

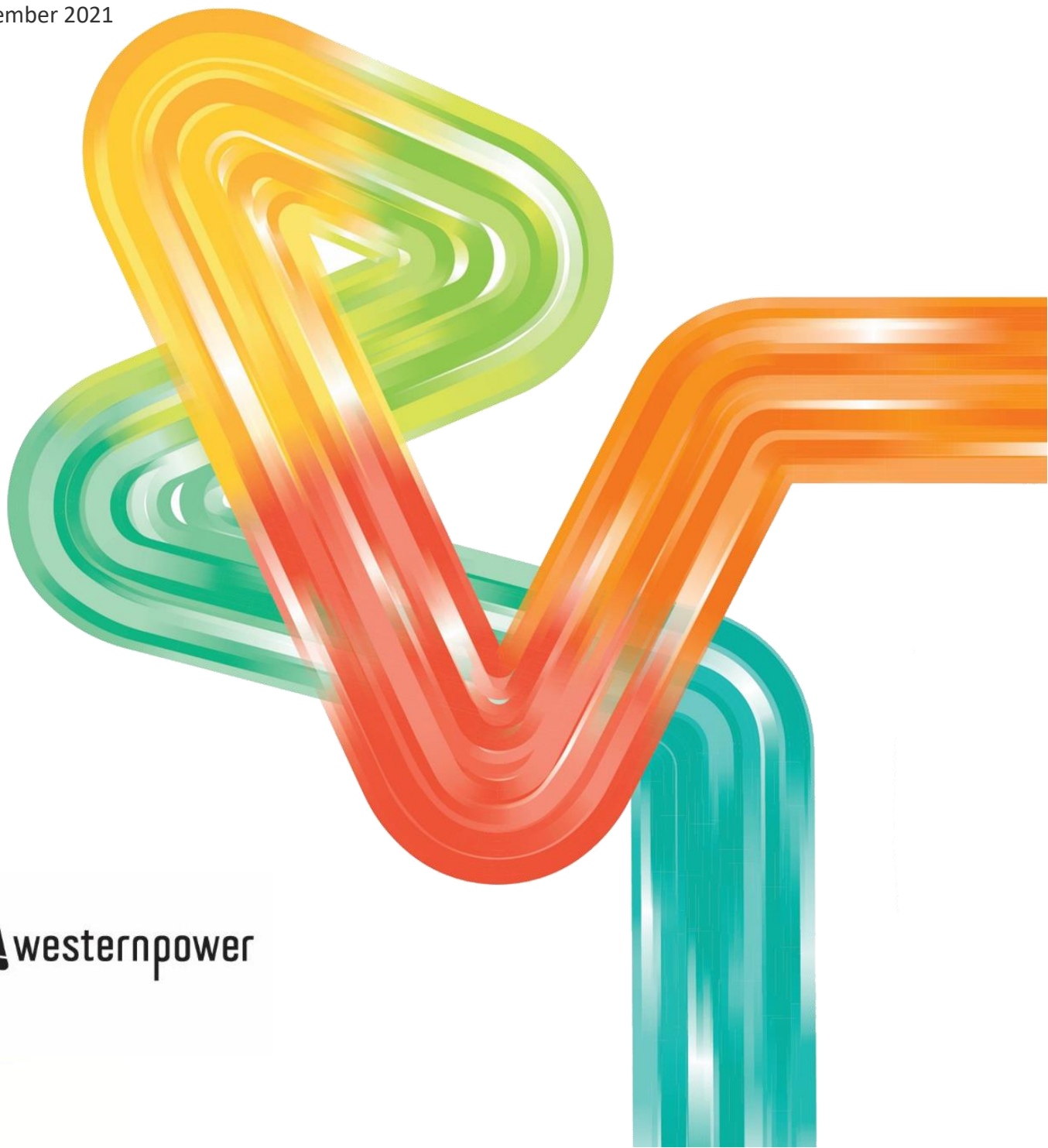
Proposed Amending Rules to the Wholesale Electricity Market - Tranche 5

Western Power Submission - Response to the Exposure Draft

Public

Public

24 November 2021



An appropriate citation for this paper is:

Proposed Amending Rules to the Wholesale Electricity Market - Tranche 5

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Western Power welcomes the opportunity to respond to the Energy Policy WA (EPWA) on the proposed Amending Rules to the Wholesale Electricity Market Rules (WEM Rules) – Tranche 5 (Proposed Amendments). Western Power is providing comments based on subject areas of the Proposed Amendments.

Western Power is committed to connecting people with electricity in a safe, reliable and efficient manner. We are generally supportive of the Proposed Amendments and have made comments to specific clauses of the WEM Rules that will in our opinion need further amendments. Western Power's suggested changes to the Proposed Amendments are in ***bold, italics and underline***. Please note that in reviewing the Proposed Amendments, we have only considered matters that are relevant to the Network Operator.

Our focus when reviewing and providing feedback is to ensure the WEM Rules support simple, practical and efficient processes that can be implemented within the business as usual and for the benefit of our customers.

In particular, Western Power is a key stakeholder in the new NCESS Framework. We support the introduction of clear guidance and transparency around the processes and market interactions when non-network solutions are obtained. Two areas where we require further clarity are detailed below.

Alignment with recent Access Code obligations

Chapter 6A of the 18 September 2020 Electricity Networks Access Code 2004 (Access Code) amendments require Western Power to establish a Network Opportunity Map (NOM) and an [Alternative Options Strategy](#) (AOS) that documents the process for engaging and consulting with potential providers of non-network solutions.

Tranche 5 of the WEM Rules introduces a new section 4.5B requiring Western Power to prepare and publish a Transmission System Plan (TSP). The TSP is to include a set of investment options for developing the transmission system over the planning horizon (clause 4.5B.4(b)).

We require further clarity on the interaction between the TSP, the NOM and their respective procurement processes.

Alignment of NFIT / procurement approval

EPWA have indicated that if the Coordinator directs Western Power to pursue an NCESS procurement solution this will 'supersede' the existing New Facilities Investment Test (NFIT) obligation in the Access Code (clause 6.52) for the same solution.

To ensure certainty of cost recovery for network and non-network solutions (return of operating and return on capital expenditure) we require further clarity as to how this would be applied and whether any Access Code changes are required.

The remainder of our submission provides feedback and amendment suggestions for specific Tranche 5 clauses released on 2 November 2021.

1.1 Non Co-optimised Essential System Services Framework (NCESS)

1.1.1 Confer NCESS functions

A. Proposed Amendments – Clause 2.1A.2:

The WEM Regulations also provide for the WEM Rules to confer additional functions on AEMO. The functions conferred on AEMO are:

...

(IH) to contribute to the development of the Transmission System Plan as required under clause 4.5B; and

Western Power response:

Western Power is of the view that AEMO will be required to provide substantial input and ongoing consultation with Western Power in developing the Transmission System Plan. The level of commitment from AEMO will rise above just ‘contribute’. Adding the words ‘provide information and assistance’ would better reflect this.

Western Power suggests the following amendments to clause 2.1A.2:

The WEM Regulations also provide for the WEM Rules to confer additional functions on AEMO. The functions conferred on AEMO are:

...

*(IH) to contribute, **and provide information and assistance in a timely manner**, to the development of the Transmission System Plan as required under clause 4.5B; and*

B. Proposed Amendments – Clause 2.2C.1:

The WEM Regulations provide for the WEM Rules to confer functions on registered participants of a specified class. The functions conferred on each Network Operator are to:

...

(e) carry out any other functions conferred, and perform any other obligations imposed, on Network Operators under these WEM Rules.

Western Power response:

In the Tranche 5 exposure draft, under ‘Section 6. Determination of AEMO’s Allowable Revenue’ clause 2.1A.2 was amended to confer a specific function on AEMO to prepare for and facilitate the evolution and development of the WEM Rules. Western Power requires that this function should also be included in Western Power’s conferred functions.

Western Power suggests the following amendments to clause 2.2C.1:

The WEM Regulations provide for the WEM Rules to confer functions on registered participants of a specified class. The functions conferred on each Network Operator are to:

...

- (e) carry out any other functions conferred, and perform any other obligations imposed, on Network Operators under these WEM Rules.
- (f) to prepare for and facilitate the evolution and development of the Wholesale Electricity Market and the WEM Rules, and the management of network adequacy and Power System Security and Power System Reliability in the SWIS.**

C. Proposed Amendments – Clause 2.2D.1:

The WEM Regulations provide for the WEM Rules to confer functions on the Coordinator. The functions conferred on the Coordinator are to:

...

- (j) undertake reviews and consultation as required under these WEM Rules; and
- (k) carry out any other functions conferred, and perform any other obligations imposed, on the Coordinator under these WEM Rules.

Western Power response:

Tranche 5 amends clause 2.1A.2(IH) to confer a specific function on AEMO in regards the development of the Transmission System Plan, as required under clause 4.5B. Western Power considers that a similar specific function should be conferred on the Coordinator to support the Transmission System Plan process.

Western Power requires the following amendments to clause 2.2C.1:

The WEM Regulations provide for the WEM Rules to confer functions on the Coordinator. The functions conferred on the Coordinator are to:

...

- (j) undertake reviews and consultation as required under these WEM Rules; ~~and~~
- (k) carry out any other functions conferred, and perform any other obligations imposed, on the Coordinator under these WEM Rules; ~~and~~
- (l) to support the development of the Transmission System Plan and perform any other obligations imposed on the Coordinator under clause 4.5B.**

1.1.2 NCESS Trigger conditions

D. Proposed Amendments – Clause 3.11A.2:

Where, in the reasonable opinion of a Network Operator or AEMO or both, any of the following trigger events apply, the Network Operator or AEMO or both must make a submission to the Coordinator to determine whether to trigger an NCESS procurement:

- (a) the Transmission System Plan prepared under section 4.5B identifies that a suitable non-network investment option may meet network adequacy requirements to help maintain SWIS Power System Security and Power System Reliability standards;**

(b) the forecasted or actual amount of Energy Uplift Payments as a result of a binding constraint has reached an unreasonable level, when assessed against the Wholesale Market Objectives;

Western Power response:

Clarity surrounding submission Trigger events

Western Power requires further awareness and clarity provided on network adequacy matters under any NCESS trigger clauses, and the appropriateness of linking adequacy to Power System Security/Reliability.

Western Power is concerned that a planned outage could trigger an NCESS submission under clause 3.11A.2(b). This could delay planned outages in the pipeline. For example, AEMO may determine that the **forecasted** energy uplift payments during a planned outage are at an unreasonable level and will meet their requirement to submit an NCESS trigger. If this occurs late in the outage process it may delay planned outages.

Informal discussions with AEMO they have indicated they are likely to allow outages to proceed as it can secure the network with energy uplift payments, however as **actual** amounts become known may inform an NCESS process.

Western Power proposes that the Coordinator consult on and publish a WEM Procedure or Guideline that will clarify the trigger criteria and provide transparency for when to engage the market. This will help mitigate the risk of differences in interpretation where non-network solutions are not sought

Western Power suggests the following amendments to clause 3.11A.2:

Where, in the reasonable opinion of a Network Operator or AEMO or both, any of the following trigger events apply, the Network Operator or AEMO or both must make a submission to the Coordinator to determine whether to trigger an NCESS procurement:

- (a) *the Transmission System Plan prepared under section 4.5B identifies that a suitable non-network investment option may
 - i. *meet network adequacy requirements, ~~to~~*
 - ii. *help maintain SWIS Power System Security, ~~and~~or*
 - iii. *Power System Reliability standards.**
- (b) *the forecasted or actual amount of Energy Uplift Payments as a result of a binding constraint has reached an unreasonable level, when assessed against the Wholesale Market Objectives;*

...

Clause XX The Coordinator will consult and publish a Guideline to clarify the process for submission and triggering of an NCESS.

E. Proposed Amendments – Clause 3.11A.6:

The Coordinator must determine whether to trigger an NCESS procurement within 20 Business Days of the later of:

- (a) receiving a submission under clause 3.11A.2; or
- (b) receiving further information or analysis under clause 3.11A.5.

Western Power response:

Western Power considers that allowing the date that the Coordinator must determine whether to trigger an NCESS procurement to be mutually agreed with the intended NCESS procurer would provide flexibility to appropriately respond to both planned, unexpected or urgent NCESS needs.

Western Power suggests the following amendments to clause 3.11A.6:

The Coordinator must determine whether to trigger an NCESS procurement within 20 Business Days ~~of from~~ the later of:

- (a) receiving a submission under clause 3.11A.2; ~~or~~*
- (b) receiving further information or analysis under clause 3.11A.5; ~~or~~*
- (c) a date which is mutually agreed with the intended procurer of the NCESS under clause 3.11A.8(e).***

F. Proposed Amendments – Clause 3.11A.8:

As soon as practicable following a determination made under clause 3.11A.4 or 3.11A.6, the Coordinator must publish her or his determination on the Coordinator's website after redacting any confidential information, and the determination must include:

- (a) details of any submission received under clause 3.11A.2;*
- (b) reasons for triggering an NCESS procurement;*
- (c) any supporting analysis or justification for triggering an NCESS procurement;*
- (d) the need that the NCESS procurement will address;*
- (e) whether AEMO or the Network Operator is to procure the NCESS; and*
- (f) any other matters relevant to the NCESS procurement.*

Western Power response:

Western Power requires clarity on the procurement cost recovery and proposes the amendment to clause 3.11A.8(e).

Western Power suggests the following amendments to clause 3.11A.8:

As soon as practicable following a determination made under clause 3.11A.4 or 3.11A.6, the Coordinator must publish ~~her or his~~ determination on the Coordinator's website after redacting any confidential information, and the determination must include:

- (a) details of any submission received under clause 3.11A.2;*
- (b) reasons for triggering an NCESS procurement;*
- (c) any supporting analysis or justification for triggering an NCESS procurement;*
- (d) the need that the NCESS procurement will address;*
- (e) whether AEMO or the Network Operator is to procure **and pay for** the NCESS; and*
- (f) any other matters relevant to the NCESS procurement.*

1.1.3 Procuring NCESS

G. Proposed Amendments – Clauses 3.11B.2, 3.11B.4 and 3.11B.10:

[3.11B.2] Within 10 Business Days of the publication of the determination under clause 3.11A.8, AEMO or a Network Operator, as applicable, must publish the draft NCESS Service Specification prepared in accordance with clause 3.11B.5 on their website and a major newspaper, and call for expressions of interest.

[3.11B.4] Within five Business Days of receiving expressions of interest under clause 3.11B.3, AEMO or the Network Operator or both, as applicable, must consult with the Coordinator to determine whether, based on the expressions of interest received:

...

[3.11B.10] Within 10 Business Days of receipt of NCESS Submissions in response to a request for tender, AEMO or the Network Operator, as applicable, must:

...

Western Power response:

Western Power has considerable existing commercial procurement activities and depending on the size and urgency of the event an extended timeframe is required.

Western Power recommends extending the baseline/expected timeframes in clauses 3.11B.2, 3.11B.4 and 3.11B.10 to align with current mid-range Western Power practices.

And importantly, these extended timeframes to be in conjunction with allowing the timeframe to be mutually agreed with the Coordinator to provide the necessary flexibility to appropriately respond (either quicker or longer timeframes) to the wide variety of procurement - small, large, complex, planned and unexpected or urgent NCESS needs.

The time frames need to be sufficient for publication, service specification development, approvals, cost/benefit or other assessments to ensure the selected option maximises values for money

As the NCESS framework will run open tenders (clause 3.11B.8) the number of submissions may be substantial, adding to the time required for review and selection.

Further, as we have recommended below, for clause 3.11B.10, AEMO and the Network Operator will need to consider non-NCESS solutions and conduct cost-benefit vs the NCESS options.

Western Power requires to run an EOI process to determine the suitability of a non-network solution, and submit a trigger event to the Coordinator. Western Power considers repeating the EOI process under clause 3.11B.2 would seem to a duplicated effort. Western Power suggests that it is more practical if the Coordinator has the option of directing Western Power to go straight to an open tender process. Western Power understands that an open tender process does not exclude any new or existing vendors.

Western Power suggests the following amendments to clauses 3.11B.2, 3.11B.4, and 3.11B.10:

[3.11B.2] Within ~~10~~20 Business Days, **or as reasonably agreed with the Coordinator**, of the publication of the determination under clause 3.11A.8, AEMO or a Network Operator, as applicable, must publish the draft NCESS Service Specification prepared in accordance with clause 3.11B.5 on their website and a major newspaper, and call for expressions of interest.

In instances where the Coordinator directs that expressions of interest are not required under clause 3.11A.8(f), AEMO or a Network Operator, as applicable, must instead follow clause 3.11B.6.

[3.11B.4] Within ~~five~~**20** Business Days, **or as reasonably agreed with the Coordinator,** of receiving expressions of interest under clause 3.11B.3, AEMO or the Network Operator or both, as applicable, must consult with the Coordinator to determine whether, based on the expressions of interest received:

...

[3.11B.10] Within ~~10~~**30** Business Days, **or as reasonably agreed with the Coordinator,** of receipt of NCESS Submissions in response to a request for tender, AEMO or the Network Operator, as applicable, must:

...

H. Proposed Amendments – Clause 3.11B.6:

AEMO or the Network Operator must publish a request for tender on their website and a major newspaper. The request for tender must include the NCESS Service Specification prepared under clause 3.11B.4(a) or 3.11B.4(b) as applicable, and call for NCESS Submissions to be submitted within 20 Business Days from the date of the request.

Western Power response:

Western Power does not currently advertise all EOIs or tenders in a newspaper. Western Power is of the view that clause 3.11B.6 should only mention the Network Operator's website (i.e. tenders-and-registrations-of-interest). As the industry gets used to more non-network events and procurement, an official website is the best central source of information.

Western Power suggests the following amendments to clauses 3.11B.2, 3.11B.4, and 3.11B.10:

AEMO or the Network Operator must publish a request for tender on their website ~~and a major newspaper.~~ The request for tender must include the NCESS Service Specification prepared under clause 3.11B.4(a) or 3.11B.4(b) as applicable, and call for NCESS Submissions to be submitted within 20 Business Days from the date of the request.

I. Proposed Amendments – Clause 3.11B.10:

Within 10 Business Days of receipt of NCESS Submissions in response to a request for tender, AEMO or the Network Operator, as applicable, must:

(a) select the NCESS Submission(s) which:

i. complies with the requirements outlined in clause 3.11B.7;

ii. meets the NCESS Service Specification published in the request for tender; and

iii. in AEMO's or the Network Operator's reasonable opinion, will result in the highest value for money for providing the NCESS; and

(b) notify the existing or intending Market Participants in respect to the facility or equipment that is approved for an NCESS Contract.

Western Power response:

When identifying NCESS Submissions under clause 3.11B.10, Western Power recommends adding clause 3.11B.10(a) iv. to provide flexibility to assess submissions against generic and/or specifically required 'Terms and Conditions' requirements.

Western Power recommends adding clauses 3.11B.10(b) and 3.11B.10(c) to account for situations where no tender submission(s) for non-network solutions provide better solution than a pre-assessed network solution. This could arise in circumstances where vendors who provide promising EOs drop out or submit different information in their tender submissions.

The fuller due diligence done during tender evaluation and selection could uncover unforeseen issues with the vendor, implementation, operationalizing the solution or the anticipated solution or technology – making the network solution more cost effective.

AEMO or the Network Operator must be able to consider other potentially more optimal solutions during the NCESS tender submissions.

There would seem to be 4 potential options to consider and compare during an NCESS tender assessment:

1. NCESS submissions through the tender process
2. Energy Uplift Payments
3. A Network Solution
4. An alternative/amended tender specification is needed

The WEM Rules should account for the above in the NCESS process.

Western Power suggests the following amendments to clause 3.11B.10:

*Within ~~1030~~ Business Days, **or as reasonably agreed with the Coordinator**, of receipt of NCESS Submissions in response to a request for tender, AEMO or the Network Operator, as applicable, must:*

*(a) **select/identify** the NCESS Submission(s) which:*

- i. complies with the requirements outlined in clause 3.11B.7;*
- ii. meets the NCESS Service Specification published in the request for tender; and*
- iii. in AEMO's or the Network Operator's reasonable opinion, will result in the highest value for money for providing the NCESS; and*
- iv. meets required Terms and Conditions*

*(b) **assess the NCESS Submission(s) identified in clause 3.11B.10 (a) against alternatives including:***

- i. Energy Uplift Payments***
- iii. Network Solutions; and***
- iv. an amended tender specification***

*(c) **select the option(s) that in AEMO's or the Network Operator's reasonable opinion will result in the highest value for money to address the need.***

(~~b~~d) notify the existing or intending Market Participants in respect to the ~~f~~Facility or equipment that is approved for an NCESS Contract.

J. Proposed Amendments – Clause 3.11B.11:

When selecting the NCESS Submission(s) in accordance with clause 3.11B.10(a)(iii), AEMO or the Network Operator, as applicable, must:

- (a) exclude NCESS Submissions that do not comply with the NCESS Service Specification;
- (b) exclude NCESS Submissions for new facilities or equipment where insufficient evidence has been provided to support NCESS delivery dates or that all necessary Environmental Approvals have been granted; and
- (c) conduct cost-benefit or other assessments to demonstrate how the NCESS Submission(s) will maximise value for money.

Western Power response:

Western Power considers that requiring all environmental approvals to be granted is too prescriptive. If the issue is material, it should fail the delivery date requirement in the same clause below. Further, environmental approvals that are still 'pending' may not be material if there is a long lead time on the solution.

Western Power suggests the following amendments to clause 3.11B.11:

When selecting the NCESS Submission(s) in accordance with clause 3.11B.10(a)(iii), AEMO or the Network Operator, as applicable, must:

- (a) exclude NCESS Submissions that do not comply with the NCESS Service Specification;*
- (b) exclude NCESS Submissions for new facilities or equipment where insufficient evidence has been provided to support NCESS delivery dates or that ~~all necessary~~ **sufficient** Environmental Approvals have been granted; and*
- (c) conduct cost-benefit or other assessments to demonstrate how the NCESS Submission(s) will maximise value for money.*

1.2 Transmission System Planning

1.2.1 Transmission System Planning

K. Proposed Amendments – Clause 4.5B.4:

A Transmission System Plan must include:

- (a) a summary of where significant costs to the WEM have arisen or may potentially arise due to the state of the transmission network, including:
 - i. binding Network Constraints, and the estimated market costs of those binding Network Constraints; and
 - ii. the frequency and magnitude of Energy Uplift Payments, including for Facilities subject to Network Constraints;
- (b) a set of investment options for developing the transmission system over the planning horizon, which must consider both network and non-network solutions to address the issues identified under clause 4.5B.4(a);
- (c) analysis of market related data and an assessment of the costs and benefits, including to the WEM, of the identified investment options;

- (d) a recommended development path for the transmission system that would maximise net benefits to the WEM and seek to minimise the long-term costs to consumers; and
- (e) a high-level assessment of how the recommended development path will meet the long term interests of the consumer.

Western Power response:

Western Power suggests that the words 'benefits to the WEM' be deleted so as not to unnecessarily limit the benefits to the WEM.

Western Power recommends that the treatment and accounting for Capacity Credits in non-network investment option assessments is clarified.

As with clause 4.5B.2 above Western Power recommends that any WEM Rules or Procedures and Guidance related to the Transmission System Plan are designed to ensure consistency with the Network Opportunity Map.

Western Power suggests the following amendments to clause 4.5B.4:

A Transmission System Plan must include:

- (a) *a summary of where significant costs to the WEM have arisen or may potentially arise due to the state of the transmission network, including:*
 - i. binding Network Constraints, and the estimated market costs of those binding Network Constraints; and*
 - ii. the frequency and magnitude of Energy Uplift Payments, including for Facilities subject to Network Constraints;*
- (b) *a set of investment options for developing the transmission system over the planning horizon, which must consider both network and non-network solutions to address the issues identified under clause 4.5B.4(a);*
- (c) *analysis of market related data and an assessment of the costs and benefits, including to the WEM, of the identified investment options;*
- (d) *a recommended development path for the transmission system that would maximise net benefits ~~to the WEM~~ and seek to minimise the long-term costs to consumers; and*
- (e) *a high-level assessment of how the recommended development path will meet the long term interests of the consumer.*

L. Proposed Amendments – Clause 4.5B.5:

In developing a Transmission System Plan a Network Operator must take into consideration:

- (a) the WEM Technical Standards under clause 2.8.14;
- (b) power system security and reliability standards and requirements under the Technical Rules;
- (c) any Priority Project identified in the Whole of System Plan or major augmentation that Western Power is able to progress in accordance with relevant provisions under the Access Code;
- (d) current Government policy, identified in the Whole of System Plan, that the Coordinator advises may impact on the development of the Transmission System Plan, as advised by the Coordinator; and
- (e) any other matters that the Network Operator considers relevant to the development of the Transmission System Plan.

Western Power response:

Western Power suggests adding 'WEM Rules' to power system security and reliability standards and requirements. Further, Western Power suggests adding 'Transmission Network Planning Criteria in Technical Rules' as it is beyond the power system security and reliability standards. Additionally, the 'Network Quality and Reliability of Supply Code' should also be considered.

Western Power suggests the following amendments to clause 4.5B.5:

In developing a Transmission System Plan a Network Operator must take into consideration:

- (a) the WEM Technical Standards under clause 2.8.14;*
- (b) power system security and reliability standards and requirements under the **WEM Rules and Technical Rules**;*
- (c) any Priority Project identified in the Whole of System Plan or major augmentation that Western Power is able to progress in accordance with relevant provisions under the Access Code;*
- (d) current Government policy, identified in the Whole of System Plan, that the Coordinator advises may impact on the development of the Transmission System Plan, as advised by the Coordinator; ~~and~~*
- (e) the Transmission Network Planning Criteria in the Technical Rules; and***
- (f) the Network Quality and Reliability of Supply Code***
- (eg) any other matters that the Network Operator considers relevant to the development of the Transmission System Plan.*

M. Proposed Amendments – Clauses 4.5B.6:

A Network Operator must consult with AEMO and the Coordinator on the assumptions and inputs which must be used in developing the Transmission System Plan, including but not limited to:

- (a) forecasted demand growth or reduction scenarios, including from the Long Term PASA and Whole of System Plan;*
- (b) scheduled connection of new loads or generators;*
- (c) expected retirement of existing Facilities or Network assets;*
- (d) AEMO's list of Credible Contingency Events and other commonly occurring credible contingencies with a significant impact to the WEM;*
- (e) a range of facility dispatch scenarios or credible dispatch patterns;*
- (f) data, modelling and results from the testing of scenarios in the Whole of System Plan, to the extent they are relevant as inputs to the Transmission System Plan;*
- (g) relevant information from the Short Term PASA, Medium Term PASA and Long Term PASA studies conducted by AEMO under these WEM Rules; and*
- (h) other market information that the Network Operator, AEMO or the Coordinator consider relevant to meeting the requirements in developing the Transmission System Plan.*

Western Power response:

Western Power proposes that 4.5B.6(a) be deleted as there is not enough time between production of the demand forecast and starting the planning process to consult on the demand forecast with EPWA & AEMO.

Western Power proposes that 4.5B.6(b) be deleted as 'scheduled connection' is not required, as Western Power plan the network based on applications in-train. Similarly, 'generators' is not required as this will be a dispatch data input from AEMO where consultation is required.

4.5B.6(c) wording should be 'network modification, augmentation or retirement', 'that impact the market costs'.

The Credible Contingency Events used in the Transmission System Plan as referred to in clause 4.5B.6(d) should be consistent with those in the Technical Rules not the AEMO Credible Contingency Events list.

Western Power proposes that 4.5B.6(e) be deleted as this will become a requirement in the revised Technical Rules where Western Power will draft, jointly with AEMO, a Transmission Network Plan generation dispatch guideline, which will be annually reviewed/updated to provide advice on how to create and modify dispatch patterns for network planning. Clause 4.5B.6(e) can cross reference the Technical Rules but should not duplicate or re-word the obligation as it risks being confusing.

Western Power suggests that a material / significant change in Transmission System Plan inputs or WEM Technical Standards be captured under clause 4.5B.6.

Western Power suggests the following amendments to clause 4.5B.6:

A Network Operator must consult with AEMO and the Coordinator on the assumptions and inputs which must be used in developing the Transmission System Plan, including but not limited to:

~~*(a) — forecasted demand growth or reduction scenarios, including from the Long Term PASA and Whole of System Plan;*~~

~~*(b) — scheduled connection of new loads or generators;*~~

*(c) expected **Network modifications, augmentations or** retirement of existing Facilities or Network assets **that impact Market costs;***

*(d) ~~AEMO's~~ **the Technical Rules** list of Credible Contingency Events and other commonly occurring credible contingencies with a significant impact to the WEM;*

~~*(e) — a range of facility dispatch scenarios or credible dispatch patterns;*~~

(f) data, modelling and results from the testing of scenarios in the Whole of System Plan, to the extent they are relevant as inputs to the Transmission System Plan;

(g) relevant information from the Short Term PASA, Medium Term PASA and Long Term PASA studies conducted by AEMO under these WEM Rules; ~~and~~

(h) other market information that the Network Operator, AEMO or the Coordinator consider relevant to meeting the requirements in developing the Transmission System Plan; ~~and~~

~~*(i) where there is a material change to*~~

~~*i. any of the assumptions or inputs under clause 4.5B.6 within the planning horizon of the Transmission System Plan, or*~~

~~*ii a WEM Technical Standard, and*~~

~~*the change has the potential to significantly impact Power System Security or Power System Reliability or costs to the consumer,*~~

N. Proposed Amendments – Clauses 4.5B.9 and 4.5B.10:

4.5B.9. A Network Operator must invite users of the Network, Rule Participants, electricity consumers and other interested persons to make submissions on a draft version and/or parts of the Transmission System Plan, to be released not less than 30 days before the final Transmission System Plan is published.

4.5B.10. A Network Operator must take into account the stakeholder feedback received during the consultation process, and must publish a summary of the submissions received and its response to the submissions, with any confidential information redacted, on the Network Operator's website.

Western Power response:

Western Power is supportive of a public consultation process and of considering submissions received from stakeholders. However, providing a public Transmission System Plan draft and appropriately assessing and incorporating submissions would not be feasible in the months prior to publication. Western Power prefers to run the consultation process after publication and incorporating stakeholder feedback into the subsequent TSP will best achieve the desired outcome.

Western Power suggests the following amendments to clauses 4.5B.9 and 4.5B.10:

4.5B.9. **Within 6 months following the publication of a Transmission System Plan, a Network Operator must invite users of the Network, Rule Participants, electricity consumers and other interested persons to make submissions ~~not less than 30 business days~~ on ~~a draft the published~~ version and/or parts of the Transmission System Plan, ~~to be released not less than 30 days before the final Transmission System Plan is published~~ over a period of 30 days from the date of the invitation.**

4.5B.10 A Network Operator must take into account the stakeholder feedback received during the consultation process **in the subsequent year's Transmission System Plan**, and must publish a summary of the submissions received and its response to the submissions, with any confidential information redacted, on the Network Operator's website.

1.3 Registration Framework and Other Issues

1.3.1 Registration Framework

O. Proposed Amendments – Clause 2.28.3A:

A Network Operator must

- (a) promptly provide to AEMO all data available to it and reasonably required to model the static and dynamic performance of the SWIS, including (without limitation) computer models of the performance of the Network and Facilities connected, or which may be connected in the future, to the Network;
- (b) promptly forward to AEMO subsequent updates of the data referred to in clause 2.28.3A (a);
- (c) use its reasonable endeavours to ensure that all data referred to in this clause 2.28.3A is complete, current and accurate;
- (d) promptly notify AEMO if there are any reasonable grounds for suspecting that the data provided under this clause 2.28.3A is no longer complete, current and accurate; and

- (e) include as part of the data provided to AEMO under this clause 2.28.3A:
 - i. all data provided to the Network Operator that is used for the purpose of modelling in relation to the SWIS by ~~Market Participants, generators and customers~~, other Network Operators and any other source; ~~and~~
 - ii. all data relating to actual, committed or proposed modifications to the SWIS that the Network Operator reasonably considers are relevant to modelling in relation to the SWIS.; and
 - iii. data relating to any Facility with a System Size which is less than 10MW and is likely to be subject to constraints that may affect Power System Security and Power System Reliability.

Western Power response:

Western Power is of the view that including data for customers and Facilities under 10MW (subject to constraints affecting PSSR) will increase amount of information required to be provided to AEMO. Western Power suggests that a WEM Procedure or guideline should be developed to clarify the requirements under 2.28.3A.

Western Power suggests the following amendments to clauses 2.28.3A:

AEMO must publish in a WEM Procedure on the process Aa Network Operator must follow to:

- (a) promptly provide to AEMO all data available to it and reasonably required to model the static and dynamic performance of the SWIS, including (without limitation) computer models of the performance of the Network and Facilities connected, or which may be connected in the future, to the Network;
- (b) promptly forward to AEMO subsequent updates of the data referred to in clause 2.28.3A(a);
- (c) use its reasonable endeavours to ensure that all data referred to in this clause 2.28.3A is complete, current and accurate;
- (d) promptly notify AEMO if there are any reasonable grounds for suspecting that the data provided under this clause 2.28.3A is no longer complete, current and accurate; and
- (e) include as part of the data provided to AEMO under this clause 2.28.3A:
 - i. all data provided to the Network Operator that is used for the purpose of modelling in relation to the SWIS by generators and customers, other Network Operators and any other source;
 - ii. all data relating to actual, committed or proposed modifications to the SWIS that the Network Operator reasonably considers are relevant to modelling in relation to the SWIS.; and
 - iii. data relating to any Facility with a System Size which is less than 10MW and is likely to be subject to constraints that may affect Power System Security and Power System Reliability.

P. Proposed Amendments – Clauses 2.31.23 and 2.32.7B:

[2.31.23] If AEMO determines that a Facility should be assigned to a different Facility Class, then the Facility Class change is to be effective from the date determined by AEMO and notified to the Market Participant in accordance with the WEM Procedure specified in clause 2.31.25.

[2.32.7B] If—

- (a) the Economic Regulation Authority becomes aware that a Rule Participant registered in the classes outlined in clause 2.28.1(a) or (b) ~~or (c)~~ no longer meets all of the criteria specified in clause 2.28.19, it must notify AEMO; and
- (b) if AEMO becomes aware that a Rule Participant registered in the classes outlined in clause 2.28.1(a) or (b) ~~or (c)~~ no longer meets all of the criteria specified in clause 2.28.19 (whether as a result of being informed by the Economic Regulation Authority or otherwise), then subject to clause 2.32.7B(e) AEMO ~~must~~ may issue a Registration Correction Notice to that Rule Participant.

Western Power response:

Western power recommends that the Network Operator be notified/advised in instances where a Facility or Rule participant is assigned to a different class.

Western Power suggests the following amendments to clauses 2.31.23 and 2.32.7B:

[2.31.23] If AEMO determines that a Facility should be assigned to a different Facility Class, then the Facility Class change is to be effective from the date determined by AEMO and notified to the **Network Operator; and** Market Participant in accordance with the WEM Procedure specified in clause 2.31.25.

[2.32.7B] If—

- (a) the Economic Regulation Authority becomes aware that a Rule Participant registered in the classes outlined in clause 2.28.1(a) or (b) no longer meets all of the criteria specified in clause 2.28.19, it must notify AEMO; and
- (b) if AEMO becomes aware that a Rule Participant registered in the classes outlined in clause 2.28.1(a) or (b) no longer meets all of the criteria specified in clause 2.28.19 (whether as a result of being informed by the Economic Regulation Authority or otherwise), then subject to clause 2.32.7B(e) AEMO must issue a Registration Correction Notice to that Rule Participant **and notify the Network Operator.**

Q. Proposed Amendments – Clause 2.32.7BA:

If AEMO becomes aware that a Rule Participant becomes an externally administered body corporate (as defined in the Corporations Act), or is under a similar form of administration under any laws applicable to it in any jurisdiction; then AEMO must conduct the following, where applicable:

- (a) issue a Suspension Notice to the externally-administered body corporate or administrator, specifying directions as it would have provided to the Rule Participant under clause 2.32.1; or
- (b) issue a Registration Correction Notice to the externally-administered body corporate or administrator, specifying details it would have provided to the Rule Participant under clause 2.32.7C; or
- (c) notify the Economic Regulation Authority that the Rule Participant is an externally-administered body corporate or under administration, and is not required to:
 - (i) issue a Suspension Notice to the Rule Participant under clause 2.32.1; or
 - (ii) issue a Registration Correction Notice to the Rule Participant under clause 2.32.7B(b).

Western Power response:

Western Power supports clause 2.32.7BA.

Western Power suggests the following amendments to clauses 2.32.7BA:

*If AEMO becomes aware that a Rule Participant becomes an externally administered body corporate (as defined in the Corporations Act), or is under a similar form of administration under any laws applicable to it in any jurisdiction; then AEMO ~~must~~ **may consider if it is in the best interests of the Market to conduct** the following, **and to proceed** where applicable:*

- (a) issue a Suspension Notice to the externally-administered body corporate or administrator, specifying directions as it would have provided to the Rule Participant under clause 2.32.1; or*
- (b) issue a Registration Correction Notice to the externally-administered body corporate or administrator, specifying details it would have provided to the Rule Participant under clause 2.32.7C; or*
- (c) notify the Economic Regulation Authority that the Rule Participant is an externally-administered body corporate or under administration, and is not required to:
 - (i) issue a Suspension Notice to the Rule Participant under clause 2.32.1; or*
 - (ii) issue a Registration Correction Notice to the Rule Participant under clause 2.32.7B(b).**

1.3.2 Network Augmentation Funding Facility

R. Proposed Amendments – Clause 4.10A.5:

A Facility or upgrade to a Facility will be classified as a Network Augmentation Funding Facility, in respect of the Reserve Capacity Cycle to which the application for Certified Reserve Capacity for the Facility submitted under clause 4.9.1 relates, where:

- (a) the Market Participant has nominated that the Facility be classified as a Network Augmentation Funding Facility in its application for certification of Reserve Capacity in respect of the Facility under clause 4.10.1(m);*
- (b) the Network Operator verifies the information specified in a request in accordance with clause 4.10A.8(a) ~~AEMO has notified the relevant Market Participant under clause 4.10A.9(b) that it has classified the Facility as a Network Augmentation Funding Facility; and~~*

Western Power response:

Clause 4.10A.5(b) requires Western Power to verify information specified as part of a Market Participant's Network Access Funding facility application (4.10A.6 and in accordance with clause 4.10A.8(a)).

Western Power suggest that where it is required to verify information pertaining to a Market participant that the Market Participant obtains the verification directly from Western Power. The participant can then provide the relevant documentation to AEMO, who can then ask Western Power to reverify the information provided. This will reduce potential confusion or misunderstandings between the Market Participant and Western Power.

Under clause 4.10A.11, AEMO must document in a WEM Procedure the information required to be provided by a Market Participant.