



Terms of Reference

Power System Security and Reliability Standard for the SWIS

16 November 2023

1. Background

The Power System Security and Reliability (PSSR) standards are a set of technical rules intended to maintain power system security and reliability. The existing PSSR standards for the South West Interconnected System (SWIS) are fragmented, with requirements and obligations spread across several regulatory instruments, each with its own objectives, change processes and decision makers.

As part of the Energy Transformation Strategy (ETS), the ETS Taskforce (the Taskforce) identified deficiencies with the existing regulation and governance of the current PSSR standards and oversaw a number of changes to the existing regulatory instruments to make urgent and critical improvements. In April 2021, the ETS Taskforce made the following determination for more comprehensive reform:¹

A centralised framework will be implemented to provide for the regulation and governance of a single end-to-end PSSR standard for the SWIS, including the establishment of:

- *a single instrument containing all relevant PSSR standards;*
- *a centralised governance framework under the Coordinator of Energy, supported by a Reliability and Security Advisory Panel.*

Legislative reform should be recommended to the Minister by Energy Policy WA to enable the implementation of the centralised framework in an appropriate regulatory instrument.

An interim Joint Agreement Framework for specific PSSR standards will be established through changes in WEM Rules and Technical Rules to ensure security and reliability is maintained during the development of a longer term, single set of PSSR standards under a centralised governance.

Legislative reform to enable the implementation of a centralised instrument entered Parliament in August 2023.² Following the passage of this legislation, the scope of the Wholesale Electricity Market (WEM) Rules will be expanded and they will be renamed as the Electricity System and Market Rules (ESMR). All of the current PSSR standards will be reviewed and brought together in an effective, single end-to-end standard that will be implemented in the ESMR.

Energy Policy WA developed a Scope of Work for the PSSR Standards project in consultation with Western Power and Australian Energy Market Operator (AEMO) and will be made available on the [Coordinator's Website](#). It includes information on work to date, the stages of work required to complete the project, stakeholder engagement that will be undertaken and the project schedule.

The MAC has established the Power System Security and Reliability Standards Working Group (PSSRSWG) under clause 2.3.17(a) of the WEM Rules to assist the Coordinator with the PSSR Standards project.

¹ https://www.wa.gov.au/system/files/2021-04/Power%20System%20Security%20and%20Reliability%20Standards%20Framework_0.pdf

² <https://www.parliament.wa.gov.au/parliament/bills.nsf/BillProgressPopup?openForm&ParentUNID=E35776BF096674C348258A1A001F9711>

2. Scope of the PSSRSWG

The PSSRSWG has been established to provide expert technical, regulatory and consumer advice in developing the single end-to-end PSSR standard and its centralised governance framework outlined in the Scope of Work, including:

- review of the various PSSR related provisions in the instruments governing power system security and reliability in the SWIS (assessment of existing instruments);
- assessment if the combination of existing standards is effective to ensure power system security and reliability can be maintained (gap analysis);
- development of proposals for a single end-to-end PSSR standard and a centralised governance framework; and
- drafting of amending Rules and other regulatory changes, as necessary.

3. Membership

Energy Policy WA will Chair the PSSRSWG.

Market Participants and other interested stakeholders may nominate a person for membership on the PSSRSWG for approval by the Chair.

All members of the PSSRSWG are required to contribute their time and resources to complete specific analysis and other tasks as requested by the Chair.

There are no restrictions on the number of PSSRSWG members. However, the Chair of the PSSRSWG may only approve one member from each organisation, with the exception of Western Power and AEMO who may have two members.

The Chair of the PSSRSWG will have discretion to allow additional subject matter experts or consultants to attend specific meetings or workshops, either generally or on a case-by-case basis.

Energy Policy WA will provide administrative support to the PSSRSWG.

4. Documentation

Energy Policy WA will establish a PSSRSWG webpage on its website. Any discussion papers, meeting papers and meeting minutes will be posted to this page.

Market Participants and other stakeholders may register with Energy Policy WA to receive email communications regarding the PSSRSWG, including notices of publication of papers on the PSSRSWG webpage.

5. Responsibilities of Meeting Attendees

A person attending a PSSRSWG meeting is expected to:

- have suitable knowledge and experience to engage in and contribute to discussions relevant to the specific meeting;
- prepare for the meeting, including by reading any meeting papers distributed before the meeting;
- participate as a general industry representative rather than representing their company's interests; and

- complete actions requested by the Chair, which may include undertaking of analysis or preparation of papers for discussion by the PSSRSWG.
- if relevant, to update the member of the Market Advisory Committee within their organisation on the meeting discussions and outcomes.

6. Administration

Energy Policy WA will provide secretariat support for the PSSRSWG.

Energy Policy WA will ensure contact details for the PSSRSWG are maintained on the PSSRSWG webpage.

The Chair will convene meetings of the PSSRSWG in accordance with the timelines in the Scope of Work for the PSSR Standards Project as outlined in Section 8 of these Terms of Reference.

Energy Policy WA will prepare and distribute all meeting correspondence to the PSSRSWG via email. Energy Policy WA will endeavour to provide the following documentation by email to the PSSRSWG members:

- notices of meetings, agendas, and relevant meeting papers at least 5 Business Days prior to the meeting; and
- key outcomes and actions emerging from each meeting no more than 10 Business Days following the meeting.

All meeting documentation will be published on Energy Policy WA's website as soon as practicable after it has been sent to the PSSRSWG members.

Meetings will generally be held online via Microsoft Teams but may sometimes be held in person. Meeting minutes are to record meeting attendance, main outcomes of discussion, agreed recommendations to the MAC and action items. Meetings will be recorded to assist with writing minutes.

7. Reporting Arrangements

The PSSRSWG Chair must provide a report to the MAC on the PSSRSWG's activities at each MAC meeting. The reports must include, at a minimum:

- details of all PSSRSWG meetings since the last report to the MAC, including the date of the meeting and the key outcomes of each meeting;
- the date of the next meeting and the issues to be considered (if known); and
- any recommendations from the PSSRSWG to the MAC.

8. Project Timeline

Tasks/Milestones	Timing
Project establishment	
Consult with Western Power and AEMO on Scope of Work	September 2023
Internal approval of Scope of work	October 2023
Engage a consultant(s) to assist with the review	November 2023

Tasks/Milestones	Timing
Consult with the MAC on Terms of Reference for Power System Security and Reliability Standards Working Group (PSSRSWG)	23 November 2023
Call expressions of interest for PSSRSWG	Late November 2023
PSSRSWG kick-off meeting to discuss scope	Early December 2023
Stage 1 – Assess existing standards	
Review of existing instruments to identify all relevant standards and governance arrangements, including compliance and enforcement provisions.	November – January 2024
Finalise initial assessment of standards	Mid-February 2024
MAC update	21 March 2024
Stage 2 – Gap analysis	
Identify any gaps, overlaps or inconsistencies in the existing standards, and assess suitability of existing standards	February – April 2024
Jurisdictional comparison of standards and governance frameworks	February – April 2024
Finalise gap analysis	Mid-May 2024
MAC update	13 June 2024
Stage 3 – Develop proposals	
Develop design proposals, including proposals for: <ul style="list-style-type: none"> • A single end-to-end comprehensive standard; • governance framework for the PSSR standard, including change management processes; • the provision of advice to the Coordinator on the evolution of the PSSR standard; • roles and responsibilities for AEMO and Western Power to coordinate and manage the PSSR in accordance with the PSSR standard over planning and operational timeframes; • and • the compliance monitoring and enforcement framework for the PSSR standard. 	May - August 2024
Consult with MAC on a draft consultation paper	5 September 2024
Publish the consultation paper	Mid-September 2024
Submissions on the consultation paper close	Mid-October 2024
Develop Information Paper with consultation summary and final proposals	November 2024
Consult with MAC on a draft Information paper	28 November 2024
Publish Information Paper	December 2024

Tasks/Milestones	Timing
Stage 4 – Develop amending rules	
Develop draft amending rules	January – April 2025
Publish draft amending rules for consultation	May 2025
Finalise amending rules	June – July 2025
Submit amending rules for consideration and approval by the Coordinator and the Minister	August 2025 (must be made and gazetted by 1 October 2025)
Commencement of rule changes	TBD

9. Contact Details

Rule Participants and other stakeholders may contact the PSSRSWG Secretariat at energymarkets@dmirs.wa.gov.au. Documentation and information related to the PSSRSWG will be published on Energy Policy WA's website.