)	Alinta Energy
Gerrymaine Amoc	Bluewaters
Paul Arias	Bluewaters
Wendy Ng	ERM Power
Jenny Laidlaw	Rule Change Panel
Richard Cheng	Rule Change Panel
Brad Huppatz	Synergy
Oscar Carlberg	Synergy
Dean Frost	Western Power
Kei Sukmadjaja	Western Power

1. Welcome

2. Procedure Change Proposal for Power System Operation Procedure: Facility Outages

Comments made at the meeting:

- Numerous editorial variations were indicated. AEMO has included these in a separate marked-up version of the draft Procedure.
- Step 4.2.4: Alinta Energy indicated they have received advice that the Interpretation Act does not prevent the Procedure referring to a Supreme Court judgement as support for the interpretation of a clause which reflects and is consistent with the WEM Rules and the judgement.

However, Alinta Energy considers that step 4.2.4(a)(2) does not correctly reflect the relevant Supreme Court judgement¹.

Questions and responses:

Question – Step 2.1.4: Should this obligation be an imperative?

Answer – Step 2.1.3 details equipment that must appear on the Equipment List. Step 2.1.4 indicates other equipment that may be included, depending on the individual case.

Question – Step 2.1.4: For loads, is Projected Assessment of System Adequacy (PASA) a more appropriate way for AEMO to obtain usage information?

Answer – AEMO will consider whether PASA is more appropriate.

¹ BLUEWATERS POWER 2 PTY LTD -v- AUSTRALIAN ENERGY MARKET OPERATOR LTD [2017], paragraphs 49 and 50. Available from: <https://www.austlii.edu.au/cgi-bin/viewdoc/au/cases/wa/WASC/2017/98.html>

Question – Step 2.1.4(b): What is the intent of the wording?

Answer – This refers to Network equipment that is not registered under a Facility in accordance with clause 2.29.1 of the Market Rules. AEMO will consider revising the step to increase clarity.

Question – Step 2.1.9: Is use of the term “exclusion” superfluous?

Answer – The term has been included to clarify that Market Participants and Network Operators may request that a Facility or item of Network equipment be:

- Included on the Equipment List, where AEMO has determined that that item of equipment be excluded from the list; or
- Excluded from the Equipment List, where AEMO has determined that that item of equipment should be included on the list.

However, AEMO will reconsider the effects of “exclusion”.

Question – Step 2.1.9: Can AEMO clarify whether the intention of the wording “item of equipment” applies to Market Participants and Network Operators, in this context?

Answer – Wording is intended to refer to items of Network equipment. AEMO will amend the Procedure accordingly.

Question – Step 3.1.4: The Operating Protocol is not a legally binding document. Can this step be removed or reworded to indicate that the document only covers low-level requirements?

Answer – AEMO has considered removing this step but considers it provides transparency. AEMO will revise to clarify that the Operating Protocol only covers low-level requirements.

Question – Step 4.2.4(a): Can the footnote explain that this step reflects the proper interpretation of clause 3.18.4A of the Market Rules, in accordance with the Bluewaters Decision¹?

Answer – AEMO will amend the Procedure accordingly.

Question – Step 4.2.4(a)(2): This step may not be in accordance with the actual decision in the Bluewaters Decision¹. Can AEMO reconsider the applicability? In particular:

- Alinta Energy notes that the Decision in paragraphs 49 and 50 does consider that a Facility is expected to be otherwise capable of dispatch throughout the duration of the outage.
- Alinta Energy notes that paragraph 48 is the only paragraph that contemplates something like this.
- Alinta Energy considers that paragraph 48 of the Decision relates to the specific situation of a conversion of a Forced Outage to a Planned Outage not in the instance of normal operation of the outage rules.

Answer – AEMO will reconsider this step.

Question – Steps 4.2.4(b): Can this step be expanded to include a broader set of criteria, such as decommissioning or adding a new circuit?

Answer – AEMO will reconsider these steps.

Question – Step 4.2.5: What is the level of detail that Participants need to provide?

Answer – AEMO will publish a user guide on the Market Web Site outlining the level of detail that should be provided in Outage Contingency Plans, which will not form part of the Procedure. AEMO will consider what guidance can be provided in the Procedure but does not intend to refer to the user guide.

Question – Step 4.2.8: Is this the appropriate section in which to include this step? Can this step include wording to reflect that AEMO will assess outages on a first come, first serve basis?

Answer – AEMO will consider moving this step to a different section.

AEMO will amend this step to indicate that the date of assessment does not affect outage priority. Outage priority is indicated in the WEM Rules (effectively, first come, first serve).

Question – Step 4.4.3: AEMO may require that Network Operators coordinate a proposed Network Outage with Market Participants. Can AEMO include wording in this step to reflect the relevant Market Rules? Can AEMO clarify the wording “unduly impact” in this context?

Answer – AEMO will amend this step to refer to clauses 3.18.5C and 3.18.11(e) of the WEM Rules.

AEMO considers that a Market Participant's Registered Facility is unduly impacted by a Network Outage where they would otherwise be fully available.

Question – Step 4.4.3(a): The latest Balancing Merit Order (BMO) or Non-Balancing Dispatch Merit Order (NBDMO) may not accurately reflect the final BMO or NBDMO. Should the term “latest” be replaced with the term “forecast”?

Answer – AEMO will investigate how this step can reflect impact on Facilities where a Balancing Merit Order has yet to be determined.

Question – Step 4.4.5: When submitting an Outage Plan in respect to a Network Outage, it is difficult for a Market Participant to ascertain a precise outage quantity until after the fact. Can AEMO provide clarity on timing requirements for lodging a Forced Outage, in this context?

Answer – AEMO will amend the Procedure to provide clarity.

Question – Section 6.3: Can AEMO review this step to reflect the intent and reconsider the location in the Procedure?

Answer – AEMO will revise for clarity and consider moving this section.

Question – Step 6.3.1: Can this step be reworded to indicate that Participants will not be prevented from proposing changes to an Outage Contingency Plan that diverge from the details provided in the initial Plan, unless the proposed changes will have a material effect on Power System Security or Power System Reliability?

Answer – AEMO will consider amending the step accordingly.

Question – Step 7.1.1: In this context, the Market Rules appears to use the term “request” as a verb. Can AEMO reword this step to reflect the usage of this term in Market Rules?

Answer – AEMO will amend the Procedure to reflect the usage of the term in the Market Rules.

Question – Steps 7.2.1 and 7.2.2: Should these steps be extended to apply to other Facility Classes?

Answer – AEMO will amend this step to include Non-Scheduled Generators and consider other Facility types.

Question – Step 7.4.3(e): Does this step need to be included in the Procedure?

Answer – AEMO will amend the Procedure to remove this step.

Question – Step 8.1.7: In the existing Procedure this step is an obligation, not “best endeavours”. This is because of the relationship to STEM and Balancing Submissions. Can AEMO reconsider reverting this to an obligation?

Answer – AEMO will make this step an obligation.

Question – Step 9.1.3: This step gives priority to outages approved under step 8.2.1. However, outages not approved under step 8.2.1 may have equal (or greater) need to be approved. Can AEMO reconsider?

Answer – AEMO will revise the step to rectify this anomaly.

Question – Section 9.3: The obligations imposed by the wording in this section may have an adverse effect on Market Participants' ability to meet Short-Term Energy Market (STEM) obligations. Can AEMO reword this step accordingly?

Answer – AEMO will investigate the effect that this wording will have on Market Participants' ability to meet Short-Term Energy Market (STEM) obligations, and amend the Procedure accordingly.

Other:

As the meeting ended before discussion of steps 10 and 11, AEMO invites written comments regarding those steps.

3. Next meeting

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