

Newsletter – Issue 1 – July 2019

# A Brighter Energy Future



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# Welcome from the Chair of the Energy Transformation Taskforce

Welcome to the first issue of *A Brighter Energy Future* – the monthly newsletter of the Energy Transformation Taskforce.

Since the Hon Bill Johnston MLA, Minister for Energy announced the establishment of the Taskforce on 20 May 2019, both the Taskforce and the Energy Transformation Implementation Unit within the Department of Treasury have been working hard to finalise the governance arrangements and project plans to ensure the delivery of the Western Australian Government's Energy Transformation Strategy by June 2021.

I have been encouraged to see Government's level of commitment to implement the much-needed changes to our power system outlined in the Energy Transformation Strategy.

I have been equally encouraged by the level of interest shown by the energy sector in participating in the delivery of our ambitious work program.

It is important for the Taskforce to hear about the challenges and opportunities our power system is facing first hand, from those who actively participate in our electricity system.

For this reason, over the past two months, one-on-one engagement with industry and government stakeholders has been a top priority for both Kate Ryan, Program Director, Energy Transformation and me. Ongoing communication and engagement with stakeholders will be essential in ensuring the successful delivery of the Strategy.

As advised at our first stakeholder information session on 28 May 2019, we have established our two key strategic consultation groups. These are the Program Implementation Coordination Group with our delivery partners the Australian Energy Market Operator and Western Power, and the Strategic Consultative Group with a broad representation of industry stakeholders. Both stakeholder groups will provide valuable strategic input to the work of the Taskforce and the Implementation Unit. The first meetings of these groups are scheduled for July and August respectively.

I hope this newsletter will be important in delivering on our commitment to keep you informed of our progress in implementing the Strategy. It will also provide you with advice on upcoming events and consultation processes.

I look forward to continuing to work with all stakeholders to achieve a brighter energy future for Western Australia.

Stephen Edwell Chair Energy Transformation Taskforce





Pictured from left to right: Ms Katharine McKenzie (Taskforce Member), Mr Zaeen Khan (Taskforce Member), Mr Brett Sadler (Taskforce Member), Mr Stephen Edwell (Independent Chair), the Hon Bill Johnston MLA, Minister for Energy, Mr Michael Court (Taskforce Member) and Ms Kate Ryan (Program Director, Energy Transformation)

### **Energy Transformation Taskforce meetings**

Since its establishment on 20 May 2019, the Energy Transformation Taskforce has held two formal meetings and one informal meeting.

### Meeting 1, 2019 Held on 23 May 2019

The Taskforce invited the Minister for Energy to its inaugural meeting. In his address to the Taskforce, the Minister noted Government's commitment to the Energy Transformation Strategy. He also outlined his expectation that the work of the Taskforce will be output focused, and that the Taskforce will effectively engage with stakeholders in delivering the Strategy.

At this meeting, the Taskforce endorsed its governance protocols, which provide the framework in which the Independent Chair, Taskforce and Implementation Unit will operate.

The Taskforce also agreed a high-level stakeholder engagement plan, including the establishment of the Program Implementation Coordination Group, and broadened focus of the existing Strategic Consultative Group.

#### Meeting 2, 2019 Held on 19 June 2019

At its second meeting, the Taskforce endorsed project plans for each of the three work streams established to deliver the Energy Transformation Strategy – Whole of System Planning, Foundation Regulatory Frameworks and Distributed Energy Resources.

The Taskforce will make a whole-of-program plan available on the Department of Treasury website this month. The plan will outline the timelines for the delivery of key project milestones and opportunities for stakeholder input.

### Informal Meeting Held on 1 July 2019

The Taskforce held an informal meeting to discuss the proposed electricity demand scenarios to be modelled for the inaugural Whole of System Plan, in preparation for the Industry Forum scheduled for 12 July.

## The Taskforce is scheduled to hold its next meeting on 26 July 2019.



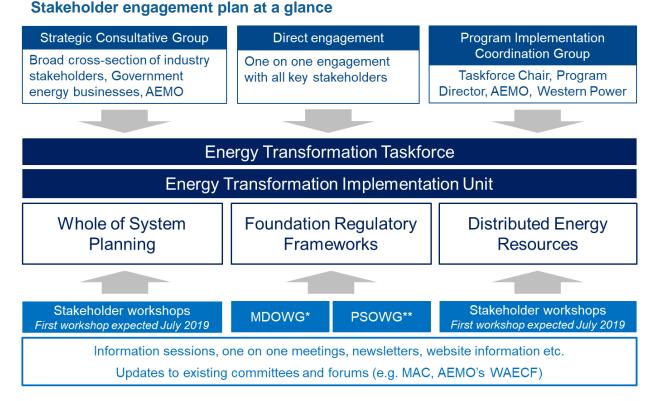


### Stakeholder engagement

The Energy Transformation Taskforce and the Implementation Unit are committed to adopting a transparent, structured and targeted approach to stakeholder consultation. This is intended to provide meaningful opportunities for input, while recognising the tight timeframes within which the Strategy must be delivered.

Achieving project outcomes after appropriate consultation is only part of the process. Effective communication will also be essential to keep stakeholders informed of progress. The main channels of engagement with stakeholders will be formal, senior level working and consultation groups; work stream level working groups; presentations to stakeholder groups established by other organisations; regular public and targeted workshops and briefing sessions; one-on-one meetings; the publication of information on the Department of Treasury website; email communications; and the Taskforce's monthly newsletter.

On occasion, public consultation papers and exposure drafts will be published for written consultation.



\* Market Design and Operation Working Group \*\* Power System Operation Working Group



### Whole of System Plan – Industry forum

The Energy Transformation Taskforce will deliver the inaugural Whole of System Plan for the South West Interconnected System by mid-2020.

#### **Purpose of the Plan**

The objectives of the Whole of System Plan are to assist in maintaining power system security and reliability; prevent inefficient investment in electricity infrastructure; assist in the integration of large and small-scale renewable generation and energy storage; and inform the development of policy, market and regulatory arrangements.

Drawing from the expertise of the Australian Energy Market Operator and Western Power (as well as that of independent experts) and informed by energy industry stakeholders, the Whole of System Plan will present a forecast of electricity consumption in the SWIS.

This forecast will be used to determine the electricity sector reform pathway that will facilitate the most efficient and effective production, transportation, usage and pricing of electricity in the south west of the State over the next 10 to 20 years.

#### **Project delivery stages**

The project will be delivered in four phases.

Phase 1 – Develop and agree scenarios

*Phase 2* – Deliver forecasts, technical assessment and modelling

*Phase 3* – Develop capacity/network recommendations and investment plan *Phase 4* – Deliver Whole of System Plan

#### Industry forum

On 12 July 2019, Implementation Unit will host an industry forum in partnership with Western Power and the Australian Energy Market Operator.

At the forum, attendees will be provided with further information on the process and methodology to be followed in delivering the Whole of System Plan.

Stakeholder feedback will be sought on the proposed scenarios, inputs and assumptions.

Details of the industry forum are as follows.

- Date: Friday, 12 July 2019
- Time: 9.30 am to 12.30 pm
- Venue: Gordon Stephenson House Exhibition Hall 140 William Street Perth WA 6000

Please visit the Department of Treasury website to register your attendance.

http://www.treasury.wa.gov.au/Energy-Transformation/Consultation/

