

Minutes

Meeting Title:	Power System Security and Reliability Standards Working Group (PSSRSWG)
Date:	14 December 2023
Time:	9:30am to 10:34am
Location:	Microsoft TEAMS

Attendees	Company	Comment
Dora Guzeleva	Chair, Energy Policy WA	
Toby Price	AEMO	Away from 10.00am to 10.30am
Mena Gilchrist	AEMO	
Aditi Varma	ERA	
Patrick Peake	Perth Energy	
Tessa Liddelow	Shell Energy	
Cameron Owens	Synergy	SME, proxy for Mrs Rhiannon Bedola
Noel Schubert	WA Expert Consumer Panel	
Luke Skinner	WA Expert Consumer Panel	
Daniel Cassidy	Western Power	
Bronwyn Gunn	Energy Policy WA	
Sanna Pember	Energy Policy WA	
Ashwin Maharaj	Mott MacDonald	
Robert Ceic	Mott MacDonald	
Tyson Vaughan	Mott MacDonald	Joined at 9.40am
Jaden Williamson	Merz	
Geoff Glazier	Merz	
Apologies	From	Comment
Hugh Ridgway	Alinta Energy	
Ed Chan	Consultant – Mott MacDonald	
Matthew Veryard	Western Power	Proxy for Ms Sabina Roshan



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1 Welcome and Introductions

The Chair opened the meeting at 9:30am.

The Chair noted the attendance as listed above and invited each of the members to briefly introduce themselves.

Ms Gunn noted the Competition and Consumer Law obligations circulated with the meeting agenda. Ms Gunn encouraged the members to raise any issues with the Chair immediately should they arise during the course of the working group deliberations.

2 Meeting Attendance

As noted above.

3 Project Overview

Ms Gunn provided a brief summary of the scope of work for the Power System Security and Reliability (PSSR) Standards Review (slide 1) and made the following key points:

- Changes to primary legislation were required to implement the Energy Transformation Taskforce's recommendation, as the Electricity Industry Act 2004 did not empower any single instrument to contain all the PSSR related provisions.
- The Electricity Industry Amendment (Distributed Energy Resources) Bill 2023 (the DER Bill) has been introduced to Parliament. The Bill was passed by the Legislative Assembly and is expected to be passed by the Legislative Council in early 2024.
- The changes under this Bill will mean that the WEM Rules will be renamed the Electricity System and Market Rules (ESMR) to reflect their expanded scope.
- The changes under this Bill will mean that the Electricity Network Access Code 2004, the Technical Rules, the Electricity Industry (Metering) Code 2012 and the Electricity Industry (Network Quality and Reliability of Supply 'NQRS') Code 2005, will be repealed over time as content is covered through amendments to the ESMR.
- EPWA will organise the work to transfer the various provisions across on a policy stream basis, rather than doing it instrument by instrument. This project will review the PSSR related provisions within the relevant instruments and transfer those across to the ESMR. There will be other workstreams within EPWA to manage the transfer of other provisions into the ESMR.

Ms Gunn introduced Mott MacDonald as the appointed consultant to support this review. She noted that Merz are subcontracted to Mott MacDonald and that Jaden Williamson and Geoff Glazier from Merz will do the bulk of the work in stages 1 and 2 of the project, with Tyson Vaugh and Ed Chan from Mott MacDonald doing more of the work in stages 3 and 4.

Ms Gunn presented the stages of work for the review with reference to slides 5 to 13. She made the following key points:

- Mott MacDonald will start detailing the information needed to complete stage 1 into a spreadsheet containing all the PSSR related provisions and their governance arrangements from the various instruments that will be brought across to the ESMR.
- EPWA's expectation is that there will not be much PSSR related provisions that will come across to the ESMR as part of this review from the Metering Code, and that the bulk would come out of the NQRS Code and Technical Rules. However, all the provisions in each instrument will still be assessed to ensure nothing is



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missed. There will be another workstream to manage the transfer of the Metering Code provisions into the ESMR.

- Stage 2 will also need to consider emerging concepts such as power system resilience and whether these concepts need to be integrated into the new standard.
- Stage 3 will involve developing high level design proposals and will include recommendations for any transitional arrangements that might be required. This will be the first stage that involves public consultation.
- Given that the roles and responsibilities for managing PSSR standards are largely managed by AEMO and Western Power through their planning and operation processes, a Technical Working Group consisting of EPWA, AEMO and Western Power has also been established to provide input at each stage of this review.

Ms Gunn clarified the working group guiding principles with reference to slide 14 and emphasised the importance of focusing on issues within the scope of work.

Ms Gunn invited views and questions from the participants.

 Ms Varma asked if the intent of this review is solely to cover PSSR-related provisions within the relevant instruments, noting that the entirety of those instruments will be repealed over time.

Ms Gunn confirmed that only PSSR-related provisions will be moved across to the ESMR as part of this review. She added that there is further work to be done within EPWA to determine what other workstreams are needed to ensure that the transfer of all parts of each regulatory instrument is completed.

Ms Gunn noted that EPWA's expectation is that there will not be many PSSR-related provisions from the Metering Code to be moved across to the ESMR as part of this review, however the distinction between what is a PSSR provision and what is not will not always be clear-cut. As an example, she noted that achieving power system security requires meters to be reliable, accurate and secure, however the provisions of the Metering Code that set this out will not be included in this project. Instead, this project will proceed with the assumption that meters adhere to the established standard. She concluded that it will be up to EPWA, with the input of this group, to determine which provisions should be brought across as part of this project.

 Ms Varma noted that the DER team at EPWA is currently reviewing DER roles and responsibilities and enquired whether the PSSR Standards Review will be covering PSSR on the transmission network but not covering matters related to behind the meter installations.

Ms Gunn clarified that, at this stage, connection standards behind the meter will be out of scope for this review, but that this review would consider connection standards for facilities across the transmission and distribution network.

The Chair acknowledged the importance of not duplicating issues already covered by other projects. She clarified that the focus of this review is to establish a minimum security and reliability standard for both the transmission and distribution networks. She added that commercial arrangements will be out of scope for this review.

 Mr Peake asked whether consideration should be given to the price that customers are prepared to pay for reliability in order to set the standard and if residential customers and larger business should be separated if this was the case. He added that some work has been done in this area.

The Chair answered that pricing issues are currently out of scope for this review. She added that some high-level analysis must be conducted at a qualitive level regarding cost to consumers and input from members of the WA Expert Consumer Panel will be



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valuable. She noted that if issues arise that require economic analysis this can be considered in parallel with this project.

 Mr Owens emphasised the need to consider the power system as a whole and highlighted the material impact that DER aggregation has on power system security. He encouraged participants to adopt a long-term perspective regarding the potential role of DER in the power system.

The Chair acknowledged Mr Owens' point and noted that a comprehensive end-to-end standard, not differentiating between transmission and distribution, could be a possibility. She noted however that it was likely that specific provisions will be needed for distribution connected devices.

 Mr Schubert suggested incorporating learnings and recommendations from previous work related to reliability performance as part of stage 2 of this review and noted that the Independent Review of the Christmas 2021 Power Outages provided recommendations regarding reliability, which could be of value. He added that the ERA has undertaken substantial work in this area as part of Western Power's fifth Access Arrangement (AA5) process. He noted that reliability standards for groups of customers can impose significant costs, particularly in regional areas.

The Chair acknowledged Mr Schubert's point and noted that Western Power and the ERA are part of the group to assist with these discussions. She encouraged participants from the ERA and Western Power to share any past analyses that have been conducted but not made available in the public domain.

Mr Glazier pointed out that certain issues, like protection of electrical equipment from damage and protecting personal safety that are covered under Energy Safety legislation, will be excluded from this review since these matters do not constitute PSSR for the purposes of this project. He added that there are mechanisms in other markets to determine the cost and value of lost load or customer reliability that Mott MacDonald and Merz will review as part of this project.

The Chair clarified that health and safety related legislation issues are out of scope.

• Mr Cassidy noted that Western Power has been working on the Technical Rules and the changes that have been proposed address some new issues relating to security and reliability. He asked whether the intent for the PSSR Standards Review is to consider the work already undertaken by Western Power.

The Chair clarified that the modified Technical Rules will be the starting point for this project. She added that the scope of this review is system security and reliability within the South West Interconnected System (SWIS).

- Ms Varma noted that the ERA has commenced its review of Western Power's Technical Rules submission. She asked Mr Cassidy whether the intent is for the submission to be withdrawn, or if the ERA is expected to review the Technical Rules change request concurrently with this project.
- Mr Cassidy clarified that not all the proposed amendments in the Technical Rules Review would be within the scope for the PSSR Standards Review. He noted that if the PSSR related provisions are being moved to the ESMR there will still need to be a leftover part of that instrument that will need to be functional and maintained until it is repealed entirely.

Ms Gunn noted that another team within EPWA is currently working together with the ERA and Western Power to review and categorise the proposed changes to the Technical Rules.

• Ms Varma noted that some of the issues addressed by the proposed changes, such as power system quality and distribution level asset compliance, will remain



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issues while the PSSR project is underway. She requested a shared a view of how and when proposed changes to the Technical Rules would be progressed by the ERA.

The Chair clarified that whether the ERA review process will continue or not is not a subject for this group and hopefully at the next meeting there would be more clarity about the future of the Technical Rules submission.

Ms Gunn provided the link to the ERA website with the proposed amendments to the Technical Rules.

(<u>https://www.erawa.com.au/electricity/electricity-access/western-power-network/technical-rules/proposal-to-amend-western-powers-technical-rules-western-power-1-september-2023-tra7</u>).

- Mr Cassidy noted that supplementary documents provided with the Technical Rules submission provide more explanation of the proposed changes.
- Ms Varma and Mr Glazier both noted that the DER Bill introduces a range of new definitions, including of quality.
- Mr Cassidy responded that it is common globally to integrate security and quality of supply.

Mr Glazier noted that the initial assessment of the instruments will involve reviewing the various definitions related to PSSR and added that quality will be part of this assessment.

The Chair agreed with Mr Glazier's point and noted that reviewing definitions would be the first and most crucial part of the analysis.

 Ms Varma indicated that consideration also should be given to emerging issues such as DER compliance, without crossing over into safety issues, noting that behind the meter compliance and enforcement of standards will be crucial in the future.

The Chair acknowledged Ms Varma's view and noted the importance of not crossing over to health, safety and environmental legislation related issues.

Mr Glazier agreed with the Chair and noted that deciding where the boundary is will require discussion with the working group. He also noted that sometimes safety and power system security provisions can have tension between them.

The Chair clarified that it is EPWA's preference that the framework continues to set out that generators must stay on to ensure PSSR in certain situations unless that is inconsistent with other safety or environmental requirements.

 Ms Varma clarified that her comment was about ensuring that the standards that apply to DER help to achieve PSSR, for example settings that ensure rooftop PV can be actively involved in managing PSSR and this would involve some standards being applied.

The Chair agreed with this clarification.

The Chair noted that this project will also include a review of PSSR standards in other jurisdictions.

4 General Business

No general business was discussed.



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5 Next meeting

The participants discussed the date for the next working group meeting and tentatively agreed to hold the meeting on 1 February 2024.

The meeting closed at 10:34am