



A Brighter Energy Future

Newsletter
Issue 7 – May 2020

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Update from the Chair of the Energy Transformation Taskforce



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Welcome to issue seven of *A Brighter Energy Future* for 2020.

Happy Anniversary!

This week the Energy Transformation Taskforce marked its first anniversary. We've now reached the half-way mark in our role to deliver the Western Australia's Government's Energy Transformation Strategy, to ensure cleaner, more reliable and affordable electricity for Western Australian households and business for years to come.

We are on track to deliver each of our three ambitious workstreams:

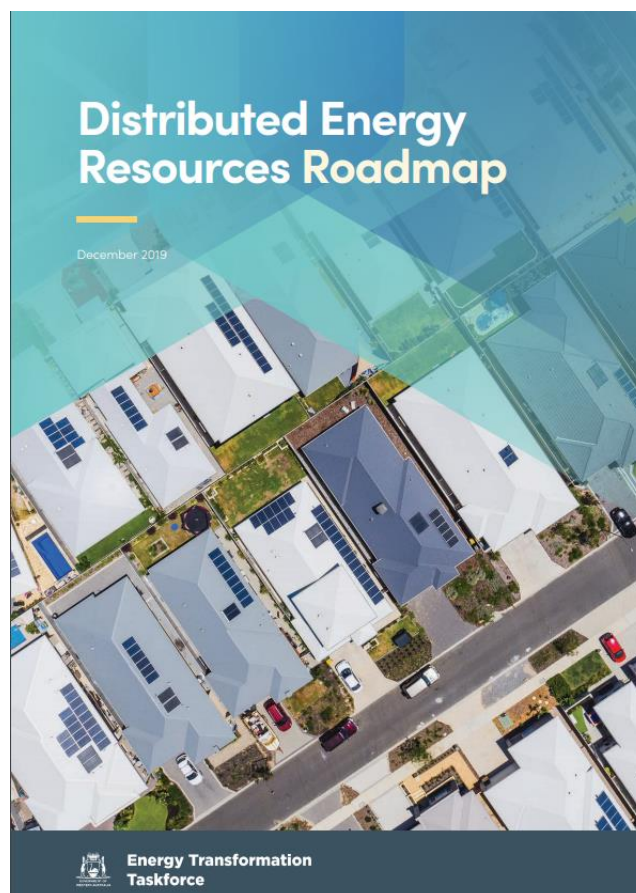
- The design of our new Wholesale Electricity Market (WEM) arrangements is almost complete, and we're moving into a phase of intensive consultation on draft Amending Rules
- The Taskforce's Distributed Energy Resources (DER) Roadmap – an Australian first – was released last month
- Consultation has commenced on the first major package of changes to the Electricity Networks Access Code (Access Code) since it was made in 2004
- Modelling for the Whole of System Plan (WOSP) is also well-advanced, with consultation on draft findings to occur in the coming months


Thank you to my fellow Taskforce members for your continued hard work – Michael Court, Brett Sadler, Katharine McKenzie and Kate Ryan.

Thank you also to the team in the Energy Transformation Implementation Unit (ETIU) and our program partners, the Australian Energy Market Operator and Western Power for the tremendous effort so far, and to all of our stakeholders who continue to generously share their time and knowledge with us, to ensure we deliver the best outcomes possible.

DER Roadmap launch welcomed

The Taskforce has achieved a significant milestone since the last issue of *A Brighter Energy Future* with the release of the *Distributed Energy Resources Roadmap*.





The DER Roadmap was released by the Minister for Energy on 4 April 2020. An industry forum was hosted by the Minister and the Taskforce on 9 April, and with over 200 people tuning in, it was a popular event.

I am pleased to report that the Roadmap has been very well received both in Western Australia and in the eastern States. We have undertaken over 20 briefings, including to other jurisdictions.

Supporting the Roadmap document, we also launched the [Brighter Energy Future website](#), which provides information for energy consumers on the challenges and opportunities of DER, including a short video.

The hard work now starts in implementing the 36 actions within the Roadmap. We have been making good progress, particularly for those actions that will help us avoid the clear and present challenge.

Work is underway with partner agencies and Standards Australia to uplift the ability of inverters to support the grid and the installation of additional PowerBanks is progressing well. The Taskforce has also approved an approach to implementing a DER Register for the SWIS, which will significantly improve visibility of DER for the system operator.

Planning for our DER Orchestration Pilot, *Project Symphony*, which is unique in providing an end-to-end test of DER integration and participation, is progressing with an application to ARENA for project funding pending.

Tariff pilots remain an important tool for testing fairer tariff structures that provide better price signals to households and encourage daytime consumption and investment in batteries. However, with households currently being impacted by COVID-19, the pilots are being delayed.

Public consultation on Access Code changes

Proposed changes to the Access Code were released for public comment on 14 May 2020. These changes build on the recommendations from the DER Roadmap and are a step towards our 2025 vision for the SWIS – a future where DER is integral to a safe, reliable and efficient electricity system, and where the full capabilities of DER can provide benefits and value to all customers. The changes also support the implementation of new market arrangements and reflect the important role to be played by Western Power in helping AEMO in its operation of an increasingly constrained network.


The Access Code was developed in 2004, in a very different era for electricity, with almost no solar PV in the system.

The Taskforce is taking action to ensure that the Access Code not only takes account of today's technologies, but also incentivises innovation to harness tomorrow's advances.

Through these changes, we are seeking to provide increased opportunities for DER innovators to provide services to Western Power and receive revenue for doing so where it provides best value outcomes to electricity consumers. Western Power's Technical Rules, which govern the connection of DER, will also be opened-up to proposed changes by any party from early 2021.

We are proposing a suite of measures to provide greater transparency around the opportunities available to ensure that DER gets an equal seat at the table when it comes to Western Power considering network augmentation and support.

Changes are needed across the three workstreams of the Energy Transformation Strategy, and together these changes seek to increase opportunities for new technologies and maximise utilisation of the Western Power network.



In addition to amendments driven by the Strategy, we are also taking the opportunity to tinker with the access arrangement process to make it more streamlined and provide greater regulatory certainty.

There will be considerable engagement with industry on these proposed changes. Around 150 participants joined our virtual Industry Forum earlier this week. I encourage you to review the Consultation Paper and provide your feedback to the ETIU.

I am pleased that the Taskforce is helping Government progress the largest package of amendments to the Access Code since its inception in 2004.

Whole of System Plan

The WOSP team has been running the market dispatch model and testing the commercial viability of the outcomes of the least-cost resource mix determined through the first stage of the modelling – the Resource Planning model.

These preliminary modelling outcomes will begin to be shared with stakeholders over the next month or two to help refine and inform further iterations between the WOSP models, and determine the final investment plan to be included in our WOSP report.

An Industry Forum is being planned for early in the 3rd quarter of 2020.

Other updates

As reported in the last issue of *A Brighter Energy Future*, the Delivering the Future Power System project is entering an exciting new phase. The Taskforce's detailed redesign of the WEM is now substantively complete.

The Taskforce is now developing amending WEM Rules, Market Procedures, and subsidiary legislation (such as the Access Code) to give effect to this New Market design.

In addition to our existing working groups, the Taskforce has established a WEM Reform Implementation Group (WRIG) to develop a detailed Joint Implementation Plan for AEMO, Western Power, and Market Participants to guide the implementation of the new market arrangements. The Taskforce held its first and second meetings of the WRIG on 17 March and 7 May 2020.

The WRIG will be a vital forum for enabling AEMO, the industry, and government to plan for the coordinated and progressive implementation of new market arrangements by 1 October 2022.

For more information regarding the WRIG or to register your interest, please contact Aden Barker, Project Director, Future Power System Delivery, on (08) 6551 4692 or email energytransformation@energy.wa.gov.au.

Work is also continuing on the Network Access Quantity framework. The final design of the framework will be considered by the Taskforce in mid-2020.

Also related to the implementation of constrained network access, work is progressing to identify necessary amendments to Western Power's connection and access instruments such as the Applications and Queuing Policy and the standard access contract. Consultation with industry on this aspect of the new constrained access framework is expected to commence in July 2020.

I look forward to continuing working with all our stakeholders as we enter into our second and final year of delivering the State Government's Energy Transformation Strategy.

A handwritten signature in blue ink, appearing to read 'Stephen Edwell', is displayed on a white background.

Stephen Edwell

Chair

Energy Transformation Taskforce

Energy Transformation Taskforce meetings



The Taskforce has held three formal meetings since the publication of the sixth issue of *A Brighter Energy Future*.

Meeting 3, 2020
Held on 27 March 2020

Meeting 4, 2020
Held on 24 April 2020

Meeting 5, 2020
Held on 22 May 2020

DER Roadmap

The Taskforce approved the proposed amendments for DER Roadmap implementation, relating to conferral of functions upon AEMO and the establishment of a register of DER devices in the SWIS and authorised further consultation with the sector on the draft amendments.

Improving Access to the Western Power Network

The Taskforce endorsed the key design parameters of the Network Access Quantity framework.

The Taskforce approved the high level design of the framework for certifying energy storage facilities under the Reserve Capacity Mechanism.

Delivering the Future Power System

In a very busy period for the Delivering the Future Power System workstream, the Taskforce approved the design of:

- the outage management, operating states and contingency events frameworks to be implemented in the new WEM;
- a new framework for registration and participation in the WEM, to accommodate more technologies providing services in more elements of the WEM;
- the Supplementary Mechanism for procuring Essential System Services;
- enhancements to the compliance and monitoring framework for the WEM; and
- the implementation of performance standards for large generators through the WEM Rules.

The Taskforce also approved proposed amendments to the WEM Rules, for submission to the Minister for Energy, relating to:

- the governance of constraint equations for the new security-constrained market design; and
- AEMO's amended role in a Technical Rules change management.

These Taskforce decisions were informed by consultation with stakeholders through one-on-one meetings as well as meetings of the Transformation Design and Operation Working Group on 12 February, 10 March, and 6 and 29 April 2020.



Whole of Program

The Taskforce also endorsed, for submission to the Minister for Energy, a package of proposed changes to the Access Code. Consultation on the changes has subsequently been approved by the Minister.

The Taskforce is scheduled to hold its next formal meeting (Meeting 6, 2020) on 19 June 2020.

Upcoming events



Date	Event
9 June 2020	TDOWG Meeting 13
10 June 2020	Program Implementation Coordination Group Meeting 5, 2020
19 June 2020	Taskforce Meeting 6, 2020
July 2020	Publication of issue 8 of <i>A Brighter Energy Future</i>
Ongoing	Stakeholder Engagement – Whole of Program Project working group meetings 1:1 (virtual) conversations