



Minutes

Meeting Title:	Pilbara Advisory Committee (PAC)
Date:	29 August 2024
Time:	9:30 AM – 11:30 AM
Location:	Online, via TEAMS

Attendees	Class	Comment
Sally McMahon	Chair	
James Campbell-Everden	Independent System Operator (ISO)	
Anthony Ravi	Registered Network Service Provider (NSP)	
Sandy Morgan	Registered NSP	
Momcilo Andric	Registered NSP	
Rebecca White	Excluded NSP	
Gabby Pracilio	Contestable Customer	
Rosh Ireland	Small-Use Consumer	
Rory Burn	Discretionary Rule Participant	
Kristian Myhre	Discretionary Rule Participant	
Lekshmi Jaya Mohan	Discretionary Rule Participant	
Melinda Anderson	ERA's Observer	
Dora Guzeleva	Minister Appointed Observer	Proxy

Also in Attendance	From	Comment
Thomas Marcinkowski	PAC Secretariat	
Tom Coates	PAC Secretariat	
Chris McKay	Presenter – Item 5	Attended Items 1 to 5.
Kathryn Barrie	Presenter – Item 5	Attended Items 1 to 5.
Matthew Bowen	Presenter – Item 5	

Also in Attendance	From	Comment
Tim Robinson	Presenter – Item 6	Attended Items 6 to 9.

Apologies	From	Comment
Neil Midolo	Excluded NSP	
Sandra McInnes	Contestable Customer	
Bethwyn Cowcher	Discretionary Rule Participant	
Noel Ryan	Minister Appointed Observer	

Item	Subject	Action
1	Welcome	
	<p>The Chair opened the meeting with an Acknowledgement of Country.</p> <p>The Chair noted that she had no conflicts to declare.</p> <p>The Chair noted the Competition Law Statement, reminding members of their obligations and encouraged them to bring to her attention any issues should they arise.</p> <p>The Chair reminded members that the meeting would be recorded for the purpose of developing the minutes.</p>	
2	Meeting Apologies/Attendance	
	<p>The Chair noted the attendance and apologies as listed above.</p> <p>The Chair introduced and welcomed Rosh Ireland, from the Expert Consumer Panel, who has been appointed to the PAC as a small use customer representative.</p>	
3	Minutes of Meeting 2024_06_20	
	<p>The Chair noted that the 20 June 2024 meeting minutes were approved out-of-session and published on the Coordinator’s website on 19 July 2024.</p>	
4	Action Items	
	<p>The Chair noted that the two action items in the register would be addressed during this meeting and closed, as an update of the Pilbara Energy Transition Plan is being provided in Item 5 and the detailed modelling papers were circulated as part of the meeting papers.</p>	
5	Update on EPWA’s Pilbara Energy Transformation Plan (PETP)	
	<p>The Chair welcomed Ms Barrie, Mr McKay, and Mr Bowen to provide an update to the PAC on EPWA’s PETP work program.</p> <p>Ms Barrie outlined the five PETP workstreams: electricity system modelling; Aboriginal participation; investment and Rewiring-the-Nation funding; land tenure and approvals; and regulatory evolution.</p>	

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	<p>Ms Barrie noted that the work program was founded on the Minister’s 2023 Pilbara roundtable series and emphasised that ‘Phase 2 of the Pilbara Roundtable’, launched in June 2024, will be the key forum for delivering the PETP.</p> <p>Mr McKay presented the objectives of the electricity system modelling, proposed scenarios and planned project timelines, referencing slides 6-8. He highlighted that the focus is on improving transmission planning, with the 2024 iteration examining two scenarios (high and low demand). He explained that a long-term capacity expansion model would be used, which differs from the dispatch modelling utilised in the EPNR Project.</p> <p>Mr McKay explained the two scenarios in more detail:</p> <ul style="list-style-type: none"> • The low-demand scenario focuses on inland electrification-driven demand/ • The high-demand scenario concentrates on coastal demand growth, driven by strategic industrial areas. <p>Mr McKay also noted that the AEMO ISP demand assumptions would be replaced with ‘bottom up’ demand profiles, with the goal of launching a public facing vision for the Pilbara electricity system by year-end.</p> <ul style="list-style-type: none"> • Ms White inquired about the interaction between the planned EOI process to identify priority projects for Commonwealth funding and the modelling vision’s timing. <p>Ms Barrie stated that the process and timeframes for selecting priority projects were being finalised within Government.</p> <p>Mr McKay added that this modelling is intended to be an annual exercise and will be useful for developing and informing advice to government. However, project identification and development would depend on offtake, not solely modelling.</p> <ul style="list-style-type: none"> • Ms White asked whether the PETP regulatory reform workstream will be progressed through the PAC or another process. <p>Ms Barrie explained that the regulatory reform included a review of the PNAC and the PNR. She indicated that the EPNR Project, reviewing the PNR, will be delivered through the PAC, while the PNAC review will be addressed separately. She assured the PAC that EPWA teams are coordinating their work, and that the PAC will receive ongoing updates.</p> <ul style="list-style-type: none"> • Mr Andric noted that similar slides (especially slide 10) were presented at the June 2024 Roundtable. He noted that Traditional Owners had emphasised early engagement with Traditional Owners before assets are defined. <p>Ms Barrie acknowledged this feedback and detailed the dedicated Aboriginal participation workstream, which involves a working group with Traditional Owners and the WA Government.</p> <ul style="list-style-type: none"> • Mr Burn asked whether there was a plan to announce a formal process for engaging with industry to identify and select priority projects, and achieve the outcomes listed on slide 10. <p>Mr McKay indicated that formal engagement would comply with the <i>Electricity Industry Act 2004</i> requirements, and noted that the</p>	

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	<p>Roundtable, working groups, and bilateral meetings are being utilised to expedite the work program.</p> <p>Ms Barrie added that a detailed plan is being finalised, subject to internal approvals.</p> <p>Ms Barrie provided an overview of the land tenure and approvals workstream, referencing slide 9. She noted that a specialist team in the Department of Lands, Planning and Heritage has been established to advise on the land corridors needed for new transmission infrastructure.</p> <p>Ms Barrie provided an update on the commercial and regulatory settings being considered as part of the regulatory review, referencing slides 14-17. She highlighted the roles of the Corridor Entity, Transmission Investment Vehicles (TIV) and an expanded ISO.</p> <ul style="list-style-type: none"> Members acknowledged the swift progress of the work program and inquired if EPWA would publish a paper to capture the ongoing work and stakeholder feedback. <p>Ms Barrie noted that EPWA was providing regular updates to stakeholders through the Roundtable, working groups, and bilateral discussions, but a paper is not currently planned. She agreed to consider the feedback.</p> <p>The Chair thanked the presenters and noted the PAC's interest, especially regarding any impacts on the PNR. She invited Ms Barrie to provide a further update at the next meeting on 5 December 2024.</p> <p>Ms Barrie accepted the invitation and encouraged Members to provide feedback on topics of interest for the next update.</p>	
	<p>ACTION: EPWA to provide a further update on the Pilbara Energy Transition Plan at the 5 December 2024 PAC meeting, focusing on topics of interest.</p>	<p>EPWA</p>

6 EPNR Project Update

Mr Robinson introduced the presentation slides noting that, since the last PAC meeting, the modelling has been finalised and work has begun on evolving the design and technical rules in the respective workstreams.

Mr Robinson explained that the project is in stage 3, focusing on how the Rules need to evolve for the future, with a Consultation Paper planned for December, and an Implementation Plan early next year.

Mr Robinson highlighted that the modelling outputs have been finalised, with detailed results provided in Appendix A of the meeting pack. He noted the final results confirm the high-level findings previously presented (referencing slide 5-6).

Mr Robinson noted that the working group has finalised a list of initiatives that represent the necessary areas to address in the PNR moving forward. He added that a one-page description of each initiative is included in Appendix B of the meeting pack.

Mr Robinson summarised the working group's discussion and feedback on the prioritisation of initiatives, as well as initial discussions on the

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	<p>reliability standard and centralised balancing initiatives (referencing slides 8-12).</p> <ul style="list-style-type: none"> Mr Burn sought clarification on the update about central capacity forecasting and certification (slide 12). He noted that, while the working group accepted that central capacity forecasting as an option, the discussion on certification remain open. <p>Ms Guzeleva agreed, reiterating that there was acceptance that central capacity forecasting is a natural evolution of existing arrangements. She confirmed that central certification and self-certification are both options.</p> <ul style="list-style-type: none"> Mr Burn agreed, noting that whether centralised certification is the most cost-effective option compared to self-certification is still an open question. Ms Morgan emphasised the interrelation between this review and EPWA's broader work program, emphasising the need to consider everything holistically. Mr Andric stressed the importance of load shedding arrangements for power system security and reliability, advocating for it to be a priority discussion. Ms White inquired why ringfencing was considered a lower priority than other governance issues, noting that many governance issues are interrelated. <p>Ms Guzeleva acknowledged that this prioritisation may be misleading, and that the prioritisation reflected that EPWA's review of the PNAC should consider ringfencing first, ahead of this project.</p> <ul style="list-style-type: none"> Ms Jaya Mohan Lekshmi asked for an update on the working group's discussion about determining the reliability contribution of intermittent generators using a probabilistic method. <p>Mr Robinson responded that EPWA had indicated potential mechanisms for assessing capacity contribution to reliability. He noted that, while there wasn't extensive discussion on these initial ideas, more detailed proposals will be presented at the next working group meeting.</p> <p>Mr Robinson then provided an update on the review of governance arrangements (slides 14-16), highlighting the typical evolution of electricity systems from vertical integration to industry self-governance and eventually independent facilitation.</p> <p>Mr Robinson noted that the working group was presented with options to amend the ISO board composition to strengthen the independence of the ISO. These options included requiring the majority, or all, of the directors to be independent.</p> <p>Ms Guzeleva noted that the working group did not comment on these options. She acknowledged the sensitivity of the topic and invited members to provide feedback to EPWA offline. She also added that EPWA will continue to share meeting materials with the ACCC to keep them informed of developments.</p> <p>Mr Robinson updated the PAC on the HTR meetings held on 11 July and 28 August, referencing slide 19. He reported that the workstream was</p>	

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	<p>progressing really well by developing analysis of issues and preparing options for the identified initiatives, with the aim of presenting proposals on most, if not all, initiatives at its next meeting on 10 October.</p> <p>Mr Robinson highlighted that a key outcome from these meetings is the intent for the HTR to provide a single, end-to-end set of standards defining an ‘automatic standard’ that guarantees access to covered networks for access seekers if met.</p> <p>Mr Robinson reported working group consensus that, while the HTR should ideally specify a ‘minimum acceptable standard’ (in addition to automatic standards), this would require further analysis and studies beyond the current project.</p> <ul style="list-style-type: none"> • Ms Morgan asked the project team to consider how planning standards set by individual NSPs will interact with the automatic technical standards and noted that dispute resolution is already available under the PNAC. • Ms Morgan also asked whether system strength is included in the HTR workstream. <p>Ms Guzeleva confirmed that system strength will be specifically addressed in the HTR workstream.</p> <p>Ms Guzeleva concluded by acknowledged the contributions of the working group, particularly of the HTR issue leads, for progressing the analysis and proposals. She emphasised that the working group has a critical role in developing a robust Draft Consultation Paper, which will be presented to the PAC at the next meeting.</p>	
7	<p>Pre-development of Rule Change Proposal consultation: Deferral of long-term planning requirements</p> <p>The Chair introduced the item, noting that the PAC is being requested to provide feedback before the potential development of a Rule Change Proposal by the ISO.</p> <p>Mr Campbell-Everden outlined the ISO’s obligations under Chapter 10 of the PNR, including the requirement to publish initial reports by 30 June 2025 (referencing details in the Agenda Paper).</p> <p>Mr Campbell-Everden explained that the ISO has allocation of \$500,000 - \$600,000 to complete this work, and that there could be a duplication of effort and overlap with EPWA’s planned work program. He suggested that deferring the initial reports by one year could bring benefits and efficiencies.</p> <ul style="list-style-type: none"> • Ms Morgan asked for clarification regarding information provided in the Agenda Paper (referencing a table on page 5, paragraph b of the GenSOO) and whether EPWA’s work program would overlap with this aspect of the GenSOO. <p>Mr Campbell-Everden confirmed that he did not believe the EPWA work program would cover this aspect of the GenSOO, as indicated in the table. He acknowledged that there may be a gap for some participants and welcomed members’ feedback.</p>	

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	<p>The Chair asked Members to indicate their support. Consensus approval was noted, with no objections, allowing the ISO to consider developing a Rule Change Proposal.</p>	
<p>8</p>	<p>Pre-development of Rule Change Proposal consultation: Review of PNR Subchapters 7.3 and 7.4</p> <p>The Chair introduced that this item is also for consultation before the potential development of a Rule Change Proposal by the ISO.</p> <p>Mr Campbell-Everden referred to the ISO’s Issue Paper for the Review of the PNR Subchapters 7.3 and 7.4, which identified 26 issues. He clarified that not all of these issues were expected to be progressed but that the paper aimed to prompt discussion. He noted that, pending PAC feedback, the ISO may develop a Rule Change Proposal to implement any recommendations from its Final Decision.</p> <p>Mr Campbell-Everden mentioned that the ISO had met with stakeholders individually to discuss the Issues Paper and that a Draft Decision, initially expected in August, would be published soon. He invited stakeholders to participate in the consultation process.</p> <ul style="list-style-type: none"> • Mr Burn requested that the ISO allow 20 business days after the Draft Decision’s publication for stakeholders to provide feedback. <p>Mr Campbell-Everden agreed to this timeline.</p> <p>The Chair requested Members to indicate their support. Consensus approval was noted, with no objections, for the ISO to proceed with developing a Rule Change Proposal.</p>	
<p>9</p>	<p>General Business</p> <p>The Chair informed members that she would be unable to attend the September Pilbara Round Table meeting due to a scheduling conflict.</p> <p>The Chair reiterated the request for members to provide feedback to her or the Secretariat, to refine the December meeting update on the PETP.</p> <p>Ms Morgan requested that, given the heavy workload over the next six month, components of the December papers be circulated as early as possible.</p> <p>Ms Guzeleva outlined the timeline challenges, particularly with involvement from working groups, but agreed that, if feasible, the Secretariat would try to circulate papers for the next meeting early.</p> <p>The Chair reiterated the difficulty in circulating papers further ahead of the existing timelines, but agreed to explore options for the next meeting. She noted that, if possible, the Secretariat would provide clear guidance to help members navigate voluminous meeting materials efficiently.</p>	

The meeting closed at 11:10 am.