

Independent Market Operator

**RENEWABLE ENERGY GENERATION WORKING GROUP  
WORKSHOP**

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## Minutes

<b>Meeting</b>	Renewable Energy Generation Working Group
<b>Location:</b>	Office Of Energy
<b>Date:</b>	Friday 28 August 2009
<b>Time:</b>	9.00am to 11.40am

<b>Attendees</b>		
Troy Forward	Independent Market Operator (IMO)	Chair
Ian McCullough	IMO	Alternate Chair
Shane Cremin	Griffin	
Steve Gould	Landfill Gas & Power	
John Rhodes	Synergy	
Matthew Fairclough	Western Power – System Management	
Phil Kelloway	Western Power – System Management	
Tim Bray	Western Power	
Wendy Ng	Verve Energy	
Chris Brown	ERA	
Bill Truscott	Alinta	
Matthew Rosser	Pacific Hydro	
John Vendel	Pacific Hydro	
Rob Rohrlach	Energy Response	
John Libby	New World Energy Ltd	
David Murphy	Dept. Premier & Cabinet	
Jason Dignard	Dept. Treasury & Finance	

<b>Attendees</b>		
Michael Kerr	OOE (SEDO)	
Taron Brearley	OOE (SEDO)	
Brooke Eddington	OOE (SEDO)	
Ken Phua	IMO	Minutes

<b>Apologies</b>		
Mark Headland	Investec	
Bill Bowyer	RPV Developments	
Kyle Jackson	Ausra	

<b>Item</b>	<b>Subject</b>	<b>Action</b>
<b>1.</b>	<p><b>Welcome and Apologies / Attendance</b></p> <p>The Chair opened the workshop at 9am and welcomed members to the workshop.</p> <p>The Chair then invited all attendees to introduce themselves.</p>	
<b>2.</b>	<p><b>Comments on Minutes from meeting 4</b></p> <p>The Chair queried if there were any comments about the last minutes taken.</p> <p>System Management commented that a distinction needs to be drawn between Western Power and System Management.</p> <p>No further comments were made on the minutes.</p> <p>Action: OOE to correct minutes from the last session to reflect System Management's comments.</p>	
<b>3.</b>	<p><b>Discussion of REGWG Structure</b></p> <p>There was general agreement of the need to quickly progress the Working Group's identified works packages.</p> <p>The meeting discussed the need for alignment between the work of this group and MAC work to progress the outcomes of the Oates review, particularly in relation to the provision of balancing services. OOE and IMO considered the Government was likely to want the Oates review outcomes to be progressed very quickly. It was noted MAC is the ultimate decision-making forum for both streams of work.</p> <p>To facilitate this, the IMO suggested that the structure of the REGWG should be re-evaluated. A core group of 6 or 8 members could meet more regularly to deliver outcomes.</p> <p>After a lengthy discussion of possible structures, including representative structures and distributing work between</p>	

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	<p>subgroups,, the REGWG members agreed to keep the REGWG membership as it is while having more frequent meetings.</p> <p>At this time Troy Forward left the meeting to attend to an urgent family matter. Ian McCullough took the Chair</p>	
4.	<p><b>Overview of Semi Dispatch for wind in the NEM</b></p> <p>Pacific Hydro presented a case study of an operational wind farm in the NEM (presentation attached).</p> <p>Key points discussed were:</p> <ul style="list-style-type: none"> <li>• Used to manage transmission congestion and thermal capacity constraints.</li> <li>• Transparency of system operation and the information needs of the market</li> <li>• Technical engineering details of wind farm generation</li> <li>• Technical details of end to end semi dispatch of wind generation</li> <li>• Communications infrastructure</li> <li>• Compliance</li> <li>• Final outcome of study</li> </ul>	
5.	<p><b>Implementation of Work Program</b></p> <p>The IMO introduced Tenet Consulting as the consultant appointed to manage completion of the Works Program.</p> <p>Tenet Consulting provided an overview of the Work Program going forward (presentation attached).</p> <p>Key points discussed were the 4 work packages that are required. The objective is to complete these works to allow any changes to Market Rules to be progressed from March 2010. Tenet Consulting plan for Requests for Quote to be released by mid-October, but that there may be opportunity to bring this date forward.</p> <p>System Management commented that outcomes from this Work Program that related to the Technical Rules would be outside the MAC jurisdiction. Hence, while the work package would still seek to identify recommendations where appropriate, their implementation would be subject to consideration by System Management, Western Power the Office of Energy and the ERA. Tenet Consulting noted the distinction.</p> <p>System Management expressed the view that there should be a focus on addressing the major issues affecting the Market over the coming five years. Other parties pointed out the significance of understanding how the Market will be positioned in 2020 and beyond. Tenet noted that the choice of a 20-year timeframe for scenarios out to 2030 would accommodate these concerns and that there would be a natural emphasis on the earlier years of the studies.</p> <p>Several members suggested that the work going forward could leverage off other scenario forecasting work, particularly by DTF, Commonwealth and the AEMC. The Office of Energy noted</p>	

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	<p>limitations of existing studies. The meeting was advised that it was planned to direct successful tenderers to consider existing studies, while noting that not all these may be fully relevant.</p> <p>System Management expressed concern that there was growing pressure from proponents to resolve the way forward on ancillary service and curtailment issues. It was concerned that System Management's work to date should not be lost, but should feed in to the work program going forward. The Chair noted the need for the forward work program to be able to build upon available analysis.</p> <p>System Management advised that, after discussion with other stakeholders, it is undertaking further analysis as part of studies on load-following requirements and managing generation at times of low overnight loads. System Management considers it will be in a position to discuss the outcomes of their studies with the working group in three weeks time.</p> <p>It was agreed that a further meeting would be arranged around that time to allow discussion of the detailed scopes for the Requests for Tender in conjunction with the outcomes of System Management's studies.</p> <p>Synergy commented that the Market Rule Change process can be quite extensive and might take a long time.</p> <p>Noting the need to quickly progress the works and the earlier decision to maintain the full Working Group membership, the Chair emphasised to members that there will be a need to adhere to tight turnaround times for member input as the works program progresses.</p>	
6.	<p><b>Capacity Credits Analysis &amp; Discussion</b></p> <p>The Chair queried if members were happy to stay for this presentation as the planned meeting end time had been exceeded. The OOE suggested continuing the presentation for those staying and forwarding the presentation papers to everyone at a later stage. Members in the REGWG agreed.</p> <p>Members who left at 11.10am: System Management, Western Power, Alinta, SEDO, New World, Griffin.</p> <p>The OOE presented an overview of the findings of the Senergy Econnect capacity credits analysis study (presentation slides and notes attached). The OOE expects to be able to circulate the full report once clearances are received from data providers.</p>	
7.	<p><b>Other Business</b></p> <p>No further issues were raised.</p>	
8.	<p><b>Close of Meeting</b></p> <p>The IMO thanked members for coming and reiterated that another meeting would be scheduled for approximately 3 weeks.</p> <p>Meeting was closed at 11.40am.</p>	