

## WDR Consultative Group #10

Tuesday 20 April 2021

WebEx only

\*Please disconnect from your workplace VPN for WebEx call\*

PLEASE NOTE THIS MEETING WILL BE RECORDED FOR THE PURPOSE OF PREPARING MINUTES

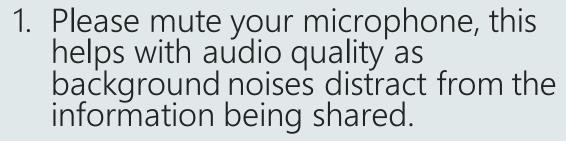
We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.



# Online forum housekeeping







2. Video is optional, but having it turned off helps with webinar performance and minimises distractions.



3. We ask that you utilise the Chat function for any questions or comments you may have if you are unable to use audio.



4. If you have dialled in via phone, could you please email your name and organisation to <a href="https://www.wbr.au.no.com.au">WDR@aemo.com.au</a> for our records.



5. Be respectful of all participants and the process.



# AEMO Competition Law Meeting Protocol

AEMO is committed to complying with all applicable laws, including the Competition and Consumer Act 2010 (CCA). In any dealings with AEMO regarding proposed reforms or other initiatives, all participants agree to adhere to the CCA at all times and to comply with this Protocol. Participants must arrange for their representatives to be briefed on competition law risks and obligations.

#### Participants in AEMO discussions **must**:

- Ensure that discussions are limited to the matters contemplated by the agenda for the discussion
- 2. Make independent and unilateral decisions about their commercial positions and approach in relation to the matters under discussion with AEMO
- 3. Immediately and clearly raise an objection with AEMO or the Chair of the meeting if a matter is discussed that the participant is concerned may give rise to competition law risks or a breach of this Protocol

Participants in AEMO meetings must not discuss or agree on the following topics:

- 1. Which customers they will supply or market to
- 2. The price or other terms at which Participants will supply
- 3. Bids or tenders, including the nature of a bid that a Participant intends to make or whether the Participant will participate in the bid
- 4. Which suppliers Participants will acquire from (or the price or other terms on which they acquire goods or services)
- 5. Refusing to supply a person or company access to any products, services or inputs they require

Under no circumstances must Participants share Competitively Sensitive Information. Competitively Sensitive Information means confidential information relating to a Participant which if disclosed to a competitor could affect its current or future commercial strategies, such as pricing information, customer terms and conditions, supply terms and conditions, sales, marketing or procurement strategies, product development, margins, costs, capacity or production planning.



## AGENDA

	TIME	TOPIC	PRESENTER		
1	10:30am – 10:35am	Welcome	Ruth Guest (Chair)		
2	10:35am – 10:40am	Notes, actions and feedback from previous meeting	Emily Brodie		
3	10:40am – 10:45am	Registration system update	Ruth Guest		
4	10:45am – 10:50am	Stakeholder update	Emily Brodie		
5	10:50am – 11:00am	Dispatch conformance framework update	Madison Pigliardo		
6	11:00am – 11:10am	EMMS technical specification approach	Armando Estrella		
7	11:10am – 11:25am	WDR industry risk register	Emily Brodie		
8	11:25am – 11:40am	WDR telemetry requirement scenarios	Greg Ruthven		
9	11:40am – 11:55am	WDR dispatch scenarios	Ruth Guest		
10	11:55am – 12:00pm	General questions and closing	Ruth Guest		
	APPENDICES				
А	Indicative program schedule				
В	Procedure changes timeline				
С	Project and system document changes				



# Notes, actions and feedback from previous meeting

**Emily Brodie** 



# Responses to WDR Guidelines Q&A meeting actions

#	Topic	Action	Response
2	Telemetry requirements	AEMO to develop AGL's scenarios into worked examples and present to the WDR CG.	AEMO to present worked examples at this WDR CG meeting.



## Responses to WDR CG #9 meeting actions





# Registration system update

Ruth Guest



#### Context

- At the February WDR CG meeting, AEMO:
  - Explained that the WDR Portfolio Management System deployment may be delayed *if* the 5MS MDM deployment is later than 31 May 2021.
  - Presented two options to manage a potential PMS implementation delay and consequent impact to the DRSP registration process:
    - Option 1: Process applications in PM System when it's ready (potentially up to late August)
    - Option 2: Process applications manually from 24 June
  - Sought feedback from the WDR CG on the best way to manage a potential PMS implementation delay, including any new options.
- At the March WDR CG, it was noted that WDR CG respondents broadly supported a delay to registration application processing as opposed to a short-term manual workaround.



### Registration System Update

- 5MS project are planning to release retail system into pre-production on 19 April for industry testing, and have increasing confidence of moving into production by end of May.
- Portfolio Management System will be ready and able to be deployed in June if 5MS timelines are met.
- An internal eligibility assessment tool that is not integrated into eMDM will support registration until full integration of baselining, now planned in October release.

#### **NEXT STEPS**

• WDR project continues to monitor 5MS program to determine if any delay to registration system availability will occur. However, this risk is decreasing and is captured in the WDR Industry Risk Register (see slides 32-38).



# Stakeholder update

**Emily Brodie** 



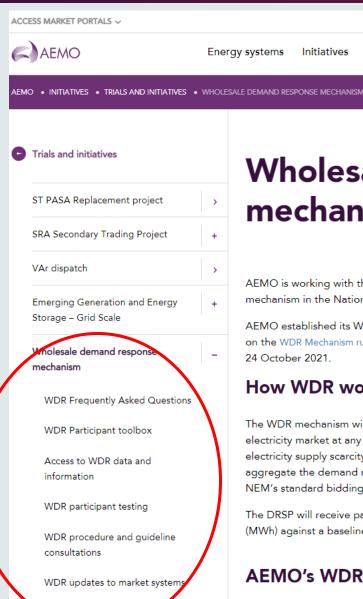
# Timing changes for retail technical documents

- Feedback sought from WDR CG on proposal to delay WDR updates to the final MSATS technical/system documents
  - Allows AEMO to better prioritise the delivery of key WDR documentation
  - Does not affect the delivery dates of any other technical documents
  - All changes will be complete prior to the WDR industry testing period (Mon 6 Sep to Fri 1 Oct).
- Three responses received, no objections to date changes

Area	Document	Early version released	Comments due	Updated version published
RETAIL – MSATS/eMDM	MSATS technical specification	mid <del>May</del> Jun 2021	early <del>Jun</del> Jul 2021	early mid Jul 2021
	New or updated MSATS/eMDM guides	early <del>Jun</del> Aug 2021	mid <del>Jun</del> Aug 2021	early <del>Jul</del> Sep 2021



#### New WDR web material



#### Wholesale demand response mechanism

Library

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AEMO is working with the industry to implement a Wholesale Demand Response (WDR) mechanism in the National Electricity Market (NEM).

AEMO established its WDR implementation program following the AEMC's determination on the WDR Mechanism rule in June 2020. The rule requires the WDR mechanism to start on 24 October 2021.

#### **How WDR works:**

Initiatives

Consultations

The WDR mechanism will allow demand side (or consumer) participation in the wholesale electricity market at any time, however, most likely at times of high electricity prices and electricity supply scarcity. 'Demand Response Service Providers' (DRSP) will classify and aggregate the demand response capability of large market loads for dispatch through the NEM's standard bidding and scheduling processes.

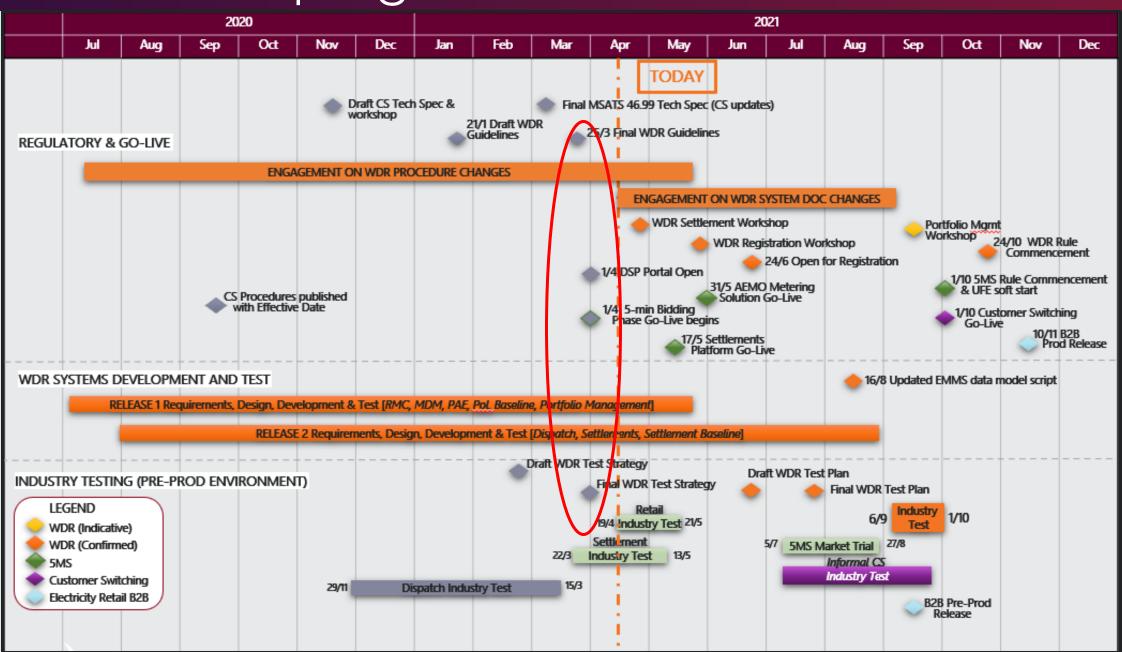
The DRSP will receive payment for the dispatched response, measured in Mega-Watt hours (MWh) against a baseline estimate, at the electricity spot price.

#### **AEMO's WDR program and industry engagement**

To deliver the WDR mechanism, AEMO is collaborating with the following organisations:

## Indicative program schedule

\*\*Current as of 14 APR 21\*\*



# Upcoming WDR engagement (1/2)

	APRIL		MAY	
Workshop	DNSP endorsement process workshop	WDR settlement workshop	WDR registrations workshop	
Purpose	Energy Networks Australia (ENA) will be holding a workshop to seek input into the DNSP endorsement process for WDR aggregations.	<ul> <li>To provide:</li> <li>Refresher on WDR         settlement process</li> <li>Examples of WDR         settlement against baselines</li> <li>Details of WDR settlement         reports</li> </ul>	<ul> <li>To provide:</li> <li>Detailed explanation of the DRSP registration process and WDRU classification and aggregation processes</li> <li>Where to find forms and guides.</li> </ul>	
Audience	DNSPs and prospective DRSPs	FRMPs and prospective DRSPs	Prospective DRSPs	
Timing	TBC	Wed 28 Apr, 10am-12:30pm AEST	Fri 28 May, 10am to 12:30pm AEST	
Format	Webex	Webex	Webex	
Attendee nominations due	TBC	COB Tue 20 Apr	COB Thurs 20 May	

# Upcoming WDR engagement (2/2)

Meeting	Meeting Date
DNSP endorsement process workshop	TBC mid/late April
WDR settlement workshop	Wed 28 Apr 21
WDR CG #11	Tue 18 May 21
WDR registration workshop	Fri 28 May 21
WDR CG #12	Tue 15 Jun 21

#### Proposed agenda for May WDR CG meeting:

- Administrative matters
- Approach to Industry Testing Plan
- Portfolio Management System update
- Intro to Baselining tool





# Dispatch conformance policy update

Madison Pigliardo



# Current timeline: Post-event dispatch conformance policy

Dispatch conformance draft published

Feedback due on draft policy

WDR go-live
AEMO Internal documentation finalised









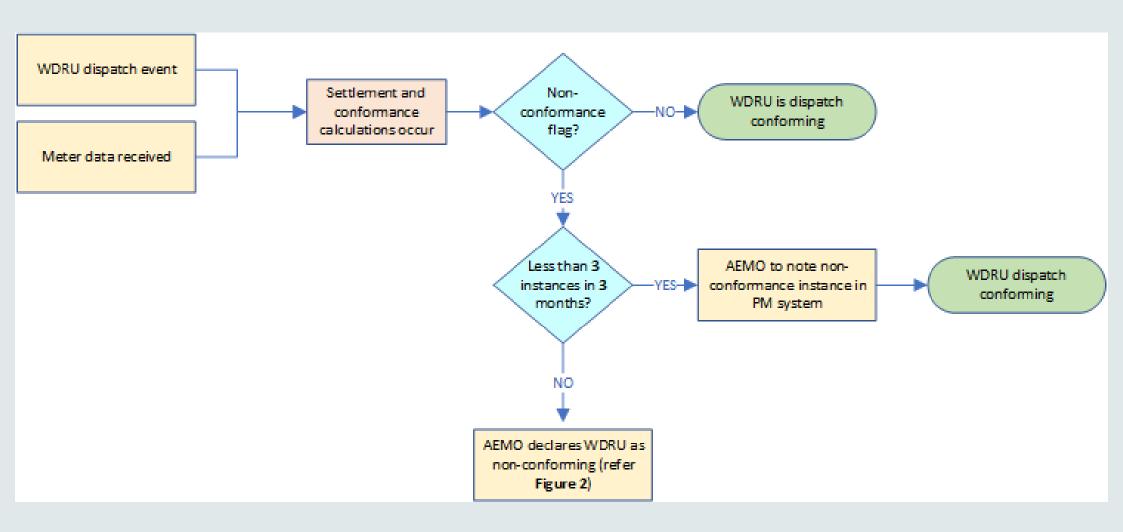


Provide CG with update & opportunity for questions

Final dispatch compliance framework published

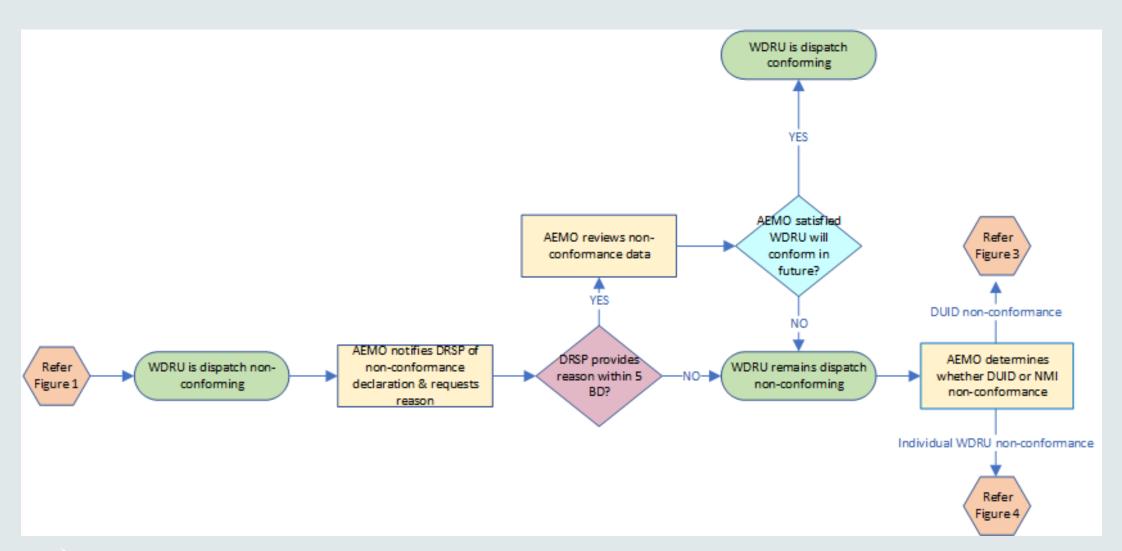


#### Policy overview: Initial non-conformance



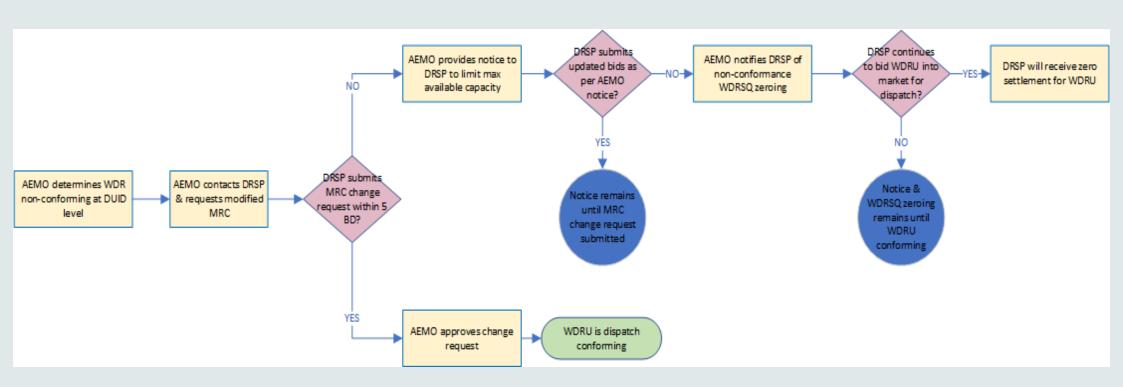


## Policy overview: Repeated non-conformance



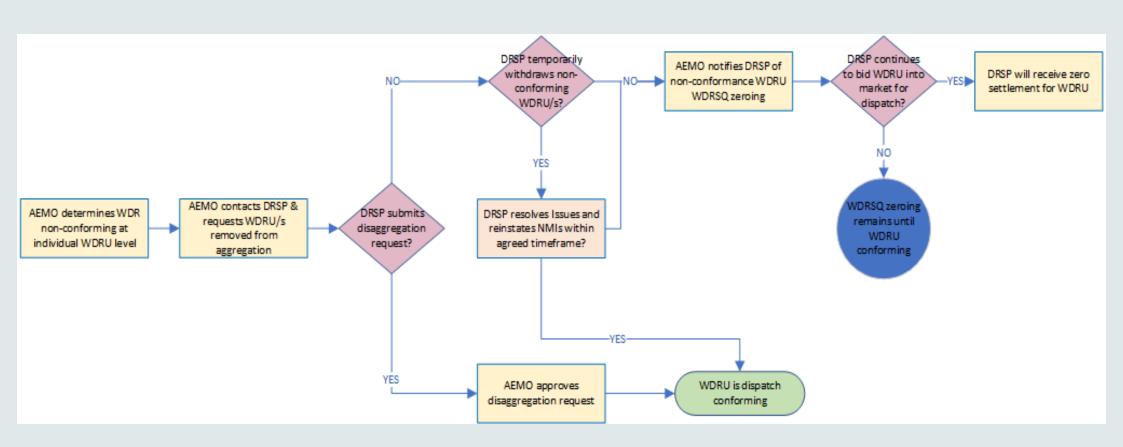


# Policy overview: DUID non-conformance





#### Policy overview: Individual WDRU non-conformance





#### Interval non-conformance flag

$$MW \ error_n = MWB_n - ((BSQ_n - ME_n) \times 12)$$

#### **Excluded intervals:**

- Where dispatch target = 0 MW
- First interval of dispatch event

	Threshold	Source
Under delivery	MW error ≥ 6 MW	For scheduled generators (under procedure SO_OP_3705) small and large dispatch errors flag
Over delivery	MW error ≤ -6 MW	when units are 6 or more MW from a dispatch target. Errors this large within an interval must flag to identify potential system security risks.

BSQ Baseline settlement quantity (MWh	
ME Metered energy (MWh)	
MWB	Dispatch target (MW)



## Settlement Day non-conformance flag

Settlement day ratio = 
$$\frac{\sum_{n=1}^{N} (BSQ_n - ME_n)}{\sum_{n=1}^{N} (\frac{MWB}{12})}$$

#### **Excluded intervals:**

Where dispatch target = 0 MW

	Threshold	Source
Under delivery	Settlement day ratio ≤ 50%	Following analysis of RERT data, AEMO has identified that potential baseline
Over delivery	Settlement day ratio ≥ 150%	inaccuracies on a given day may result in an unit under or over delivering by up to 50%.

BSQ	Baseline settlement quantity (MWh)
ME	Metered energy (MWh)
MWB	Dispatch target (MW)



# EMMS Technical Specification - Approach

Armando Estrella



### Purpose and audience

- EMMS Technical Specification:
  - Describes the technical changes required to participants' systems for the updated Data Model
  - Provides guidance about the changes to their Wholesale market system under the NER.
- This information is aimed at business analysts and IT staff in participants' organisations.



#### NEM Wholesale Systems: WDR participant change heatmap

#### Dispatch

Bids/offers

Data model

Dispatch

Pre-dispatch

Spot price

Administered pricing

Suspension pricing

Constraints

Registration

#### Settlement

Settlement calculation

Estimation and prudentials

Reallocations

Data model

IRSR calculation

Settlement residue auction

Causer pays factors

#### Power System

Negative residue management

ST PASA

RERT

Data model

MT PASA and EAAP\*\*

Demand forecasting

Generator recall

Wind and solar availability

VAR/MW dispatch

#### **WDR**

Portfolio management



Major impact

Moderate impact

Some impact\*

\*Mainly relates to adding DRSP participant type & related attributes \*\*EAAP is not affected, only MT PASA

# High-level overview of EMMS tech spec changes for WDR

EMMS: Settlements	<ul> <li>Enable WDRU energy to be settled, billed and invoiced.</li> <li>Generate reconciliation reports.</li> </ul>
EMMS: Bidding and dispatch	<ul> <li>Enable WDRU energy to be dispatched and forecasted.</li> <li>Changes are required to dispatch, pre-dispatch, PASA and operational forecasting</li> <li>Changes are also required to bids submissions and MTPASA offers but they don't affect Tech Specs/Data Model.</li> </ul>



## Update timeline

Document	Early version released	Comments due	Updated version published
EMMS technical specification	late Apr 2021	mid May 2021	late May 2021
Data Interchange (DI) online help	Aug 2021	n/a	Sep 2021



#### EMMS Data Model script: WDR updates



The Electricity Data Model is the definition of the interface to participants for NEM wholesale data published by AEMO. A database conforming to the Electricity Data Model can contain a local copy of all current participant-specific data recorded in the main NEM database.

Detailed information on the packages, tables and reports in the Electricity Data Model are set out in supporting guides: <a href="https://www.aemo.com.au/energy-systems/market-it-systems/electricity-system-guides/wholesale-it-systems-software">https://www.aemo.com.au/energy-systems/market-it-systems/electricity-system-guides/wholesale-it-systems-software</a>



# WDR industry risk register

**Emily Brodie** 

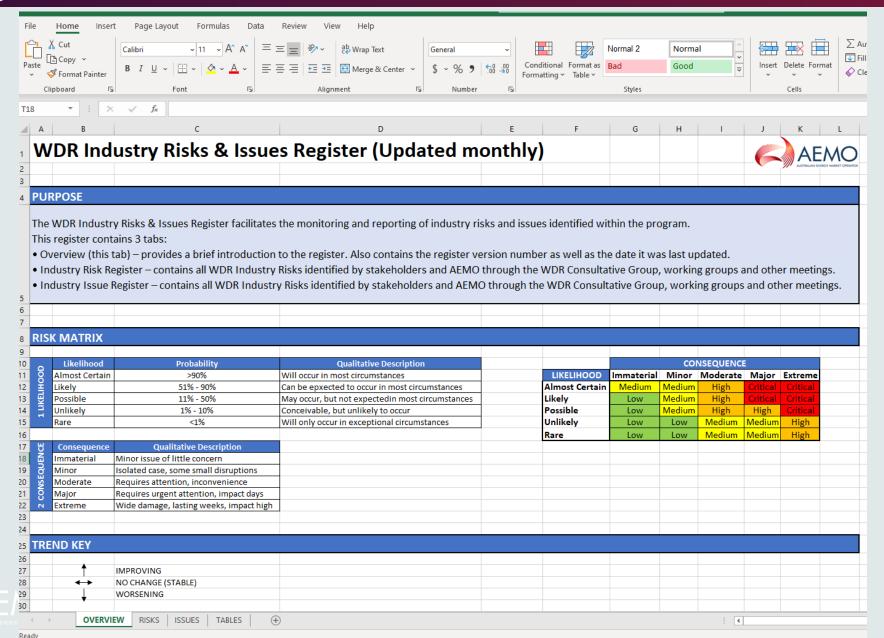


#### Context

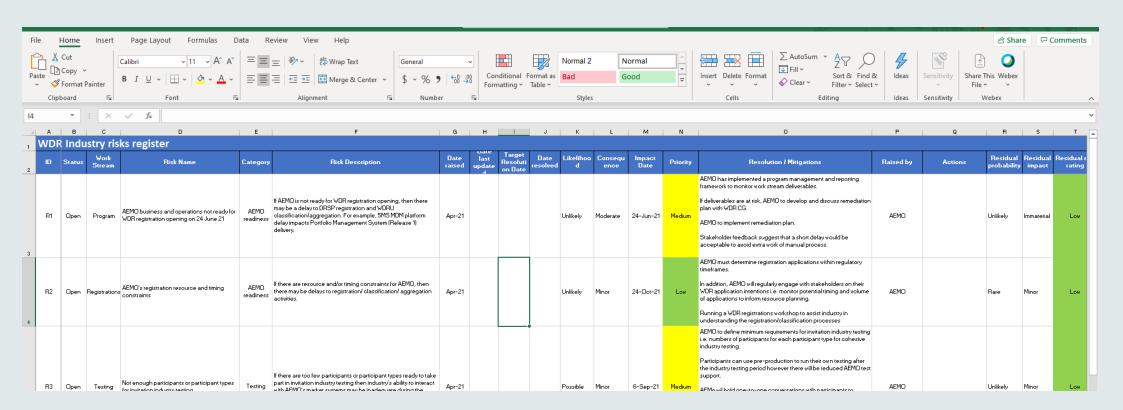
- WDR program is deeper into implementation risks are able to be clearly articulated.
- As foreshadowed, the WDR industry risks and issues register is being introduced to effectively communicate, monitor and manage industry risks and issues.



#### Register: Overview



## Register snapshot





## Proposed approach

Date	Action	Responsibility
Tue 20 Apr 2021	<ul> <li>AEMO to develop for WDR CG's consideration:</li> <li>Strawperson register (attached)</li> <li>Proposed risk management regime (next slide)</li> </ul>	AEMO
Fri 30 Apr 2021	<ul><li>WDR CG to provide feedback on:</li><li>Strawperson register</li><li>Proposed risk management regime</li></ul>	WDR CG
At WDR CG meetings and as required	<ul> <li>AEMO to:</li> <li>Issue updated register that reflects feedback (where appropriate)</li> <li>Manage register by monitoring and updating risks/issues for duration of project.</li> </ul>	AEMO



### Proposed risk management regime

Regular evaluation of risks and issues at WDR CG meetings (or out of session when necessary):

- 1. Prior to a WDR CG meeting, seek feedback on existing and new risks/issues
- 2. At WDR CG meeting review:
  - a) Current issues
  - b) "High" or "critical" risks:
    - Check probability and impact
    - Discuss additional mitigations
    - Discuss actions
  - c) New or existing risks that have been identified as requiring consideration
- 3. After WDR CG meeting, AEMO to:
  - a) Update to update register considering input from WDR CG
  - b) Post updated register on its website



### Proposed risk management regime

#### **DISCUSSION:**

- How appropriate is this proposed risk management approach?
- What are the gaps?
- What changes would improve the approach?



Please provide feedback on the risk register and the risk management approach to <a href="wdr@aemo.com.au">wdr@aemo.com.au</a> by Fri 30 April.



# WDR telemetry requirement scenarios

Greg Ruthven



### Context

- Stakeholders requested worked examples of where telemetry would/ would not be required for WDRUs.
- Worked examples provided on next slide

#### Key assumptions underpinning the scenarios:

1. NMIs are not in a congested area of the network where AEMO could require telemetry.

Telemetry is required for individual or aggregated WDRUs that are below the 5 MW threshold but are located in an area of the power system where existing scheduled plant:

- a) needs to be curtailed to maintain power system security; or
- b) is forecast to be curtailed as a result of committed investments and works, or other changes in the power system.
- 2. DRSP has not sought an exemption from telemetry Exemption process described in WDR Guidelines (section 3.1)



### WDR telemetry requirement scenarios

**SCENARIO** 

Single or multiple load sources

1	Single site load < 5MW	Single NMI where DUID = NMI	No telemetry required
2	Multiple NMIs in DUIDs	Multiple NMIs in forecast area  DUID #1 = NMI 1 + NMI 2 + NMI 3  DUID #1 < 5MW  DUID #2 = NMI 4 + NMI 5 + NMI 6  DUID #2 < 5 MW	No telemetry required on either DUID
3	Single site load > 5MW	Single load source behind NMI Single NMI where DUID = NMI	Telemetry required at DUID level = NMI level
4	Single site load > 5MW	Multiple load sources behind NMI Single NMI	Telemetry required at DUID Level = NMI level
5	Multiple site loads > 5 MW	Multiple sites combined into single DUID  NMI 1 = 4.9 MW  NMI 2 = 0.2 MW  DUID = NMI 1 + NMI 2	Telemetry <u>not</u> required if NMI 1 and NMI 2 are on <i>different</i> TNIs Telemetry <u>is</u> required if NMI 1 and NMI 2 are on the <i>same</i> TNI
6	Multiple loads, but NMIs rolling in and out	Multiple NMIs within forecast area NMI 1 + NMI 2 < 5 MW	No telemetry required
		NMI 3 contract starts 1 June NMI 1 + NMI 2 + NMI 3 > 5MW NMI 2 contract end 1 July (a month later) NMI 1 + NMI 3 < 5WM	Telemetry requirements for the 1 June – 1 July period:  Telemetry not required if NMI 1 and NMI 2 are on different TNIs  Telemetry is required if NMI 1 and NMI 2 are on the same TNI for the period where the aggregate load exceeds 5MW.  DRSP could consider making exemption request.

No tolomotry required

**TELEMETRY REQUIRED?** 

### WDR dispatch scenarios

Ruth Guest



### Context

- Increasing stakeholder enquiries about various WDR dispatch scenarios
- Context: Rapid implementation, limitations on NEMDE functionality
- Today's scenarios:
  - Partial dispatch of DUID
  - DUID dispatch of FCAS vs Energy
- AEMO welcomes further scenarios at any time: wdr@aemo.com.au



## Will it be possible for an aggregated DUID to be partially dispatched? (1/2)

Where partial dispatch = making one or more NMIs in an aggregation "unavailable"

- In response to stakeholder feedback AEMO is implementing the ability for DRSPs to identify their NMIs as non available in the Portfolio Management system to manage short term operational issues.
- This will effectively allow NMIs to be temporarily withdrawn from dispatch.
- Bidding should reflect the reduce availability accordingly.
- "Non-availability" in PMS is only for removing unavailable NMIs from the aggregation where there are legitimate operational restrictions.
- Expected that all NMIs in the aggregation will take part most of time to avoid concerns about moving load around sites owned by a single entity
  - For example, one NMI in a company's portfolio increases demand and production to allow another NMI at another site to reduce demand. Net outcome, no benefit to market, DR paid to participant.



## Will it be possible for an aggregated DUID to be partially dispatched? (2/2)

### Where partial dispatch = the capacity offered is not fully dispatched

- For example, 10MW in a single price band is offered but NEMDE has dispatched only 4MW.
- Possible if the WDRU is the marginal unit setting the price or is network constrained.
- Likely a rare event for units offering capacity at a low price. If it occurs, participants can change offer price or volume (MWs) subject to the AER's bidding in good faith guidelines.



## Can a single DUID provide both WDR and ASL? (1/2)

- NER states that a connection point can only be classified by the same DRSP for WDR and ASL.
- DRSPs must:
  - Ensure all offerings can be met as and when dispatched or enabled
  - Carefully consider if it could meet its DRSP obligations if another party was providing an "out of market" service for the end use consumer.
- AEMO expects that DRSPs will typically choose to have separate DUIDs for FCAS and WDR and manage their bids accordingly.
  - Allows a DRSP to manage the classification of loads independently and does not restrict classification of either energy/FCAS service.
  - AEMO has developed its processes and procedures with this approach in mind.



## Can a single DUID provide both WDR and ASL? (2/2)

- However, it may be possible to allow a single DUID to provide both ASL and WDR, and be co-optimised through NEMDE, with the following restrictions:
  - List of NMIs would always have to be identical
  - Could not add a NMI for WDR that cannot also do ASL and vice versa
  - Needs to be a technically satisfactory trapezium provided for the energy/AS provision to allow co-optimisation
- If a DRSP wishes to pursue the above, please contact AEMO. This is so AEMO can work with you to ensure that the various energy/FCAS scenarios will work appropriately.



### General questions

Ruth Guest



## WDR contact and information



#### Mailbox

wdr@aemo.com.au



#### WDR program information

https://aemo.com.au/initiatives/trialsand-initiatives/wholesale-demandresponse-mechanism



### WDR stakeholder engagement options

https://aemo.com.au/consultations/ind ustry-forums-and-working-groups/listof-industry-forums-and-workinggroups/wdr



# Thank you for your participation!

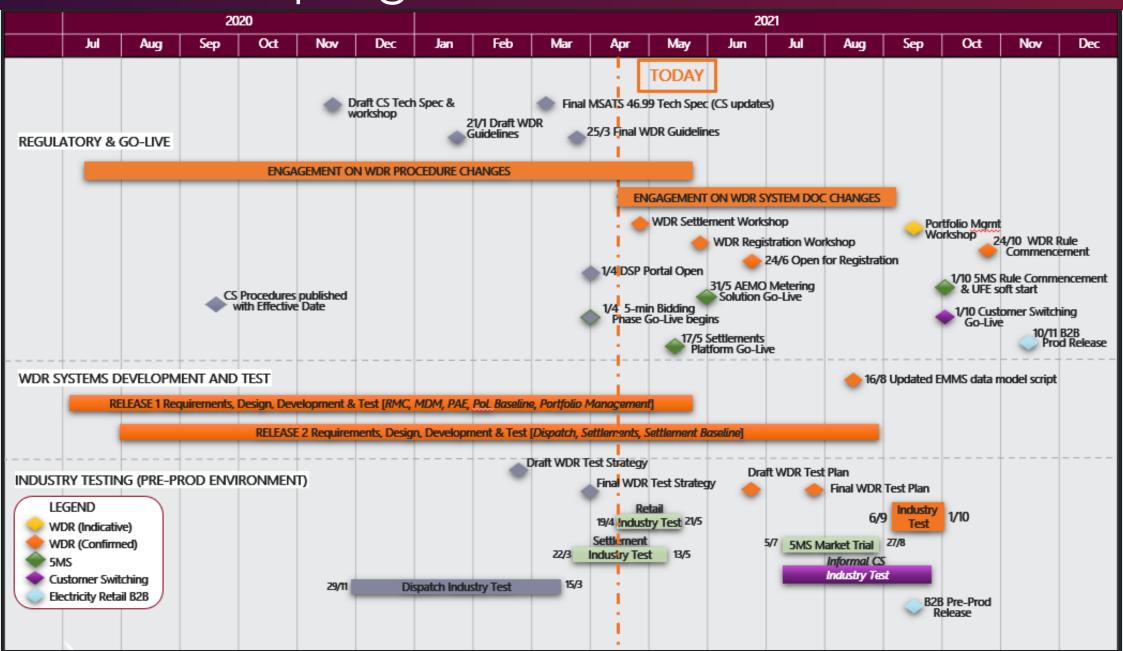


### APPENDIX A Indicative program schedule



### Indicative program schedule

\*\*Current as of 14 APR 21\*\*



### APPENDIX B Procedure changes timeline



\*\*Current as of 14 APR 21\*\*

**Final** 

Thu 25 Mar 2021

Mon 18 Jan 2021

Thu 4 Mar 2021

Tue 16 Mar 2021

Fri 12 Mar 2021

Fri 18 Dec 2020

Thu 20 May 2021

Round 2 Consultation

Fri 19 Feb 2021

Fri 4 Dec 2020

Wed 10 Feb 2021

Tue 02 Feb 2021

Fri 29 Jan 2021

Wed 25 Nov 2020

Thu 8 Apr 2021

Procedi	ure cho	ange tim	nelines
Procedure package	Consultation Paper	Round 1 Consultation	Draft

Fri 27 Nov 2020

Fri 16 Oct 2020

Fri 18 Dec 2020

Tue 17 Nov 2020

Tue 17 Nov 2020

Wed 30 Sep 2020

Fri 5 Feb 2021

Thu 21 Jan 2021

Thu 12 Nov 2020

Mon 18 Jan 2021

Tue 15 Dec 2020

Fri 11 Dec 2020

Wed 11 Nov 2020

Thu 18 Mar 2021

Thu 22 Oct 2020

Fri 04 Sep 2020

Thu 05 Nov 2020

Mon 12 Oct 2020

Fri 09 Oct 2020

Wed 26 Aug 2020

Fri 18 Dec 2020

**WDR** Guidelines

Settlements and

Settlements and

Market & System

Demand-side

Baseline Eligibility,

<u>quidelines</u>

**Policy** 

**Estimations** 

<u>quide</u>

**CLP** 

Prudentials procedure –

Prudentials procedure -

Retail procedures & B2B

Operations procedures

participation information

**Compliance and Metrics** 

### APPENDIX C Project and system document changes



## Project and system document change timelines

\*\*Current as of 14 APR 21\*\*

Area	Document	Early version released	Comments due	Updated version published
DISPATCH CONFORMANCE	Post-event dispatch conformance policy	01 Apr 2021	22 Apr 2021	21 May 2021
TESTING	WDR Industry test strategy	25 Feb 2021	11 Mar 2021	01 Apr 2021
	WDR Industry test plan	Jun 2021	Jul 2021	Jul 2021
WHOLESALE –	EMMS technical specification	Apr 2021	mid May 2021	31 May 2021
EMMS	Data Interchange (DI) online help	Aug 2021	n/a	Sep 2021
PORTFOLIO	Guide to Portfolio Management System (PMS)	mid Aug 2021	late Aug 2021	mid Sep 2021
MANAGEMENT SYSTEM	Markets Portal online help (PMS updates)	mid Aug 2021	late Aug 2021	mid Sep 2021
RETAIL -	MSATS technical specification	mid Jun 2021	early Jul 2021	mid Jul 2021
MSATS/eMDM	New or updated MSATS/eMDM guides	early Aug 2021	mid Aug 2021	early Sep 2021



### EMMS Data Model script: WDR updates



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