

MAC Renewable Energy Generation Working Group Minutes - Meeting 3

Thursday 23 October 2008, 2 – 3.30pm
Park Room, level 9, 197 St Georges Terrace

ATTENDEES	ORGANISATION
Jason Banks (Chair)	OOE
Dora Guzeleva	IMO
Will Street	IMO
Shane Cremin	Griffin
Steve Gould	Landfill Gas & Power
Jenni Conroy	Synergy
Phil Kelloway	Western Power
Zoran Bozic	Western Power
Brad Huppatz	Verve Energy
Robert Pullella	ERA
Chris Brown	ERA
Taron Brearley	OOE
Brooke Eddington (Minutes)	OOE
APOLOGIES	ORGANISATION
Kristian Myhre	Alinta

Item	Subject	MINUTES
1	Welcome	The meeting commenced at 2.05pm.
2	Minutes from Meeting 2	The Minutes from the second meeting of the working group were accepted.
3	IMO Scoping Project	The IMO advised that the details of the scoping project had been circulated to the working group and the evaluation process was underway. The final scoping paper is due by the end of November.
4	Capacity Credits Project – overview and data request	The OOE noted that a draft scope for the capacity credits project had been circulated to the working group. The objective of this work is to analyse the effectiveness of the current allocation methodology, as well as a number of alternative options, for determining capacity credits for intermittent generators. This work was committed to at the second meeting of the working group and members have seen previous versions of scopes for this work. The working group discussed the objectives of the analysis and OOE agreed to amend the scope to assess the contribution intermittent generators make to system reliability against the current capacity credit allocation rules. <i>ACTION 1: OOE to revise the scope to specify that the initial priority is an assessment of the effectiveness of the current methodology.</i> The OOE noted that the analysis will require access to generation and weather data from the working group in relation to existing and proposed intermittent generation projects.

		<p>OOE has already spoken to a number of the working group regarding access to data and members agreed that they would work with OOE to address any confidentiality issues to enable data to be provided.</p> <p>Landfill Gas & Power offered landfill gas generation data as required.</p> <p>ACTION 2: OOE to progress data access arrangements.</p> <p>The final report is due in March however the working group will be used to provide feedback on the analysis proposal and draft report prior to this.</p>
5	Synergy rule change re certification methodology for solar	<p>The OOE noted that Synergy's Rule Change Proposal had been circulated to the working group prior to the meeting.</p> <p>Synergy advised it is seeking the rule change in relation to solar facilities due to the rapid development of solar technologies and the potential for projects to be participating in upcoming capacity cycle.</p> <p>The working group agreed it is reasonable for Synergy to progress the rule change proposal in time for solar project proponents to assess the implications in time for next year's capacity cycle.</p>
6	Western Power re network issues	<p>Western Power provided a handout to the working group outlining key issues relating to the network for renewable generation.</p> <p>Western Power noted that Phil Kelloway had recently given a presentation to the Technical Rules Committee on issues around the increasing penetration of wind over the medium to long-term. This committee deals with requirements for wind farms prior to connection. The Market Rules and System Management cover operational issues.</p> <p>Three key technical issues were highlighted:</p> <ul style="list-style-type: none"> - Immunity to disturbances (frequency, voltage, continuity of infeed) - Frequency/Active power control - Reactive power capability <p>While the percentage of renewable generation is currently small, new facilities may be required to have greater frequency and reactive power capabilities as the percentage increases to ensure system security.</p> <p>A number of international examples were detailed with discussion of fault ride through capabilities and data provision requirements and comparison to WA requirements.</p> <p>It was suggested that providing a market incentive would encourage wind projects to build in ancillary services capability.</p> <p>The working group discussed whether market incentives were adequate to optimise the generation mix overnight (when demand is low), including in the context that that some generators have incentives other than just selling electricity – eg RECs or steam production.</p>
7	Updated Work plan	<p>The OOE noted the revised Work Plan is based on the working group providing a report to MAC with recommendations on whether a rule change for capacity credit methodology is warranted in March 2009.</p> <p>At least three (3) working group meetings are proposed between now and then.</p>
8	Other	<p>The OOE noted that the Australian Energy Market Commission (AEMC)</p>

	business	<p>was undertaking a review of energy market frameworks in light of climate change policies and had released a scoping study with submissions due on the 14th November. Feeding the IMO work into this process was discussed.</p> <p>The ERA noted that a number of network issues for intermittent generators had been raised in the annual review of the effectiveness of the Wholesale Electricity Market, including how applications for network access are dealt with by Western Power and the timeliness of access offers.</p> <p>The queuing policy for network access was also raised and will be looked at as part of the current review of access arrangements.</p> <p>The working group noted that the IMO scoping study is also looking at network issues.</p>
9	Next Meeting	<p>The IMO raised the possibility of using the next meeting to provide feedback on the draft scoping study, and of having the consultant brief the working group in person. The scoping study draft report is expected in mid-November.</p> <p><i>ACTION 2: IMO to confirm scoping project timeframes once consultant is commissioned.</i></p>
	Close	The meeting was closed at 3.25pm