



22 November 2021

Our Ref: CWF-20211122

Ms Kate Ryan
Coordinator of Energy
Energy Policy WA
Level 1, 66 St Georges Terrace
PERTH WA 6000

Via email: energymarkets@energy.wa.gov.au

Dear Ms Ryan

RE: SUBMISSION TO TRANCHE FIVE AMENDING WEM RULES

Thank you for the opportunity to comment on the tranche five amending Wholesale Electricity Market (WEM) Rules.

Collgar makes the following high-level comments:

- Collgar supports the new requirement for Western Power to develop a Transmission Network Plan (TSP). This will support other planning processes, including the Whole of System Plan (WOSP) and Network Opportunities Map (NOM). However, to be effective in practice these processes must complement, rather than duplicate, each other, and use consistent assumptions. For this reason, Collgar supports Western Power including the TSP and NOM in the same document.
- The NCESS framework ought to be refined, including ensuring that it supports competition, procurement processes have sufficient lead times, and it is well integrated with and does not duplicate other processes.
- The application of facility aggregation rules to existing transmission connected generators is unclear. Collgar has two connection points and is currently registered as a single (non-aggregated) facility. New obligations, including whether aggregation is required and new standing data requirements, are unclear and costly to implement. If facility aggregation is required, additional compliance obligations and costs (for example, application fees and additional standing data) ought not to apply to existing transmission connected generators.

Further detailed comments are in the table attached. Collgar is available to meet to discuss its comments if required.

Yours sincerely

A handwritten signature in purple ink that reads 'Rebecca White'.

REBECCA WHITE

REGULATORY AND TRADING MANAGER

Topic	Clause	Page	Comment
Registration	1.47.4; 1.47.7; 1.47.7A;1.47.8	3	There does not appear to be a requirement for AEMO to consult with the Market Participant in determining the Facility Class. While AEMO generally operates using a consultative approach, the rules could be strengthened by <i>requiring</i> AEMO to undertake the consultation.
Registration	1.47.6A(a); 2.29.1AA(d)	3; 16	<p>An existing facility can have multiple connection points and not need to be aggregated. Clause 2.29.1AA(d) represents a change in policy - is the intent that this applies to existing transmission connected generators?</p> <p>It is unclear whether the transitional arrangements apply to existing facilities that have multiple connection points but are not currently aggregated. For example, does clause 1.47.6A(a) cover an existing facility that is already registered but now captured by clause 2.29.1AA(d), or only new facilities registering for the first time?</p>
Standing data	1.5X.2	5	If it is anticipated that any new standing data required under this clause necessitates technical studies or other investigative works, then three monthly likely is not sufficient time for a Market Participant to provide this information. The cost of sourcing the information ought to also be considered in developing any new standing data requirements, noting that Market Participants often have to incur expense to engage consultants and/or obtain information from original equipment manufacturers (OEM).
Loss factor	2.27	6	<p>It is unclear whether the policy is to calculate loss factors at the connection point or electrical location. Section 2.27 refers to connection point however the new definition of Electrical Location is 'The zone substation at which the Transmission Loss Factor for a Registered Facility is defined'.</p> <p>There are also various non-capitalised uses of Connection Point in the WEM Rules, and it is only defined for the purpose of Appendix 12. Ought Connection Point be defined in Chapter 11 and capitalised throughout?</p>
Registration	2.29.4D	18	For consistency, ought Energy Producing System in be referred to as Facility?

Registration	2.29.4N	20	Depending on the nature of the information required, 15 days may not be sufficient time if technical studies and/or information from the OEM is required. Is there option for AEMO to extend this time if it deems it reasonable/necessary to do so?
Facility Aggregation	2.30.1A	27	Why can this only occur once a Capacity Year? The policy intent behind this is unclear and seems to be unnecessarily limiting. Does 'Facility' mean the individual component behind a single connection point (being a Facility per 1.29.1AA(c)), or the aggregated facility (being a Facility per clause 1.29.1AA(d), clause 2.30.6 and the definition of Aggregated Facility)?
Facility Aggregation	2.30.4	28	It may be beneficial to have a timeframe for the Network Operator to respond – perhaps 10 business days.
Facility Aggregation	2.30.5	30	The application of 2.30.5 to existing transmission connected generators (if captured by clauses 1.47.6A(a) and 2.29.1AA(d)) is unclear and has implementation challenges. Some facilities that have two connection points use the substation and operate as a single component. The only matter that, under the amending rules, may make such a facility an aggregated facility is that there are two connection points to the Western Power network. It is unclear how a facility with such a configuration would provide the data required under clause 2.30.5(b)(i) and why that would be required.
Registration	2.31.5	35	It may be beneficial to have a timeframe for the Network Operator to respond – perhaps 10 business days, or at the most 20 business days for consistency with clause 2.31.4A.
Registration	2.33.3(c)ix	45	Does this include facility sub-metering? If so, the bracketed information may cause confusion as presumably the sub-meter data is not included in Western Power's Meter Registry.
Facility Aggregation	2.33.6(a)	47	This application fee ought not apply to existing transmission connected generators that are a single (non-aggregated) facility that are required to become an aggregated facility in the new WEM.
Registration	Chapter 11	59	'Facility' can refer to an unregistered facility or Registered Facility. It is unclear the value of using the same term for two different meanings. This can cause confusion and also likely unintended consequences for interpretation elsewhere in the WEM Rules.

			The use of the term 'Facility' after 'unregistered' also appeared to be a circular reference.
Registration	2.29.4A	63	Typo – should be 'Semi-Scheduled Facility or a Scheduled Facility'. This clause number seems to be used for two different clauses (pages 17 and 63).
Intermittent Loads	7.4.46A	82	How would this clause apply to a facility that has both an Intermittent Load and an Electric Storage Resource?
Settlement	9.8.3(c)	84	Typo – should be 'Loads under <i>clause</i> 1.48.2'.
Parasitic Load	Chapter 11	87	The definition may benefit from clarifying that the energy producing system and load are behind the same connection point/electrically connected.
NCESS	2.1A.2(eD)	107	'Settle' NCESS is not necessary as it is covered by clause 2.1A.2.
NCESS	3.11A	110	In the interest of competition and competitive neutrality, a clause should be added that the Coordinator, AEMO or Western power must <i>not</i> consult any other Market Participant when making a determination under 3.11A.
NCESS	2.2D.1(iA)	110	NCESS is triggered by the Coordinator for Energy and SESSM is triggered by AEMO and/or the ERA. It would provide for a more coordinated approach if the same organisation was responsible for triggering NCESS as the SESSM, with the frameworks potentially being consolidated into a single mechanism.
NCESS	3.11A.4(a)	112	How does this interact with the SESSM? If the Market Clearing Price of any FCESS has reached an unreasonable level, the ERA ought to trigger a SESSM procurement process.
NCESS	3.11A.7	113	A sub-clause should be added so that the Coordinator must also take into account whether the competitive market would provide the service without intervention.
NCESS	3.11B.6	115	AEMO or Western Power should also be required to notify, via email, existing Market Participants of the request for tender.

NCESS	3.11B.10	118	AEMO or Western Power must have the discretion to not select a submission (for example, if none meet the specification or provide value for money).
NCESS	3.11B.11	118	This does not appear practical in the NCESS timelines. For example, delivery dates depend on Western Power processes, and Environmental Approvals have regulatory timelines. Given the TSP, NOM and other planning documents, an NCESS should be procured with sufficient lead time to allow for these processes to occur post NCESS submission – the applicant should just have to demonstrate a reasonable plan and timeline for this to occur.
Settlement	5.9.1	123	Subclause c is missing (c)
Transmission System Plan	4.5B.4(a)	133	Given this duplicates the information to be published in the Annual Congestion Report prepared under section 2.27B, there may be merit in the congestion report being integrated into the Transmission System Plan, or at least that the two documents are consistent and minimise duplication as much as possible.
NCESS	Appendix 9	144	Operating Instruction ought to be replaced with Dispatch Instruction. The Appendix needs a more general revision to remove redundant terms, including Operating Instruction, Consequential Outage and Balancing Portfolio.
Allowable Revenue	2.22A.2A(b); 2.22A.2B(c)	179	The ERA should be required to publish submissions.
Market Information	10.2.3A	187	Does this mean that if, as an example, the Coordinator is permitted to make available document X, then AEMO can release it without any process?
Capacity Credit Allocation	4.32.1	224	An option for standing submissions would be very useful.