



Minutes

WEM Reform Implementation Group – Meeting 4

Time: 9:30am – 11:00am
Date: 27 August 2020
Venue: Teleconference

Attendees:

Name	Organisation	Name	Organisation
Aden Barker	ETIU	Kristian Myhre	Transalta
Aditi Varma	ETIU	Laura Koziol	RCP Support
Adrian Theseira	ERA	Liz Aitken	
Arthur Panggbean	AEMO	Lize Combrinck	Bluwaters
Ben Brealey	AEMO	Lynda Venables	Synergy
Ben Connor	Synergy	Mark Brodziak	Onyx
Ben Hammer	Western Power	Mark McKinnon	Western Power
Bobby Ditric	Lantau Group	Mark Riley	AGL
Brad Huppatz	Synergy	Oscar Carlberg	Alinta
Clayton James	AEMO	Patrick Peake	Perth Energy
Dean Frost	Western Power	Peter Huxtable	Water Corporation
Dora Guzaleva	ETIU	Rebecca White	ETIU
Eliana Zurhaar	AEMO	Richard Pepper	
Erdem Oz		Robert Perkovic	Alinta
Ignatius Chin	EMCA	Ross Davies	Western Power
Irina Stankov	ERA	Shibli Khan	ERA
Jake Flynn	ERA	Steve Gould	Community Electricity
Jenny Laidlaw	RCP Support	Stuart Featham	AEMO
Jo Pownall	AEMO	Tinna Needham	Western Power
Joanne Chan	Synergy	Victor Francisco	PSC Consulting
Julian Fairhall	ERA	Wendy Ng	ERM Power
Kaie Franklyn	Tersum Energy		

Item No.	Issue
<p>Slide 5</p>	<ul style="list-style-type: none"> • Arthur Panggbean (AP) provided an update from the WRIG IT forum last week and AEMO next steps (see slide). • Ignatius Chin (IC) asked whether public data will be changed. <ul style="list-style-type: none"> ○ AP said it will still be available. AEMO is currently considering whether it can be consolidated into a single platform. • Wendy Ng (WN) asked whether the invite for the WRIG IT forum was sent to everyone as she did not receive it. <ul style="list-style-type: none"> ○ Stuart Featham (SF) said that AEMO had some technical issues and apologised for the invitation not being received. SF offered to provide the slides and information to anyone who missed the session.
<p>Slide 6</p>	<ul style="list-style-type: none"> • Ben Brearley (BB) provided an update on AEMO’s implementation activities program and AEMO next steps (see slide). • Robert Perkovic (RP) asked when AEMO will be able to provide the project level architecture to the WRIG. <ul style="list-style-type: none"> ○ BB said this will be shared on a project basis as part of discussion on interfaces. Further project work is needed before this will occur. ○ AP confirmed that it would be on a project/system level and the information will be provided through the WRIG IT forum. ○ BB said the milestones are mapped out in the Joint Industry Plan (JIP) – however it will be an interactive process to include more detail (for example, projects need to be further developed before more granular milestones are included in the JIP). ○ SF said some of the architecture is specific to AEMO’s internal requirements and would not be relevant to WRIG members. AEMO will continue to develop information that is useful to share externally to ensure Market Participants have the information they need for their implementation programs.
<p>Slide 7</p>	<ul style="list-style-type: none"> • SF outlined the approach to develop WEM Procedures. <ul style="list-style-type: none"> ○ SF reiterated the three-box model presented at previous TDOWG and WRIG meetings (see slides). ○ AEMO is currently going through the drafting instructions and draft amending rules to refine its list of procedures and best prioritise that list. ○ Box 1 will be prepared over the next six to nine months - these procedures are to be approved and active as soon as possible given they will provide critical information and/or there are live rule obligations for these to be in place (for example, GPS and constraints). AEMO will consult with Market Participants, including paper turns through WRIG as needed. ○ Box 2 will be developed over a longer timeframe. Depending on the procedure, this may be in multiple phases, initially commencing with principles, then a formal development phase. Market Participants will be consulted throughout the process. The early stage work will provide Market Participants early insights prior to the detailed work being undertaken. ○ Box 3 will be developed later. ○ AEMO will provide an updated version of its procedure list and prioritisation via email.

**Slide
8**

- SF outlined the target consultation dates for the initial set of procedures (see slide).
 - The target dates are informed by binding rule obligations and consideration of the requirements most needed by Market Participants to inform their implementation activities (for example, system design, business processes).
- AEMO will provide a more detailed list via email.
- AEMO plans to have a similar consultation approach as has been used for the draft amending rules at TDOWG. This will either be at the standing monthly WRIG meetings if time permits, or in a specific WRIG if a longer session is needed.
- Mark Riley (MR) asked how AEMO will deal with interactions between procedures when they are being developed at different times.
 - SF said AEMO is aware of the many interactions between procedures. For box 2, the phases approach will enable an interactive approach to ensure inconsistencies and overlaps are addressed.
 - MR said it might be useful to build into the plan a time at the end to check how all the procedures interact and ensure there are no unintended consequences.
 - SF said yes, the aim is to have all procedures complete prior to the start of market trials so that the trials do not just test systems but also the regulatory aspect.
 - MR said a lot of processes should lead to notifications, logging of information, notices, public reporting etc. It would be useful to ensure there is a consistent approach for all these mechanisms.
- Ben Connor (BC) asked how confident AEMO is that it can meet the timelines. He said Synergy is looking to engage external assistance for the review of the dispatch algorithm and would like to confirm the best timing for this so Synergy can commence this engagement soon.
 - SF said that it is an ambitious timeline but is achievable. AEMO may not make all the timelines but is trying its best. AEMO is committed to working to that timeline so it can provide Market Participants information as soon as possible.
 - AEMO encourages Market Participants to let AEMO know of their priorities so it can reprioritise tasks if possible.
 - BC said the dispatch algorithm should be moved up the priority list, as even though it is not a compliance matter it is fundamental to commercial outcomes for Market Participants.
 - Clayton James (CJ) asked what could be shifted down in priority, noting that everything can not be top priority or progressed at the same time.
 - BC said Synergy would provide AEMO its view on this out of session.

**Slide
10**

- SF said AEMO was targeting preparing a JIP with milestones by mid-year however it will now likely be the end of the year.
 - SF provided an update on the rule drafting timeline (see slide).
 - Consultation on the tranche one amending rules (packages 1B and 2A) closes on Friday 28 August.
 - ETIU will review stakeholder feedback over the coming month and then republish the amending rules so stakeholders can see how their comments have been addressed.
 - Package three (tranche two) is planned to be released within the next month, however some of the items within the package may be released at a later date.
- Jenny Laidlaw (JL) asked why the tranche one amending rules are to be gazetted prior to the release of the tranche two amending rules.
 - Aditi Varma (AV) said tranche one would not be gazetted prior to tranche two a least tranche two being released for industry consultation. The intent is that both tranches are provided to the Minister at the same time.
 - JL said there is a difference between releasing the tranche two rules for consultation and having time to take that feedback on board. There are a lot of interactions between the two tranches, so it is important to be able to consider them together.
 - AV said that after gazettal there will be opportunity to review the rules and make amendments if required. ETIU is working to extend the Minister's rule-making powers beyond the current end date of 30 June 2021.
- Jo-anne Chan (JC) asked whether there would be further opportunity to comment after the tranche one amending rules are republished.
 - AV said that will depend on how well ETIU has addressed stakeholder comments. However, at this stage we can't say there will be further opportunity to comment given tight timeframes. ETIU acknowledges that there are parts of the rules missing from the tranche one amendment. ETIU invites industry to advise which parts of the rules that are not included in tranche one amending rules are important to be considered alongside tranche one.
- AB said the intent is to provide certainty on when the Minister's rule-making powers will be extended, and to when, by the end of the year.
- AB said ETIU is always open to receiving stakeholder comments. The current approach is to balance providing stakeholders sufficient time to comment with providing them certainty by making the rules as soon as possible. Stakeholders are encouraged to engage as soon as possible for ETIU has sufficient time to consider comments and make amendments as needed. ETIU is able to meet one-on-one with stakeholders as needed, and this will continue over the summer and election period.
- AV said the administrative amendments package is being prepared to update the existing rules to remove the concepts that are now redundant (system management (noting some references will remain where required)). Market Procedure will be amended to WEM Procedure and Market Website will be amended to WEM Website – these amendments are to distinguish the procedures and websites from those in the NEM. It is planned that these amendments will commence in early 2021 at the same time as the GPS amending rules.
- AV said work on the transitional ESS rules and procedures has commenced. This will ensure the accreditation process is in place as soon as possible given that accreditation is a long lead time activity.
 - WN said that it is not just amending rules that need to be developed as priority – some procedures are also critical, for example, for the reserve capacity cycle in early 2021. Stakeholders have not seen anything for the reserve capacity part of the market. It is not feasible for a Market Participant to be given a procedure a short time before the process commenced and to have all the information it needs to provide AEMO. What

	<p>happens if ETIU and AEMO cannot meet the timeframe that is proposed for reserve capacity certification for 2021. Will the cycle be deferred?</p> <ul style="list-style-type: none"> • AB said he understands the timeframes set-out in the rule drafting plan and timelines for reserve capacity certification in 2021 previously communicated remain the target. ETIU is happy to meet to better understand the challenges for Market Participants and how these can be mitigated. AB will discuss with the ETIU RCM team and they will be in contact with WN to discuss. • SF said that AEMO’s view is that the RCM timeline for 2021 needs to change given the rules and procedures are still to be finalised. • WN that would be a good option as the RCM provides a high revenue stream for Market Participants and there needs to be a back-up in case the tight timeframes cannot be met. WN is very uncomfortable with the process as planned and there is a lot of risk for Market Participants. • Oscar Carlberg (OC) said he strongly supports WN’s position and that a forward view of the 2021 cycle is crucial. • MR said the tight timeframes create a compliance risk – either Market Participants do not meet deadlines, or they meet the deadline but are non-compliant as they didn’t have enough time to understand and implement their obligations. It would be useful for ETIU to consider whether there can be a collaborative process rather than on subject to hard compliance and civil penalties.
<p>Slide 11</p>	<ul style="list-style-type: none"> • SF outlined the approach to indicating milestone type in the JIP (see slide). <ul style="list-style-type: none"> • AEMO plans to track progress against the JIP. • AEMO plans to add in additional activities and milestones once provided by other parties.
<p>Slide 12</p>	<ul style="list-style-type: none"> • SF said that AMO has started to populate the JIP with key dates and activities (for example, consultation). <ul style="list-style-type: none"> • AEMO will continue to develop the JIP and add additional milestones. SF asked other stakeholders to provide milestones to be added to the JIP. • Each milestone will have a reference ID and companion document outlining the milestone detail, including what will be published and when. • AEMO will provide the plan, as included in the slide, via email out of session. • AEMO is investigating options to share ‘live’ versions of document, rather than via email (to mitigate documents becoming out of date).
<p>Slide 14</p>	<ul style="list-style-type: none"> • SF said AEMO is planning to schedule monthly WRIG meetings. Additional meetings will be scheduled on an as needs basis. • ETIU will engage with the ERA and Western Power on their plans to develop their procedures and add these to AEMO’s master procedure list (including consultation timing). • AEMO will continue to add to and refine the JIP. This includes working with Western Power and Synergy to include their milestones in the JIP. • SF requested Market Participants continue to provide feedback offline and advise AEMO on matters that they are seeking additional information. • MR asked for a forward calendar of WRIG meetings and invites to be sent. <ul style="list-style-type: none"> • SF said AEMO will put in a series of meetings until the end of the year.