

## Minutes

<b>Meeting Title:</b>	RC_2013_15: Outage Planning Phase 2 – Outage Process Refinements - Drafting Review Workshop
<b>Date:</b>	10 June 2019
<b>Time:</b>	9:30 AM – 12:15 PM
<b>Location:</b>	Training Room 2, Albert Facey House 469 Wellington Street, Perth

<b>Attendees</b>	<b>Class</b>	<b>Comment</b>
Jenny Laidlaw	RCP Support	
Stephen Eliot	RCP Support	
Natalie Robins	RCP Support	
Jake Flynn	Economic Regulation Authority ( <b>ERA</b> )	
Brad Huppatz	Synergy	
Winston Cheng	AEMO	
Matthew Fairclough	AEMO	
Clayton James	AEMO	
Jas Bhandal	AEMO	
Jacinda Papps	Alinta Energy	
Adam Stephen	Alinta Energy	
Sam Lei	Alinta Energy	
Paul Arias	Bluewaters Power	
Dimitri Lorenzo	Bluewaters Power	
Kei Sukmadjaja	Western Power	To 11:10 AM
Dean Frost	Western Power	To 11:10 AM

<b>Clause/Term</b>	<b>Comments/Suggestions</b>
2.34.4	Mrs Jacinda Papps suggested that “the capability of a Registered Facility” in clause 2.34.4 might need to be modified to “the capacity or capability of a Registered Facility”.
3.18.1A	Ms Jenny Laidlaw sought the views of attendees on whether the proposed materiality threshold should be based on the Sent Out Capacity of the Facility instead of its nameplate capacity.

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	<p>Mr Sam Lei noted that the Sent Out Capacity of a Non-Scheduled Generator can be materially lower than its nameplate capacity (e.g. if a hybrid Non-Scheduled Generator has 150 MW of wind capacity, 50 MW of solar capacity and a Declared Sent Out Capacity (<b>DSOC</b>) of 150 MW. Mr Lei questioned whether the Market Generator should be required to report an outage if the solar capacity was unavailable).</p> <p>Mr Clayton James noted that an understanding of the availability of the different components of a hybrid Facility would support more accurate forecasting of the likely output of the Facility. Ms Laidlaw agreed that more detailed information would need to be provided if central forecasting of Non-Scheduled Generator output was to be implemented in future, but noted this was not the case currently and that it appeared the Energy Transformation Implementation Unit (<b>ETIU</b>) had not yet decided on the future arrangements.</p> <p>Mr Adam Stephen noted that the physical capacity of Non-Scheduled Generators may decline over time so they may not remain capable of generating to their nameplate capacity levels.</p> <p>Ms Laidlaw suggested arranging a separate meeting with Alinta to discuss the treatment of outages for a Non-Scheduled Generator with a nameplate capacity greater than its DSOC.</p> <p><b>Action: RCP Support to meet with Alinta to discuss the treatment of outages for a Non-Scheduled Generator with a nameplate capacity greater than its DSOC.</b></p>
3.18.1B	<p>Mr Stephen considered that the meaning of ‘capacity or capability’ should be clarified. There was some discussion about outages that relate to services other than the provision of energy (e.g. the services provided by network equipment, and Ancillary Services like System Restart that are provided under Ancillary Service Contracts).</p> <p>There was also discussion about Facilities that provide two distinct services (e.g. energy and System Restart), including:</p> <ul style="list-style-type: none"> <li>• whether the use of ‘0 MW’ outages was the most expedient way to report outages of the Ancillary Service capability;</li> <li>• whether there was any need to specify multiple Outage Facilities, one for each service provided; and</li> <li>• the use of 0 MW outages to report the unavailability of one fuel for dual-fuel Facilities and the Reserve Capacity Testing implications.</li> </ul> <p>Mr James and Mr Matthew Fairclough considered that 0 MW outages were likely to be the most expedient means of reporting outages of Ancillary Service capability and situations where a dual-fuel generator was unable to run on one of its fuels. Ms Laidlaw agreed to consider what additional prescription or clarification was needed in the drafting.</p>
3.18.1C	<p>Mrs Papps suggested that the term ‘maintenance’ be defined in the Glossary rather than in a clause. Ms Laidlaw agreed to investigate where ‘maintenance’ was used in the Market Rules and the implications of introducing a defined term ‘Maintenance’.</p>

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	<p>In response to a question from Mr Stephen, Ms Laidlaw confirmed that the drafting was not intended to imply that a Commissioning Test could only be taken under a Planned Outage.</p> <p>Mr Jake Flynn noted that Facility upgrades may not always be “reasonably considered to be required in accordance with good electricity industry practice”. Ms Laidlaw agreed that the clause may need to be restructured to ensure that discretionary Facility upgrades were not unintentionally excluded from the definition of maintenance.</p>
3.18.2(c)	<p>Ms Laidlaw noted that the Market Rules currently allow the registration of a Non-Scheduled Generator that is not an Intermittent Generator, and that the drafting of proposed clauses 3.18.2(c)(ii) and (iii) may require further amendment to account for such Facilities.</p>
3.18.2(f)	<p>Mr Flynn suggested that the clause could be simplified without loss of meaning by removing “. Outages must be scheduled”.</p>
3.18.2A(h), 3.18.9A and 3.19.2E	<p>Ms Laidlaw noted that prohibiting the changes listed in clauses 3.18.2A(h), 3.18.9A and 3.19.2E could materially simplify the drafting of the outage rules, but would require Rule Participants wishing to amend their outages in this way to either:</p> <ul style="list-style-type: none"> <li>• submit an additional request/notification for the additional period or quantity of de-rating; or</li> <li>• withdraw the original request/notification and submit a new one.</li> </ul> <p>Attendees raised no concerns about amending the three clauses to prohibit changes of this type to Planned Outage requests and notifications.</p>
3.18.3(d)	<p>Mr Flynn suggested that the clause be modified to explicitly require System Management to publish an updated Equipment List on the Market Web Site in the specified circumstances.</p>
3.18.4(b)	<p>In response to a question from Mrs Papps, Ms Laidlaw noted that the Rule Change Panel had decided not to change references to System Management to references to AEMO as part of this Rule Change Proposal, following legal advice that cautioned against making such changes in a piecemeal manner.</p> <p>Mrs Papps questioned whether the clause reference in clause 3.18.4(b) should be to clause 3.18.15(g) (which requires System Management to schedule an Outage Plan if directed to by the ERA) rather than clause 3.18.15(f) (the clause that permits the ERA to provide such a direction).</p>
3.18.6A	<p>Mr Flynn suggested removing the words “be possible to” to avoid potential confusion while retaining the meaning of the clause. Mr Flynn agreed with Ms Laidlaw that another option would be to replace “that it will not be possible to” with “that it will (or would) not be able to”.</p>
3.18.9C	<p>Mr James and Mr Fairclough noted that AEMO was still considering this clause; and had some concerns about how it would monitor compliance</p>

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	<p>with the clause and whether it needed to be informed once the proposed maintenance could no longer be brought forward.</p> <p>Ms Laidlaw noted two other options:</p> <ul style="list-style-type: none"> <li>• removing the proposed exemption and requiring the Market Participant to advise System Management when the outage became availability-challenged; or</li> <li>• requiring the Market Participant to include relevant details about the time-sensitive nature of the maintenance in its Outage Plan.</li> </ul>
3.18.10A	<p>Mr Stephen and Mrs Papps raised concerns about the inclusion of “or ought to be aware” in the clause and questioned how System Management ought to be aware of something when assessing an outage request. Ms Laidlaw reiterated that the clause placed no new obligations on System Management to undertake additional proactive monitoring of Outage Facilities, and that “ought to be aware in the circumstances” was intended to prevent wilful blindness on System Management’s part, consistent with the corresponding drafting for Market Participants and Network Operators.</p> <p>Mr Fairclough advised that AEMO’s concern was that the inclusion of “or ought to be aware in the circumstances” would force AEMO to undertake additional proactive actions and investigations to allow it to be sure it was complying with the obligation. There was some discussion about AEMO’s interpretation of the obligation, whether the intent of the obligation was already covered by other provisions in the Market Rules, the existence of similar obligations on AEMO under other regulatory instruments (such as the Gas Retail Market Procedures) and the circumstances under which the ERA was likely to investigate AEMO for a breach of the clause.</p> <p>Ms Laidlaw reiterated that AEMO was welcome to suggest additional wording to clarify the meaning of the clause and avoid any perverse interpretation of the obligation. Ms Laidlaw suggested that early discussion with AEMO’s auditors might assist with this process.</p>
3.18.11(b)	Mr Stephen suggested that “or capability” should be included after “capacity” for consistency with other clauses.
3.19.2(b)(ii)	Mr Stephen suggested replacing the word “will” with “does”.
3.19.2(b)(iii)	Mr Stephen suggested that the word “outage” in “Opportunistic Maintenance outage period” was redundant and should be removed.
3.19.2C	In response to a question from Mrs Papps, Ms Laidlaw advised that the Rule Change Panel had suggested clause 3.19.2C as a candidate for classification as a civil penalty provision because the corresponding clause for Scheduled Outages was already a civil penalty provision; and because failing to promptly withdraw an Opportunistic Maintenance request prevented the outage slot from being used by another Market Generator and reduced the accuracy of the Forecast BMO.

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	<p>Ms Laidlaw noted that RCP Support would forward any comments about civil penalties received in submissions to the PUO for consideration.</p> <p>Ms Laidlaw noted that clauses had generally been identified as candidate civil penalty provisions because a failure to comply with the clause could have adverse impacts on market outcomes or other Rule Participants.</p>
3.19.2H	<p>Mr Fairclough noted that clause 3.19.2H(c) could be interpreted to mean that the Market Generator could start its maintenance work as soon as the request was approved.</p> <p>Mr Fairclough noted clause 3.21.1 stated that a Forced Outage was maintenance that was not approved by System Management and suggested that the clause may need revision to account for Planned Outages of the type contemplated in clause 3.19.2H.</p>
3.19.4A	<p>Several attendees suggested that the words “for the purposes of the Market Rules” were not required and should be removed from the proposed clause.</p>
3.19.12(a)	<p>Ms Laidlaw noted that the proposed insertion of the words “under clause 3.19.5” in clause 3.19.12(a) would restrict compensation for the late rejection of an Outage Plan to Outage Plans that have been approved (rather than just scheduled) by System Management. The Rule Change Proposal does not provide the reasons for the proposed change.</p> <p>Mr James considered that most Scheduled Outages would be approved or rejected before the 48-hour deadline for compensation, but agreed this might not always be the case given the proposed deadline for approval decisions on Scheduled Outages was 2:00 PM on TD-2.</p>
3.20.1	<p>Mr Stephen suggested including “a” before “High Risk Operating State”.</p>
7A.2.8A	<p>Ms Laidlaw questioned whether clause 7A.2.8A(a) was redundant given that the requirement to report capacity subject to an approved Planned Outage as unavailable in Balancing Submissions was covered by other clauses. Mr Paul Arias asked how the clause affected Facilities that returned from a Planned Outage earlier than expected. Ms Laidlaw replied that the intention was for a Market Participant to update its outage end time in SMMITS before updating its Balancing Submissions, so that the Facilities were not participating in the Balancing Market while under a Planned Outage; and that there may be benefit in leaving the clause as drafted if it helps to clarify that requirement.</p> <p>Mrs Papps noted that civil penalty payments for breaches of the surrounding clauses (7A.2.8 and 7A.2.9) were distributed to Market Participants.</p>
7A.2A	<p>Mrs Papps suggested that the title of section 7A.2A (currently “Unavailable Capacity in a Balancing Submission”) was potentially</p>

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	misleading and suggested a change to something like “Accounting for Unavailable Capacity in a Balancing Submission”.
7A.2A.3 and 7A.2A.4	Ms Laidlaw noted that clauses 7A.2A.3 and 7A.2A.4 could be removed in future by the Rule Change Proposal RC_2014_03: Administrative Improvements to the Outage Process and replaced with an expanded list of criteria for a Consequential Outage.

**The workshop ended at 12:15 PM.**