



A Brighter Energy Future

Newsletter
Issue 9 – December 2020

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Update from the Chair of the Energy Transformation Taskforce



Welcome to the 9th issue of the Brighter Energy Future Newsletter on the WA Government's Energy Transformation Strategy.

2020 is near over and what a curve ball this year has been. The occurrence of a P100 global pandemic was certainly not on the Taskforce's risk register. Despite the challenges, the implementation of the Government's Energy Transformation Strategy hasn't suffered any "forced outages" and has proceeded as planned – thanks to the outstanding dedication of the Implementation Team and great support from the broader energy sector.

Highlights of the year

This time last year the Taskforce was about to present the Minister with the Distributed Energy Resources (DER) Roadmap. The Cabinet endorsed Roadmap was successfully released by Minister Johnston in April during the Covid-19 restrictions. Then followed the release of our Whole of System Plan (WOSP) in October.

We are now concluding the year by providing the Minister with a rather large pack of Amending Rules to overhaul the Wholesale Electricity Market (WEM). The introduction of these Rules will be sequenced and will make sweeping changes to the operation of the WEM to progressively deliver a new market targeted for October 2022.

The major features of the new WEM contained in the Amending Rules include:

- the introduction of leading-edge markets for Essential System Services (ESS);
- security constrained economic dispatch, co-optimised across energy and ESS;
- 5 minute dispatch intervals;
- a new framework for market settlement;
- facility bidding by Synergy;

- improvements to power system operational planning, forecasting and outage management;
- introduction of a new framework of priority access for capacity resources in the Reserve Capacity Mechanism;
- a new framework to accredit energy storage resources;
- improved arrangements for generator performance monitoring and compliance; and
- a new governance framework for Market Rule changes, development of future WOSPs and market development.

The Gazette of the Amending WEM Rules is planned for 24 December 2020.

The new WEM together with the Roadmap's 36 actions puts the South West Interconnected System (SWIS) in a strong position to capture the benefits of higher penetration of renewable energy resources across the power system while keeping the system secure.

The Amending Rules have benefited greatly from comprehensive engagement with sector participants over the last 18 months – through targeted workshops, over 30 public forums, and formal submissions. One very beneficial impact of the Covid-19 restrictions has been the high participation in our public workshops as people have taken advantage of remote access, a model we will continue into 2021.

Agenda for 2021

The Taskforce's tenure will conclude in May 2021 and we are well on track to completing the work program to provide the delivery of secure, reliable, sustainable and affordable electricity to all Western Australians. The making of WEM Rules will deliver most of the Taskforce agenda for establishing a new SWIS market design.

Key priorities for next year include some important deliberations on market power mitigation measures and a review of the process for setting power system security and reliability standards.

Also, with the continuing unabated growth in rooftop solar we will be engaging with Western Power and AEMO to update our perspective of any remaining medium-term risks to the power system and determine whether additional initiatives to maximise its resilience are necessary.

We will also continue to oversee delivery of the DER Roadmap actions – with special interest in Project Symphony – our DER orchestration project, tariff pilots and the development of an electric vehicle action plan.

Merry Christmas to all our stakeholders

On behalf of the Taskforce, I need to acknowledge the “over and above” commitment of the Implementation Team throughout 2020, the exceptional contribution of Western Power and AEMO and the support of market participants who tolerated and kept up with our unrelentingly busy agenda.

I also thank Bill Johnston for his accessibility during a challenging year and his enthusiastic advocacy for energy transformation.



Taskforce, from left to right: Mr Michael Court, Ms Kate Ryan, Mr Stephen Edwell, Ms Katharine McKenzie and Mr Brett Sadler.

To all, have a great, well deserved X-mas break.

Stay safe!

Stephen Edwell

Stephen Edwell

Chair
Energy Transformation Taskforce



Recent highlights

Tariff pilots

A “Midday Saver” tariff will be trialed by more than 400 residential Synergy customers in a bid to help soak up abundant rooftop energy supply. Customers will be offered the low rate of 8c/kWh from 9am to 3pm, a time period within which solar power regularly reaches 50 per cent of total supply for the SWIS.



A higher rate of 55 cents per unit will apply during the 3pm to 9pm peak, to reflect the higher cost of supplying energy at that time, while a mid-range tariff of 20c/kWh will apply between the hours of 9pm to 9am.

The tariff is revenue neutral compared to the A1 and is designed to:

- send customers simple signals for grid-friendly behaviour and investment, including investment in battery storage and electric vehicle charging behaviour; and
- ensure all customers contribute to their fair share of costs associated with electricity supply.

Participants will also be able to view their daily usage data to track their costs and manage their electricity use.

The pilot is being rolled out as part of the McGowan Labor government’s Distributed Energy Resources Roadmap.

For more information you can read the Minister’s media statement: [Innovative electricity prices pilot to harness the sun’s rays.](#)

WA ACE Forum

Members of the Energy Transformation Implementation Unit recently presented to the Western Australian Advocacy for Consumers of Energy (WA ACE) Forum on the Energy Transformation Strategy.

This was a great opportunity to look at the Energy Transformation Strategy through the eyes of the everyday end user and to share the story of Western Australia’s renewable energy transition.

The presentation featured how rooftop solar and other customer Distributed Energy Resources (DER) are leading the transition while we ensure security, reliability and affordability of electricity supply, all in a way that most consumers could understand.

The consumer representatives were interested in understanding the approach to emission reductions, the impact on regional communities and how all households, even those which are vulnerable, could access clean, affordable energy.

Recent highlights

Another topic of interest was batteries, with household batteries being seen as desirable but unaffordable, and community batteries being seen as a great solution to address these affordability challenges whilst also providing reliability and post-disaster resilience for fringe or bushfire-prone communities.

The WA ACE Forum gets together five times a year to provide consumer feedback on energy sector activities, and to help share information about the sector across the membership of the advocacy communities that the attendees represent.



The Forum is accessible to all industry members looking to seek out a consumer view, so reach out if that is of interest to you. To find out more visit Energy Policy's website at: [Consumer advocacy feedback and grants](#).

Western Power Distribution Storage Plan

On 11 December 2020, Western Power released its *Distribution Storage Opportunities Information Paper*, describing the nature of emerging network issues on the SWIS and outlining opportunities for locations where it may seek to obtain distribution storage to meet network needs.

The release of this document meets the requirements of the DER Roadmap's Action 5b, and complements the installation of community PowerBanks (Action 5a) earlier in 2020. It also serves as a precursor to other Roadmap initiatives, such as the Network Opportunities Map, that go live in October 2021 driving the use of alternative options by Western Power to resolve network needs. These measures are enabled by recent amendments to the Electricity Networks Access Code overseen by the Taskforce in September 2020.

Western Power is currently seeking registrations of interest for providers who can supply up to a total of 50MW for demand control services. Find out more on their website: [Provision of Services for Demand Control](#).

Whole of System Plan Data Dashboard

Following the release of the Whole of System Plan (WOSP) in October, work continues on the WOSP data dashboard, which provides interested stakeholders an opportunity to explore the findings of the Whole of System Planning modelling.

Earlier this month, representatives from ten organisations across the energy sector were given an exclusive opportunity to explore and provide feedback on the data dashboard prototype.

The Whole of System Planning team, in partnership with the Department of Finance, will now revise the data dashboard for another round of usability testing in early 2021.

We expect this tool to be available to all interested stakeholders in May 2021 and look forward to your feedback on this tool.

Upcoming meetings and events

Upcoming meetings

- 20 January 2021: Strategic Coordination Group Meeting 1, 2021
- 22 January 2021: Taskforce Meeting 1, 2021

Previous meetings

The Taskforce has held 6 formal meetings since the publication of the 8th issue of *A Brighter Energy Future*.

- Meeting 9, held on 21 August 2020
- Meeting 10, held on 18 September 2020
- Meeting 11, held on 23 October 2020
- Meeting 12, held on 27 November 2020
- Meeting 13, held on 11 December 2020

Publications and consultations

To view Taskforce publications, such as our Information Papers and previous newsletters, visit our webpage: [Taskforce Publications](#)

To view open and previous consultations visit our webpage: [Taskforce Consultations](#)

We wish you a Merry Christmas & Happy New Year

Our office will be closed from 25 December and reopen 4 January 2021. We look forward to continuing our work towards a brighter energy future in 2021.

