

Minutes

WEM Reform Implementation Group – Meeting 2, 2022

Time: 9:30am – 12:00pm

Date: 24 February 2022

Venue: Teleconference

Attendees: **Please note this attendee list is from WRIG 25 November 2021

Name	Organisation	Name	Organisation
Alan McDonald	Bluewaters	Simon Middleton	AEMO
Alex Gillespie	AEMO	Shelley Worthington	EPWA
Aditi Varma	EPWA	Stacey Fontein	Western Power
Ben Connor	Synergy	Stuart MacDougall	AEMO
Brad Huppatz	Synergy	Sumar Kaur	Shell
Christopher Wilson	AEMO	Teresa Smit	AEMO
Claire Richards	Enel X	Tinna Needham	Western Power
Dimitri Lorenzo	SSC Power	Toby Price	AEMO
Dora Guzeleva	EPWA	Vanessa Page	Western Power
Elizabeth Aitken	Aitken Energy	Wendy Ng	Shell
Erin Stone	Point Global		
Gavin White	ERA		
Harry Street	Entego		
Jo-Anne Chan	Synergy		
Judy Hunter	Western Power		
Katelyn Rigden	ERA		
Liam Staltari	AEMO		
Lynda Venables	Synergy		
Mariusz Kovler	AEMO		
Mark McKinnon	Western Power		
Mark Riley	AGL		
Mike Chapman	Western Power		
Mike Hales	AEMO		
Mike Reid	AEMO		
Nicki Eastman	AEMO		
Oscar Carlberg	Alinta		
Patrick Peake	AGL		
Paul (Guest)			
Peter Huxtable (Guest)	Water Corporation		
Raymond Lobo	ERA		
Rebecca Petchey	AEMO		
Rebecca White	Collgar		
Rhiannon Bedola	Synergy		
Sally Campbell	Western Power		
Sara O'Connor	ERA		
Sarah Graham	EPWA		
Simon Akero	Shell		

Slide No.	Issue
1-4	<ul style="list-style-type: none"> • Dora Guzeleva (DG) introduced the meeting <ul style="list-style-type: none"> ○ DG gave an overview of the agenda for the meeting <ul style="list-style-type: none"> • Agenda – Introductions • JIP - Updates • Market Readiness Update • Procedure Updates • WEM Compliance framework update • Next steps
Joint Industry Plan – Plan and Progress Updates (Mike Reid, AEMO, Mark McKinnon, Western Power, Lynda Venables, Synergy)	
5	<ul style="list-style-type: none"> • Mike Reid (MR) gave an update on the Joint Industry Plan (JIP) from AEMO <ul style="list-style-type: none"> ○ Updated JIP and Milestone log available through The Reformer and EPWA website – links in slide
6	<ul style="list-style-type: none"> • MR provided update on AEMO Implementation Program Activities <ul style="list-style-type: none"> ○ RTMS now live for testing ○ WEMDE - commenced internal exposure, positive feedback in showcase and hands-on working model ○ Outage management – Showcases of Market Participant interface have occurred ○ MT PASA – Development of proof of concept has begun ○ Settlements reform – backend system upgrades completed to facilitate reform ○ RCM Reform – completed Release 1.2 (no external changes) ○ Second Market Readiness Survey complete, analysis commenced • Next Steps: <ul style="list-style-type: none"> ○ WEMDE-SCADA interfaces and aiming for development halfway by end of March 2022 ○ Finalise WEMDE UI Detailed Impact Assessment ○ Outage Management – Progress development of user functionality for outage revisions and withdrawals ○ Progress Settlements Reform execution ○ RCM Reform – complete Release 1.3 (not external facing), substantial completion of Release 1.4, complete early development sprints for Phase 2 (NAQ) ○ Release second Market Readiness Report ○ Plan for remaining work on RTMS (not market-facing)
	<ul style="list-style-type: none"> • Mark McKinnon (MM) from Western Power (WP) provided an update <ul style="list-style-type: none"> ○ WEM Procedure Limit advice anticipated to be released early March for the 15 business day consultation period, intention to publish final version in early April
	<ul style="list-style-type: none"> • Lynda Venables (LV) from Synergy provided an update <ul style="list-style-type: none"> ○ Main update relates to Synergy systems development and working with AEMO to de-risk the migration of gas turbine activities from AEMO to Synergy

<p>7</p>	<ul style="list-style-type: none"> • DG provided Tranche 5 and 6 Update <ul style="list-style-type: none"> ○ 1 February companion version of the WEM Rules has been uploaded to EPWA website – will not be another till tranche 6 ○ Important to read the preamble as there have been changes to colouring in this version ○ Next Official Version of Rules to be published on 1 March 2022 • Tranche 6 <ul style="list-style-type: none"> ○ Exposure draft one to cover Chapter 6 (Publications etc), Chapter 7 (RTM Submissions, SESSM), RCM and NCESS related changes ○ Exposure draft two to cover Chapter 3 (outage management), further transitional rules, typographical and reference errors and manifest errors/omissions. • Questions <ul style="list-style-type: none"> ○ Rhiannon Bedola (RD) asked what the March 1 Rules are in relation to – DG responded that this will reflect commencement of Amending Rules, mainly related to the RCM ○ Rebecca White (RW) pointed out an error related to the definition of Facility not being removed in Tranche 5 and there are now conflicting definitions – DG responded that this issue will be logged and emphasised that if anyone spots this kind of error to contact DG and it will be logged ○ Mark Riley (MR) asked if the log can be made public – DG responded that it's not in a publicly accessible format as it is constantly changing and developing. ○ RD suggested that the definition of Facility requires review for clarity – DG acknowledged and said any other ideas should be sent through to her as above.
<p>9</p>	<ul style="list-style-type: none"> • AEMO – Market Readiness Update (MR) <ul style="list-style-type: none"> ○ Survey closed 20/02/22, responses being processed and report to be issued early March 2022 ○ Industry Risk Register now available through The Reformer ○ Specific Readiness Criteria – high level internal review suggested additional work required to ensure AEMO readiness criteria supports go-live decision-making meaning consultation pushed back slightly, not anticipated to impact July implementation date

WEMP: RCM Constraint Formulation (Josephine Nga, AEMO)

Refer to
AEMO
slidepack

- RCM Constraint Formulation –
 - Thermal
 - Develop for constraints applicable under Peak Demand Conditions
 - May develop for only worst-case if results in the highest power transfer in all scenarios
 - Models consider Preliminary Peak Demand or Peak Demand, RCM Facilities, Information provided under 4.4B.5, Matters under 4.15.8, Facilities Dispatch Scenarios most likely to result in constraint
 - Non-Thermal
 - As advised by WP
 - May not formulate if considered not applicable under peak demand by AEMO
 - Questions
 - RW asked whether the non-thermal limit advice being provided by WP to AEMO is being amended to reflect 41 degrees?
 - JN confirmed this is correct, for non-thermal AEMO can only use advice provided by processors for this purpose. WP will not provide separate advice for RCM constraint formulation purposes.
 - RW asked why this is the case.
 - DG added that discussion during the implementation of tranche 3 rules, WP advised that they could not provide non-thermal advice for new facilities two years in advance, it must be close to commissioning phase.
 - JN added that the changes are to include facilities that WP hasn't included in their non-thermal limit advice, the fundamental limit itself does not change.
 - Oscar Carlberg (OC) confirmed that the limits for scenarios are all 41 degrees and this does not change. JN confirmed.
 - OC asked whether other constraint equations that go into SCED change with temperature.
 - JN responded that this is correct, WP uses the ratings for equipment for summer, winter, temperature, and moisture to calculate.
 - Operating Margin
 - For thermal, account for MVA to MW Conversion, by default 0.95 power factor
 - For non-thermal, power transfer limits in Limit Advice represented in MW
 - If found not appropriate, deviation permitted
 - Publication
 - All requirements specified in WEMR
 - Preliminary Constraint equations (4.4.B.5), to be published 6 December 2022 and subsequent cycles 20 May.
 - Final set to be published 28 June 2023, 30 September for subsequent cycles
 - Naming Convention of Constraint Equation
 - A=P-RCM or RCM
 - B=Reserve Capacity Cycle
 - C=Reserve Capacity Years
 - D = Applicable step in WEMR Appendix 3
 - E=Cause ID (thermal (>). transient (:), voltage (^), others (*))
 - F= Contingency
 - G= Monitored Element
 - Verifying RCM Constraint equations
- Next Steps
 - To be published for consultation in early March
 - Additional comments or questions can be directed to AEMO by email to WA.ETS@aemo.com.au
- Question
 - MR asked, regarding naming conventions, whether the term ">" in the middle of the constraint equation not mean "greater than" but rather just that this particular constraint is a "thermal constraint".
 - JN confirmed that this is correct, it is just to signify what sort of constraint equation it is.

WEMP: RCM Limit Advice – Consultation (Josephine Nga, AEMO)

Refer t AEMO slidepa ck	<ul style="list-style-type: none">• Josephine Nga (JN) provided an update from AEMO on the RCM Limit Advice Consultation<ul style="list-style-type: none">○ Closed 15th February○ The term block load had an updated definition applied and paragraph 5.11 was updated○ Network operator to propose a list of loads and be consulted should AEMO request modification○ Various paragraph updates made to allow for different communication methods, the 2022 deferred date and adjustment of paragraphs to highlight key information○ Combining or simplifying paragraphs – not accepted as AEMO considers them having different requirements and therefore○ Other comments noted which AEMO noted or responded to market participants to provide clarification
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Declaration of Bilateral Trades for the 2021 Reserve Capacity Cycle – Consultation Feedback (Katelyn Ridgen, AEMO)

Refer t AEMO slidepa ck	<ul style="list-style-type: none">• Katelyn Ridgen (KR) provided an update from AEMO on the Indicative Facility Class and RCM Facility Class Consultation<ul style="list-style-type: none">○ Received 2 submissions which will be made publicly available○ Main submission content related to AEMO including direct copies of WEM rules to add context where required. These will not to be removed as they are only added to provided context.○ Minor grammatical errors were being considered on a case-by-case basis
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Indicative Facility Class and RCM Facility Class assessment – Consultation Feedback (Katelyn Ridgen, AEMO)

Refer t AEMO slidepa ck	<ul style="list-style-type: none">• Katelyn Ridgen (KR) provided an update from AEMO on the Indicative Facility Class and RCM Facility Class Consultation<ul style="list-style-type: none">○ Will go live 1 March 2022○ Changes were proposed to 2.1.1 and 2.1.2 which were accepted.<ul style="list-style-type: none">○ 2.1.1 covers all powers under the WEM Rules which enable AEMO to amend the dates and times of Reserve Capacity timetable○ 2.1.2 covers AEMOs obligation to publish updated timetables following an extension under paragraph 2.1.1.○ A number of minor grammatical, formatting and structural changes were proposed and AEMO considered these on a case-by-case basis.
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WEM Procedures (Alex Gillespie, AEMO)

	<ul style="list-style-type: none">• Alex Gillespie provided a WEM Procedure update:<ul style="list-style-type: none">○ 2 procedures with upcoming consultation<ul style="list-style-type: none">• Limit Advice Development• RCM Constraint Formulation○ Upcoming Publications<ul style="list-style-type: none">• Indicative Facility Class and RCM Facility Class Assessment• Declaration of Bilateral Trades for 2021 Reserve Capacity Cycle• Certification of Reserve Capacity for the 2022 and 2023 Reserve Capacity Cycle• RCM Limit Advice Requirements• Limit Advice Development
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WEM Compliance Framework Update (Adrian Theseira, ERA)

<p>Refer t ERA slidepack</p>	<ul style="list-style-type: none"> • Adrian Theseira (AT) provided a WEM Compliance framework update from the ERA <ul style="list-style-type: none"> ○ What is changing for the ERA? <ul style="list-style-type: none"> ○ Investigations – Discretion to investigate according to risk (2.13.27(b)) ○ Enforcement – Infringements, civil penalties, orders (2.13.36(b) and cA) ○ Monitoring – AEMO not required to report if ERA has data (2.13.14) ○ Transparency – public register of breaches (2.13.49) ○ Reporting – Annually to the Minister on Network Operators compliance (2.14.6) ○ Generator Performance Standards – ERA investigates alleged non-compliances (Chapter 3A) ○ What do participants need to be aware of? <ul style="list-style-type: none"> ○ Self-reporting process (2.13.23) - participants should have procedures to self-report breaches, the ERA is intending to create new ways to submit breach reports ○ ERA documents: WEM Procedure (2.15), Compliance strategy and guidelines – Workshop occurring in March 2022 related to this, intention to develop guidelines on a case-by-case basis depending on need ○ Overlapping frameworks – there will be a period of time where old frameworks may overlap new ones, unlikely to cause issues to participants but important to be aware ○ Investigations – focus will be on material matters and the expectation is that participants will respond accordingly ○ Infringements and civil penalties ○ Compliance Risk Framework will be used for: <ul style="list-style-type: none"> ○ Regular planning of activities ○ Determining monitoring priorities – take initial risk assessment across market and then plan actions from there ○ Applying discretion to investigate ○ Informing enforcement actions ○ March workshop will cover this in greater details and allow participants to gauge ERA responses to certain behaviours ○ Focused Consultation to continue through Q1 and Q2 of 2022 with formal consultation to follow in Q3. ○ Final WEM procedure to be published Q1 2023 and the ERA compliance strategy to follow in Q2 2023 ○ Workshop tentative date of 30 March 2022 which will cover: <ul style="list-style-type: none"> ○ The ERA’s draft revised compliance risk framework ○ Proposed changes to compliance WEM Procedure (Monitoring Protocol) ○ Invites will be sent early March 2022 ○ Registration can be made by sending your details to market.compliance@erawa.com.au
<p>Next Steps (Dora Guzeleva, EPWA)</p>	
	<ul style="list-style-type: none"> • DG gave an overview of the next steps: <ul style="list-style-type: none"> ○ Next WRIG 9:30am Thursday 24 March 2022 ○ Next WRIG-IT meeting scheduled 17 March 2022 (1:00PM) ○ WRIG Members – feedback, queries and topic suggestions are welcomed at wa.ets@aemo.com.au