



## Minutes

### WEM Reform Implementation Group – Meeting 2

**Time:** 9:30am – 12:00pm

**Date:** 7 May 2020

**Venue:** Teleconference

**Attendees:**

Name	Organisation	Name	Organisation
Aden Barker	ETIU	Lize Combrinck	Bluewaters
Aditi Varma	ETIU	Luke O'Callaghan	Lavan Legal
Alan McDonald	Bluewaters	Lynda Venables	Synergy
Alyce Lines	Western Power	Mark Riley	AGL
Arthur Panggabean	AEMO	Mike Hales	AEMO
Ben Brearley	AEMO	Nathan Kirby	Western Power
Ben Connor	Synergy	Oscar Carlberg	Alinta
Bobby Ditric	Lantau Group	Patrick Peake	Perth Energy
Brad Huppatz	Synergy	Paul Arias	Bluewaters
Clayton James	AEMO	Paula Welke	AEMO
David Kennedy	Western Power	Peter Huxtable	Water Corporation
Dean Frost	Western Power	Rajat Sarawat	ERA
Dermot Costello	Clean Energy Council	Rebecca White	ETIU
Dev Tayal	Tesla	Rhiannon Bedola	Synergy
Dora Guzeleva	Energy Policy WA	Robert Perkovic	Alinta
Erin Stone	Point Global	Robert Pullella	ERA
Glen Carruthers	Western Power	Ross Davies	Western Power
Graham Pearson	Energy Council	Sam Lei	Alinta
James Townsend	Lacour	Sara O'Connor	ERA
Jason Froud	Synergy	Shannon Hewitt	Clean Tech Energy
Jeay Quentin	Kleenheat	Sonia Kolar	Synergy
Jenny Laidlaw	RCP Support	Stephen Eliot	RCP Support
Joel Earnest	Department of Treasury	Steve Gould	Community Electricity
John McLean	Power System Consultants	Stuart Featham	AEMO
John Nguyen	Perth Energy	Vincent Blondeau	Kleenheat
Judy Hunter	Western Power	Vincent Francisco	Power System Consultants
Katie Franklyn		Wendy Ng	ERM

Item No.	Issue
Slide 6	<ul style="list-style-type: none"> <li>• Aden Barker (AB) thanked stakeholders for their feedback at and following the last WRIG meeting. The information is very useful, however was only provided by a low number of stakeholders. AB requested additional stakeholders reach out to ETIU/AEMO to provide feedback. This can be done via email (<a href="mailto:wrig@energy.wa.gov.au">wrig@energy.wa.gov.au</a>) or via call/email to Aden Barker (ETIU) or Stuart Featham (AEMO).</li> <li>• Stuart Featham (SF) apologised for the slides not being provided prior to the meeting.</li> <li>• SF provided an overview of the feedback stakeholders provided to question 1 (refer to WRIG meeting one slides), as included on slide 6.</li> <li>• The focus of the JIP discussion so far plan for Market Start (1 October 2022) go-live, but there will be other mini Go-Live dates for some items that also need to be considered. A decision needs to be made on which organisations makes Go-Live decisions. SF sought stakeholder views on the above.</li> <li>• Mark Riley (MR) asked whether Market Participants will need to place bids for both the new and old market to cutover in the case of rollback. AB said that a decision still needs to be made about the obligations for Market Participants. SF said consideration will be given to how the effects market participants and their business operations.</li> <li>• MR also asked about the need for price capping during these periods. AB said that this will be considered in the market power mitigation workstream.</li> </ul>
Slide 7	<ul style="list-style-type: none"> <li>• SF provided a summary of the feedback stakeholders provided to question 2, as included on slide 7.</li> <li>• SF said the conversations to date have been with Market Participants who are currently here and active, however AEMO would also like to understand whether there are considerations specific to new entrants that need to be considered.</li> <li>• SF asked Market Participants whether there is a broad risk or challenge to the program that all parties will not be able to obtain the resources they need due to a lack of resources across the sector. Is this a risk we accept or is there actions we can take?</li> <li>• Ben Connor (BC) said there is no mention of transition of unit control functions from AEMO to Synergy. This is significant for both those parties. SF said yes, this is covered in the point on generator communication protocols and signals.</li> <li>• SF asked whether there is a way to avoid cost if AEMO provided some type of shared technology service. There is not currently anything obvious that AEMO could provide. SF requested feedback from stakeholders on ways to reduce the overall costs of the program.</li> <li>• MR asked whether in system design and builds will there be provision for design for five-minute settlement. AGLs experience in the NEM is that it has increased its data volume. Increased storage may not need to be online immediately but there needs to be the capability to increase storage when needed.</li> <li>• SF said the focus is on hitting market start but AEMO is aware that five-minute settlement is coming and decisions consider this.</li> <li>• MR said AGL had to change size of meter data files from 1MB to 10MB size, so decisions need to allow for this growth in data level. Similarly, with data links – a Market Participant may build small ones up front, but needs to make sure they can be increased without needing to be replaced. SF recognised it is an important consideration and that AEMO needs to be prudent and not do things twice. <b>Action</b> - SF said he will take it on notice and provide a response at the next meeting.</li> <li>• Robert Perkovic (RP) said he agrees with MR – consideration to ensure scalability of solutions implemented with the understanding of SMS on the horizon.</li> </ul>

<b>Slide 8</b>	<ul style="list-style-type: none"><li>• SF provided a summary of the feedback stakeholders provided to question 3, as included on slide 8.</li><li>• MR said that there needs to be training and information for Market Participants.</li><li>• SF asked stakeholders to advise their expectations on education and training (e.g. online, classroom, formal versus informal)?</li><li>• MR referred to the information he previously provided out of session, noting that both high-level and specialist-level information is required.</li><li>• Wendy Ng (WN) said all of the above is required.</li><li>• Shannon Hewitt (SH) said some level of formal training would be beneficial.</li><li>• Patrick Peake (PP) that some form of general training will be needed because the changes are so great. Participants need to grasp how significant these changes will be.</li><li>• MR said high level briefing for senior management, externals and financial parties (e.g. banks) will be needed as well.</li><li>• AB said this is something that has been considered and was discussed with the Taskforce Chair this week. The DER Roadmap has created a lot of investor interest and ETIU expects the same when the Amending Rules are released for the new WEM arrangements. There will be a more external (non-Market Participant and non-WA) forums to provide details on the new WEM arrangements for executives, investors and other interested parties.</li><li>• WN said that because it is a new market structure (e.g. introduction of a constrained environment) information on constraint equations (e.g. what they look like, how they work) very early in the program is needed. This will need to be a detailed education program and will need to occur prior to systems being tested.</li><li>• SF said yes constraints are at the core of what we are doing, and therefore there needs to be an understanding of the approach and technical detail as soon as possible. It is the activity that is most advanced from an implementation perspective.</li></ul>
<b>Slide 9</b>	<ul style="list-style-type: none"><li>• SF provided a summary of the feedback stakeholders provided to question 4, as included on slide 9.</li><li>• SF asked is there are any significant changes to the current processes/systems used for testing and market trial required?</li><li>• SF asked if there is appetite for staging areas/sandpits – if so what are the minimum service levels expected for these?</li><li>• Stakeholders did not provide any feedback on the above.</li></ul>
<b>Slide 10</b>	<ul style="list-style-type: none"><li>• SF provided a summary of the feedback stakeholders provided to question 5, as included in slide 10.</li><li>• SF asked if an amnesty is introduced, what is a reasonable timeframe?</li><li>• SF asked what are the broader views on trade-offs between obligated Go Live certification/readiness versus self-certification?</li><li>• Stakeholders did not provide any feedback on the above.</li></ul>

<b>Slide 11</b>	<ul style="list-style-type: none"><li>• SF provided a summary of the feedback stakeholders provided to question 6, as included on slide 11.</li><li>• SF said it is important to differentiate between the technology drivers of change (e.g. interface and systems) and the market design drivers (e.g. new markets, regulatory obligations). By differentiating between the drivers will assist build a plan that does not require everything at once.</li><li>• MR said he agrees.</li><li>• SF said responses were focused on dependencies on AEMO and ETIU – but what if they are cross participant dependences? E.g. Western Power, other IPPS, advisors, consultancies. Are there others we need to keep track of?</li><li>• MR said not to underestimate other third parties, for example telco providers.</li><li>• MR said it might be useful to have someone consider unintended consequences. Often these do not get picked up until well after the fact. It would be useful to have parties not working on the reform to test for these.</li><li>• Clayton James (CJ) said that AEMO would bring a presentation to TDOWG or WRIG on how Market Participants should approach bidding, ESS arrangements etc. This would be a good opportunity to start having a think about how things would work, and then have ‘what-if’ discussions.</li><li>• AB said yes this is an appropriate discussion for the WRIG. In conjunction with this, ETIU is also developing a life cycle map for a facility from connection/registration to exit from the market/decommissioning.</li><li>• CJ asked whether it would be useful for stakeholders to provide suggestions of scenarios we could walk through.</li><li>• SF, David Kennedy (DR) and MR said this was a good idea.</li><li>• RP said there needs to be a high-level view of changes from solution design perspective as soon as possible to assist with budget and planning. Market Participants need to plan for system changes and communicate these to senior management and boards as soon as possible.</li><li>• SF asked for market participants to discuss requirements internally and provide feedback (<a href="mailto:wrig@energy.wa.gov.au">wrig@energy.wa.gov.au</a>)</li></ul>
<b>Slide 12</b>	<ul style="list-style-type: none"><li>• SF said that in the future he will be seeking other stakeholders to volunteer to provide presentations on their planning and some of their implementation challenges. This will assist ensure the JIP is useful for all stakeholders, rather than just bring AEMO driven.</li></ul>

<b>Slide 13</b>	<ul style="list-style-type: none"><li>• Ben Brearley (BB) said the current focus is to develop a high-level integrated plan to guide resourcing and implementation activity.</li><li>• The plan is high level and indicates the areas of projects will result in new interface, which require amended interfaces, and which don't require any interface changes. There are six workstreams for 22 projects.</li><li>• AEMO is aiming to package up solution design early to provide Market Participants enough information so they know how the changes will affect them. BB noted each participant will not follow same sequence as AEMO., and also that the plan may shuffle around as needed.</li><li>• BB asked for feedback on organisations training requirements.</li><li>• BB said that AEMO will be staging deployment of interfaces rather than waiting to deploy them all together. This will enable Market Participants to test them along the way rather than all at the last minute.</li><li>• BC said this approach is useful.</li><li>• BB said there will be a support and hyper-care period at the end of market trials to fix issues. AEMO is focusing on critical GoLive functionality, which is where most of the interface changes will be made. Low priority enhancements will be made after GoLive, and it is not envisaged these will have a substantial effect on external interfaces.</li><li>• MR asked whether registration includes connection requirements for both Western Power and AEMO. Aditi Varma (AV) said work on connection requirements outlined in the WEM Rules is progressing in tandem with the rest of the workstreams.</li></ul>
<b>Slide 14</b>	<ul style="list-style-type: none"><li>• Arthur Panggabean (AP) said solution design and planning is happening in parallel to market design and Amending Rule development.</li><li>• AP explained the diagram on slide 14 that shows the different interfaces. There are various formats of interfaces, and there are some manual interfaces (considering future of these)</li><li>• The new design will include a common AEMO portal for market and system operations.</li><li>• A data provisioning platform is planned, which will have more reporting capabilities and replace some of the standalone applications by incorporating them into the same platform.</li><li>• Participants will still be able to view archive data.</li><li>• The format of data will be determined once the Amending Rules are finalised.</li><li>• All the interfaces will be deployed in training environment as soon as they are complete.</li><li>• AP asked for Market Participants to provide information needed for planning and budgeting.</li><li>• SF said one thing slide does not show how Western Power interface connects and that information will need to be provided at future meetings.</li></ul>
<b>Slide 15</b>	<ul style="list-style-type: none"><li>• AP requested Market Participants provide feedback on how existing interfaces have been working/not working – AEMO will circulate a survey to facilitate this. A user group will be established to determine what improvements should be included in the new system build. This will occur in next 2-4 weeks and will be scheduled separately from WRIG.</li><li>• SF noted this will be the first of many subgroups to the WRIG where we need to have focused and detailed conversation on specific topics.</li></ul>

<p><b>Slide 17</b></p>	<ul style="list-style-type: none"> <li>• SF said the JIP is still in a rough format – the example on slide 17 is only for illustrative purposes to show the proposed approach.</li> <li>• SF requested feedback on the approach, including organisation involvement (swim lanes), the level information required, milestones to be included, supporting information and reporting arrangements.</li> <li>• MR said it is useful to have a high-level plan for management, and more details plans for each workstream. A traffic light report is useful.</li> <li>• The intent is to bring a first draft to the next WRIG in 4-5 weeks' time (June meeting), which will show milestones and activities.</li> <li>• Following incorporation of stakeholder comments, the WRIG will agree on the baseline plan in July. SF noted it will be a live and updateable document as go forward.</li> </ul>
<p><b>Slide 18</b></p>	<ul style="list-style-type: none"> <li>• SF asked for stakeholder views on what the AEMO planning and coordination role should entail, noting it is more useful if it receives information from Market Participants.</li> <li>• SF asked whether there should be central reporting to AEMO to help run plan. If not, why not? If there is a reporting requirement, when is reasonable, what type of information should be required and how often? It is important that there is the right balance of requirements/effort and useful information provision.</li> <li>• MR said readiness reporting useful to help identify slow/delayed points. A template will allow consistent reporting and assessment. MR offered to circulate an AEMO NEM five-minute settlement readiness report as an example of an input/output. AB said this would be useful. <b>Action</b> – MR to provide example report.</li> <li>• Dean Frost (DF) said the JIP is a good idea.</li> <li>• PP said regular reporting will also identify if there are issues that are common to several IPPs and flag issues to be targeted. Reporting might also flag if a specific party is struggling and needs help.</li> <li>• SF asked stakeholders to provide feedback offline. Information provided at next WRIG will be informed by this feedback.</li> <li>• AB reiterated WRIG is a forum for all stakeholders to present. Having Market Participants present will assist identify common issues and solutions.</li> <li>• DF said that WP would like to have a discussion with AEMO to better understand the details and prepare for systems and interface changes. SF said yes happy to do that.</li> </ul>
<p><b>Slide 20</b></p>	<ul style="list-style-type: none"> <li>• AB said that, as discussed at TDOWG, Market Procedures will be developed in a three 'box' model, with box one being the priority. The process for allocating procedures to boxes is underway.</li> </ul>
<p><b>Slide 21</b></p>	<ul style="list-style-type: none"> <li>• AB provided a high-level overview of the consultation process for each box, as on slide 21.</li> <li>• Box one will be a formal process (but will not be the normal Market Procedure development/change process).</li> <li>• Box two will include both informal and formal processes (depending on time frame).</li> <li>• The process for box three is to be determined.</li> </ul>

<b>Slide 22</b>	<ul style="list-style-type: none"><li>• AB described the consultation process for box 1 as on slide 22.</li><li>• Some Market Procedures may be developed at the same time as the Amending Rules if it makes sense to do so.</li><li>• Oscar Carlberg (OC) asked if the Market Procedures for constraint equations are in box one. AV said yes (see slide 20).</li><li>• Stephen Eliot (SE) asked who will approve the final Market Procedures. AB said they will be 'approved' by the owner of the procedure, not the Taskforce. AV explained they will be transitional procedures prior to Market Start, and then will be subject to formal change processes after Market Start.</li><li>• MR asked what happens if need quick change is required after Market Start. AV said good question –ETIU needs to consider how to deal with manifest errors in Amending Rules and Market Procedures. MR said this also aligns with the unintended consequence question from earlier.</li><li>• AB said the Minister's rule-making powers will likely be extended beyond June 2021 to assist make changes as required.</li></ul>
<b>Slide 23</b>	<ul style="list-style-type: none"><li>• SF outlined AEMO's estimate of documents that must be developed, as on slide 23. The high number reflects that it includes forms, reports etc, not just formal Market Procedures.</li><li>• A list will be circulated in the future to seek stakeholder comment.</li></ul>
<b>Slide 25</b>	<ul style="list-style-type: none"><li>• SF explained AEMO is considering the questions on slide 25 to assist categorisation of documents into boxes and hoped these would assist stakeholders in their review.</li></ul>
<b>Slide 26</b>	<ul style="list-style-type: none"><li>• SF provided a high-level overview of what is in what box.</li><li>• SF said drafting of the items in box one needs to commence now (including GPS and constraints documents, where drafting has commenced).</li><li>• Box three includes a lot of documents, but these are lower level (it does not include many Market Procedures).</li><li>• MR said it is important Market Participants have input into the design of reports.</li><li>• BC said that Synergy considers the ABC/AGC interface specifications are definitely in box one.</li></ul>
<b>Slide 28</b>	<ul style="list-style-type: none"><li>• AB discussed the next steps as outlined on slide 28.</li><li>• AB reiterated the requests for stakeholder feedback to be provided via email to <a href="mailto:wrig@energy.wa.gov.au">wrig@energy.wa.gov.au</a> or via call/email to Aden Barker (ETIU) or Stuart Featham (AEMO).</li><li>• The intention is to hold WRIG meetings monthly. There will be WRIG meetings in June and July (dates TBD).</li><li>• AB reiterates SF's apology for not providing slides prior to today. ETIU/AEMO will endeavour to do so for the next meeting.</li></ul>