

MINUTES – WA Electricity Consultative Forum (WAECF)

MEETING: WAECF 21
 DATE: Tuesday, 13 August 2019
 CONTACT: WAelectricityforum@aemo.com.au

ATTENDEES:

NAME	COMPANY
Dean Sharafi	AEMO (Chair)
Laura Tomkins	AEMO (Secretariat)
Robin Parsons	AEMO
Linda Anderson	AEMO
Greg Ruthven	AEMO
Rick Dolling	AEMO
Khadijah Hansia	AEMO
Teresa Smit	AEMO
Joachim Tan	AEMO
Nicole Markham	AEMO
Neetika Kapani	AEMO
Daena Ho	AEMO
Kang Chew	AEMO
William Street	Alinta Energy
Michelle Nguyen	Alinta Energy
Tim McLeod	Amanda Energy
Michael Puls	APA
Aaron Teo	Avid Group
Gerrymaine Amoc	Bluewaters Power
Geoff Gaston	Change Energy
Gemma O'Reilly	Collgar
Jack Yates	CQ Partners
Steven Kane	ERA
Noel Schubert	ERA
Wendy Ng	ERM Power
Kate Ryan	ETIU
Bobby Ditric	Lantau Group
Sarah Rankin	Moonies Hill Energy
Patrick Peake	Perth Energy
Elizabeth Aitken	Perth Energy
Jayesh Halai	Perth Energy
John McLean	PSC
Victor Francisco	PSC
Jenny Laidlaw	Rule Change Panel
Stephen Eliot	Rule Change Panel
Natalie Robins	Rule Change Panel
Richard Cheng	Rule Change Panel
Ian Porter	Sustainable Energy Now
Rod Littlejohn	Tersum Energy
Peter Huxtable	Water Corporation
Kei Sukmadjaja	Western Power

1. Welcome and Previous meeting minutes

Dean Sharafi (AEMO) opened the meeting at 1:00pm and welcomed attendees to WAECF No.21.

The minutes from the previous WAECF (25 June 2019) were endorsed. AEMO to publish the minutes from the previous meeting as final on the website (Action Item 2.1).

2. Rule Change update

Steven Eliot (RCP) provided an update on the following:

RC_2013_15 Outage Planning Phase 2 – Outage Process Refinements

- The Panel has approved the Final Rule Change Report which will be published on 26 August 2019. The Amending Rules will commence on 1 February 2020.

RC_2014_03 Administrative improvements to outage process

- A MAC workshop is being planned for September 2019 and a call for further submissions will be issued in October 2019.

RC_2014_09 Managing Market Information

- We are targeting publishing a Draft Rule Change Report in August 2019.

RC_2015_01 Removal of Market Operations Market Procedures

- The Amending Rules commenced on 1 August 2019.

RC_2015_03 Formalisation of the Process for Maintenance Applications

- The Final Rule Change Report was published on 25 June 2019. The Amending Rules included protected provisions, and the Minister approved the Amending Rules on 23 July 2019. The Amending Rules will commence on 1 September 2019.

RC_2017_02 Implementation of a 30-Minute Balancing Gate Closure

- A MAC workshop will be held within the next few weeks. The Rule Change Panel will establish the timeline for processing this proposal following the workshop.

RC_2018_05 ERA Access to market information and SRMC investigation process

- The Final Rule Change Report was published on 28 June 2019.
- The Amending Rules contain protected provisions, so the Amending Rules have been sent to the Minister for approval. The Minister has extended the deadline for his decision to 23 August 2019.
- A commencement date for the Amending Rules will be set pending approval by the Minister.

RC_2018_06 Full Runway Allocation of Spinning Reserve Costs

- The Amending Rules will commence on 1 September 2019.

Other Rule Change Panel-related matters:

- The MAC had a discussion at its meeting on 29 July 2019 regarding issues with spinning reserve in the North Country, where AEMO suggested three options to address the issue.

MAC members have provided feedback to RCP Support on the options, and RCP Support and AEMO will now consider next steps for discussion at the next MAC meeting.

- The next MAC meeting is scheduled for 3 September 2019.

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

Kate Ryan (Program Director, ETIU) provided a high-level update on the activities involved with the Energy Transformation Strategy and touched on the following:

- Energy Transformation Taskforce activities:
 - The three main workstreams are:
 - Whole of System Planning
 - Foundation Regulatory Framework
 - Distributed Energy Resources (DER)
 - The taskforce has formally met four times with a fifth meeting planned for 23 August 2019
- Stakeholder Engagement
 - Planning to continue stakeholder workshops and one on one meetings
 - Monthly newsletters to be released
 - Monthly TDOWG's, with the next meeting scheduled for 2 September 2019
 - Adhoc Industry forums and workshops

Ian Porter (SEN) had a query on Constrained Access – Has there been any consideration given to future generator investment incentive and will this fall within the ETIU activities? Kate Ryan (ETIU) responded; it is certainly a consideration in all elements of our work to create an environment that people want to invest in, particularly renewables.

Dean Sharafi (AEMO) reiterated that the work the ETIU are undertaking is very important for system security.

4. AEMO Project updates

Linda Anderson (AEMO) provided an update on current AEMO projects. Overall the portfolio of work is progressing well. AEMO has been delayed in the commencement of two projects. Major callout is the PSO project reporting RED status. This is due to internal resource challenges which we are working through to address and understand any potential impacts. The date remains Q4 2019 and stakeholders will be notified if this changes. WEM Reform: as per Kate's update, the Power Systems Ops Working Group and Market Design and Ops Working Group meetings took place, these groups have been closed down and replaced with the Transformation Design & Ops Working Group. AEMO is continuing to work alongside ETIU and presented at TDOWG on 12 August with next session planned for 2nd week of September. Nicole Markham (AEMO) then provided an overview of the MPI changes.

Liz Aitken (Perth Energy) enquired on the timeframe for the system cutover, to which Nicole Markham (AEMO) responded roughly around October 2019. Liz asked how long will the platforms be running in parallel? Nicole Markham (AEMO) responded, for System Management, systems transition will be a single cut over and for a period of time there will be a market trial space available for participants to test their systems. Liz requested AEMO inform ERA that in the event there are challenges during that period, the ERA are able to make allowances in terms of compliance checks.

Wendy Ng (ERM) questioned if new logins/passwords will be required for MPI, Nicole Markham (AEMO) responded that it will be a new MPI and new logins will be required. AEMO will work with participants to arrange when needed.

5. Regulatory Update

Greg Ruthven (AEMO) discussed the challenges and opportunities facing the WEM and NEM. His presentation provided attendees with an overview of regulatory change initiatives in the two markets that are intended to support the transformation of the power systems, and highlighted common themes between the two markets. He noted that the presentation includes hyperlinks to external websites where stakeholders can find more information on matters of interest.

Liz Aitken (Perth Energy) asked if AEMO will be having conversations with Western Power about potential implications on their data management to which Greg Ruthven (AEMO) responded yes, discussions will be taking place.

Patrick Peake (Perth Energy) enquired, with the reform program embedded in for the next three years, is anyone looking beyond that? Greg Ruthven (AEMO) anticipates as we navigate through the reform program there will be items revealed that are considered longer term items. Kate Ryan (ETIU) added the DER roadmap is a forward looking item with short, medium and longer term options and would expect the whole of system plan will point out a few things that require extra attention.

Ian Porter (SEN) questioned there wasn't any demand response meeting any spinning reserve mentioned, is there any thought into that and is there any, going down to the consumer level? Greg Ruthven (AEMO) responded, we do currently have one customer site provided spinning reserve, the option is available for more, there isn't much option at the moment for aggregation of small sites. It's generally limited to larger provisions. Dean Sharafi (AEMO) added that in regards to behind the meter demand response the DER roadmap should identify the actions needed. Further discussion took place amongst the room in regards to this topic.

6. 2019 WEM Electricity Statement of Opportunity Comparative Results

Joachim Tan (AEMO) presented the 2019 WEM ESOO Comparative Forecasts produced in-house. The presentation provided attendees with an overview into AEMO's internal forecasts of electricity and maximum demand forecasts for the WEM, and outlined new insights obtained by AEMO by applying a sectoral consumption forecast approach currently applied to the National Electricity Market, and demonstrated AEMO's capabilities can provide in improving the 2020 WEM ESOO forecasts.

Nicola Falcon (AEMO) added that the AEMO NEM (and now AEMO WEM) maximum demand model is at hourly resolution, whereas the currently used WEM maximum demand model uses a single half hour for each day. One feature of this hourly model is that we can see the changing dynamics of demand. For example, increasing penetration of Rooftop PV is shifting the time in which maximum demand occurs, with the model indicating it is shifting towards the evening in future years.

AEMO releases an annual [forecast accuracy report](#) which informs stakeholders about the accuracy of the forecasts. AEMO uses a back-casting process (running the model again over actual weather that occurred) to compare the outputs from the actual input drivers with what was forecast. Forecasting will look to bring the WEM forecasts under the same process to ensure stakeholders can understand the forecasts, the underlying dynamics of the model, how it performed over recent summers and what future model improvements have been identified.

Kate Ryan (ETIU) provided feedback that it would be interesting to see a 10% POE adjusted version of the actuals to see alongside the forecast moving forward.

Ian Porter (SEN) suggested the amount of power required to charge cars is beyond what was forecast and requires further investigation.

7. Ancillary Services Update

Teresa Smit (AEMO) shared key highlights of the 2019 AS report. The overall costs of AS for the last two FY were shared with a net \$3 million increase in costs over the two years. AEMO

will be changing the LFAS requirements for the current FY to more dynamically respond to the changing power system with increasing volatility occurring during daylight hours due to increasing PV penetration. Although an average requirement for peak and off peak will be implemented, there are still likely to be occasions when this average is insufficient for the actual system conditions. An EOI for the provision of Spinning Reserve for the 2020-21 Financial Year has been released. Possible providers are encouraged to respond. Lastly AEMO provided a summary of an alternate means to consider Load Rejection Reserve, which is currently being trialled. Aspects of this may be considered in the current 2019 determination of AS parameters.

Kang Chew (AEMO) then informed participants that the 2019 AS Parameters Review is underway. AEMO has appointed EY to model costs for Synergy as the default provider of Spinning Reserve costs (compensated via Margin Values) and Load Rejection Reserve Service (LRRS). The modelling period for Margin Values is FY2020-21 and LRRS cost is FY2020/21-FY2021/22. Currently, AEMO is updating the assumptions and the model to address changes to the market. AEMO has requested data from Market Generators for confidential generator assumptions. Next steps are a Methodology and Assumptions Report and a Public Workshop will be provided. AEMO noted the reviews will be cognisant of any active Rule Changes.

Jenny Laidlaw (RCPWA) suggested it would be helpful to be informed on the active Rule Changes that will impact the 2019 AS Parameters Review.

8. Historical Winter Peak Demand (Action Item 6.1)

Daena Ho (AEMO) provided an update on Action Item 6.1. The 2019 ESOO examined trends behind this year's unusually low summer peak demand. This additional analysis conducts a similar analysis for winter peak demand. Since winter 2016, the winter peak demand has occurred outside of the 10 coldest days of the Capacity Year, which may be correlated to changes in winter temperature profiles observed since 2016. Winter peak demand tends to coincide with days without a daytime temperature peak; however, like summer peak demand, winter peak demand is becoming increasingly challenging to predict.

9. Operational Updates

PV Forecast (Action item 11.1)

Dean Sharafi (AEMO) provided an update on Action item 11.1 (whether AEMO can publish a PV forecast). AEMO has liaised with the two forecasting providers, one provider did not agree to publish the forecast, the other has agreed. In order for AEMO to be able to proceed the systems need to be fully transferred out of the Western Power environment and over to the AEMO environment. The current timeline for this is second quarter of 2020. While investigating this, it has been uncovered that there are other providers of PV forecast that are free of charge and available for everyone to use for. For anyone looking for PV forecast in the meantime: <https://pv-map.apvi.org.au/live>

Quarterly Energy Dynamic Report 2019

Rick Dolling (AEMO) noted that on Friday 9 August 2019 AEMO published the latest QED report focusing on Q2 2019. This is available to view on the AEMO website. Any suggestions for future QED reports can be forwarded to wa.operations@aemo.com.au

WEMS Outage Commencement Time

Rick Dolling (AEMO) informed participants that AEMO is progressing a change to the preferred outage commencement time of WEMS. Whenever possible, WEMS Production outages for

data centre failovers and software deployments are currently scheduled to commence at 7:40 PM. This is based on operational requirements such as:

1. It ensures the outage does not occur during business hours; and
2. It allows Market Participants to make submissions and receive updated BMO's between the 6:00 PM extension of the Balancing Horizon and the commencement of the outage.

The RC_2014_06: Removal of Resource Plans and Dispatchable Loads rule change, which is now in production, changed the extension of the Balancing Horizon from 6:00 PM to 1:00 PM. This provides an opportunity to review AEMO's preferred outage commencement time.

For planned outages, we are proposing that outages now commence at 6:40 PM when possible. If you have any concerns with this change please contact the Market Operations (WA) team at wa.operations@aemo.com.au or on 1300 989 797

Annual Credit Limit reviews

Rick Dolling (AEMO) noted that the annual credit limit reviews have been conducted by the markets operations team and letters will be sent out 14 August 2019.

Certification Update

Neetika Kapani (AEMO) provided an update on the 2019 Reserve Capacity cycle certification applications. Assessments are close to being finalised. At this stage, Market Participants (MP) will be advised of the CRC assigned to their respective facilities by Monday 19 August 2019, 5 pm. The Trade declaration window will open on Tuesday, 20 August, 9am, which will provide MPs with the opportunity to withdraw their capacity or offer into an auction or trade that capacity bi-laterally. Neetika noted that Capacity Credits are assigned to the CRC level entered into the box called 'Traded'. Capacity Credits for the 2019 Reserve Capacity cycle will be assigned on 4 September 2019, if an auction is cancelled.

Neetika also provided an update on the Benchmark Reserve Capacity Price (BRCP) report development; AEMO has commenced a drafting of the 2020 BRCP report, with the intention to publish the draft report at the end of September 2019 followed by a consultation window to provide feedback on the draft.

11. Other Business

No other business was raised

12. Next meeting

Dean Sharafi (AEMO) outlined dates for upcoming forums. The next WAECF meeting is scheduled for 8 October 2019. The meeting was closed at 2.50 pm.

Action items raised at meeting – WA Electricity Consultation Forum

Item	Topic	Action required	Responsible	By
2.1	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	August WAECF
6.1	Electricity Statement Of Opportunity	AEMO to follow up on the query - whether the winter peak is specifically weather related or are there other underlying factors? This question was taken on notice (Action item 6.1) <i>This item was addressed in Item 8 at 13 August WAECF and is now complete.</i>	AEMO	Completed
11.2	AEMO's Website forecasting	AEMO to investigate why the load forecast on AEMO's website had gotten better but the Price forecast had gotten worse from about 8 weeks ago <i>AEMO has undertaken some analysis on load and price forecast accuracy. AEMO has observed that the load forecast has improved slightly but that the NSG forecast error has increased due to increases in NSG capacity. This has resulted in a relatively flat trend on Balancing Price error.</i> <i>AEMO regularly undertakes analysis on load and price forecast accuracy. AEMO will raise any valuable insights from this analysis at a future WA ECF.</i>	AEMO	Completed