



Minutes

Meeting Title:	Pilbara Advisory Committee (PAC)
Date:	28 September 2022
Time:	10:00am – 11:10am
Location:	Online (Microsoft Teams)

Attendees	Class	Comment¹
Sally McMahon	Chair	
Matthew Kok	Registered Network Service Provider	Proxy for Momcilo Andric
James Campbell-Everden	Independent System Operator	
Jacinda Papps	Registered Network Service Provider	
David Stephens	Registered Network Service Provider	
Geoff White	Small-Use Consumer Representative	
Chris Bossong	Excluded Network Service Provider Representative	
Noel Ryan	Observer appointed by the Minister	
Adrian Theseira	Observer appointed by the Economic Regulation Authority (ERA)	
Neil Midolo	Excluded Network Service Provider	
Also in Attendance	From	Comment
Dora Guzeleva	PAC Secretariat	Observer
Sarah Graham	PAC Secretariat	Observer
Li-Lin Ang	Registered Network Service Provider	Observer
Apologies	From	Comment
Momcilo Andric	Registered Network Service Provider	
Anne Taylor	Excluded Network Service Provider Representative	
Chris Adams	Contestable Customer	

Item	Subject	Action
1	Welcome and Agenda The Chair opened the meeting at 10:00am with an Acknowledgement of Country and welcomed the PAC members.	
2	Meeting Apologies/Attendance The Chair noted the attendance and apologies as listed above.	

3 PRC_2022_01 – Technical Working Group (Stage 1 Outcomes)

The Chair noted the recommendations outlined in the paper and invited Mr Campbell-Everden to open the discussion.

Mr Campbell-Everden gave an overview of Stage 1 of the Technical Working Group (**TWG**), and highlighted its two key findings:

- that assessing compliance at the point of interconnection would need to involve the development of compliance criteria; and
- that the ISO would need to undertake further analysis on potential network contingency risks, and whether these risks could be impacted by the proposed limitations to ISO directions.

Mr Campbell-Everden further noted the overall support from the TWG for Woodside's endeavor to connect the Pluto Facility.

The following discussion then took place:

- Mr Stephens spoke about the pre-connection phase and compliance criteria, noting that:
 - the main issue is the uncertainty regarding what is the compliance criteria and what HTR compliance at the interconnection point means;
 - It is important to develop the criteria, however, Horizon Power is comfortable if this is not developed prior to the rule change;
 - Horizon Power is currently going through the connection process, understands how this can work practically and is currently developing guidance regarding assessing compliance at an interconnection point.
- The Chair asked if it was possible that Woodside would not be able to connect once the compliance criteria was developed.
 - Mr Stephens noted that it was unlikely, as the criteria would reflect the process Horizon Power is currently undertaking, which includes full assessment, in this case only at the connection point.
- The Chair noted that this criteria may not resolve concerns as it would still be possible for risks to manifest themselves meaning that Woodside would not be able to connect. If this is a possible outcome we need to understand what work needs to be done before the rule change progresses and what could be done after.
 - Mr Stephens responded that there are two parts: the HTR assessment, and then the actual studies and technical assessments. There is always the possibility that something is found that prohibits the connection during these studies and technical assessments.
 - Mr Stephens noted the concerns around the outcomes of the TWG and the possibility of risks. Mr Stephens also noted that Horizon Power has visibility over the technical studies and, as

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	<p>a result, is in a different position to others regarding forming a judgement on the technical risks.</p> <ul style="list-style-type: none">○ Mr Stephens considered that the studies and models being put into place by Horizon Power are acceptable and fit for purpose, and Horizon Power is confident that the process will manage the risks identified by the TWG.● Ms Papps asked whether the point of interconnect criteria and the compliance guideline would be an internal Horizon Power document or be governed by the rules and then subject to a consultation process.<ul style="list-style-type: none">○ Mr Stephens replied that this criteria would be approved by the ISO.● Ms Papps clarified that this criteria should be included in the drafting of the rules and the draft rule change report.● Ms Papps asked what the criteria would be for when the compliance at the point of interconnection needs to be reassessed and what are the trigger points, noting that this question was raised in Alinta's submission on the rule change proposal. Alinta does not support any approval of compliance in perpetuity.● Ms Papps noted that Alinta is very supportive of defining what the 'point of interconnection' means and raised the potential for it to be drafted into the HTR, noting other facilities may also want to only comply at the point of interconnection.● Mr Kok noted that:<ul style="list-style-type: none">○ Rio Tinto is very supportive of Woodside's interconnection with the NWIS;○ at this stage there is insufficient information for Rio Tinto to assess the proposal and therefore it has concerns over whether compliance at the point of connection is acceptable or viable;○ Rio Tinto wants to ensure the system can work and that facilities close to the Woodside plant, including its own production at Dampier Port will not have any adverse interruptions.● The Chair sought to understand the difference between Rio Tinto being satisfied with the risks associated with the rule change versus Rio Tinto being satisfied with the risks of connection, which the Chair understands is the ISO and the NSP's responsibility.<ul style="list-style-type: none">○ Mr Kok responded that Rio is concerned that, if all of these changes were accepted, the blanket exemption from the HTR may prevent the ISO from protecting the system overall.● Mr Campbell-Everden provided some comments on the access and connection process, noting that:	

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	<ul style="list-style-type: none">○ under normal processes, the registered NSP would work with the access seeker to look at each of the HTR derogations line by line and come up with an exemption process program in relation to each.○ in this case, there is no requirement to look at them line by line, rather to look at the point of interconnection and the compliance criteria around the point of interconnection.○ establishing the criteria, understanding how it was derived and developing a guideline would provide the required certainty.	
	<ul style="list-style-type: none">● Mr Stephens noted that Horizon Power won't get a full set of study results in time for providing feedback on the rule change, however, it expects that it will go through a suitable assessment process in time for a decision on the rule change.<ul style="list-style-type: none">○ Mr Campbell-Everden noted that it is not necessarily appropriate for Horizon Power to share the study results with the other NSPs, as the access and connection process is between the access seeker, the registered NSP and the ISO.	
	<ul style="list-style-type: none">● Mr Kok noted that his biggest concern is that, following the rule change, there is uncertainty in how the new connected facility helps to maintain system security, safety and reliability as it will not be bound by the HTR.	
	<ul style="list-style-type: none">● The Chair noted there is some support for developing the compliance criteria and this compliance criteria should be developed before the draft rule change report publication.<ul style="list-style-type: none">○ No opposing views were raised by members and this was taken to be general consensus from the PAC.	
	<ul style="list-style-type: none">● The Chair asked what other work needs to be done for Rio to be satisfied with the pre-connection work.<ul style="list-style-type: none">○ Mr Kok responded that he would like to see the criteria to be sure overall system security can be maintained.	
	<ul style="list-style-type: none">● The Chair asked other PAC members for views on whether other work could be conducted, in parallel, to improve the overall ability to assess the rule change.	
	<ul style="list-style-type: none">● Mr Stephens asked the ISO to elaborate on how the system directions protocol would work during an emergency, e.g. if Horizon Power wishes to request Woodside to contribute.	
	<ul style="list-style-type: none">● Mr Campbell-Everden noted that:<ul style="list-style-type: none">○ Woodside offered a helpful non-binding coordination protocol and ISO will have to respect the elements of the rule change proposal which limit the ISO directions, even in an emergency;○ if the exemptions were extended past Woodside to other facilities, it may become problematic as the three existing NSPs would do all the work;	

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	<ul style="list-style-type: none">○ the ISO needs to do the work to understand the circumstances in which the ISO control desk would issue the limited directions that it would be allowed to make and the impact on the system of doing that;○ Rio and Alinta had stronger views on this.	
	<ul style="list-style-type: none">● Mr Kok noted that this is an important consideration, and highlighted that, if there are too many facilities with a similar exemptions, ISO would lose the overall ability to coordinate the system overall.<ul style="list-style-type: none">○ Mr Campbell-Everden noted that Woodside's argument is that there is no greater risk with it connecting than there is today, as currently it cannot provide support during an emergency.● The Chair sought to clarify with the ISO if the work needs to be done prior to the rule change being considered to address the following issues that were raised:<ul style="list-style-type: none">○ what is the potential impact on other connections in the event the ISO cannot direct Woodside in an emergency;○ whatever is developed needs to be suitable for application to any future facilities covered by these arrangements as well; and○ are the risks greater than the potential outcome if Woodside was not connected in the first place.● Mr Campbell-Everden noted in response that:<ul style="list-style-type: none">○ Woodside have offered a non-binding protocol and to have a storage component connected;○ how and when Woodside would disconnect and how this is to be treated, in the context of an emergency, needs to be understood to understand the impact on the system;○ he was not sure there is a particular study that can be done, as you either participate or you don't participate in an emergency, and Woodside is saying that it will not participate except in accordance with this non-binding protocol;○ the ISO is responsible for maintaining security, so the question to ask is whether what Woodside is proposing with regard to restricted directions would make system security worse.● Mr Stephens noted in addition that:<ul style="list-style-type: none">○ the non-binding protocol may provide some visibility on how the process will work and provide some confidence that Woodside will be contactable during emergency; and○ we are not yet able to answer the question of what will happen when the plant disconnects in a contingency event as this is linked to studies that will unfold over the next number of months.	

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	<ul style="list-style-type: none">• Mr Kok noted that protocols are helpful, however are not binding. We need to make sure that the protocol is based around rules as it is the rules that are binding. During an emergency, parties must follow the rules as there is little time and, if the rules are not clear, the whole system might collapse.• The Chair requested that other PAC members raise any views at this time.• Mr Midolo noted that compliance at the point of interconnection is likely to change as you will have to reassess whether the criteria is still valid every time there is a major change in the system. This criteria cannot exist in perpetuity. There has to be some opportunity to revisit it.• Mr Bossong did not wish to provide a comment at this time.• Mr White supported the intention to protect consumers and questioned whether the timeline of the rule change process needed amendment to address the technical issues identified by the TWG.• The Chair asked what the timeframe is for the work that needs to be done, when can it be done by and how the advice given can support the Coordinator.<ul style="list-style-type: none">○ The Chair noted that in particular the compliance criteria and the non-binding protocol needed more investigation and finalisation before the draft rule change is developed.• Ms Guzeleva responded that the Coordinator needs clarity as to whether it is credible at this point in time to publish the draft report, noting that:<ul style="list-style-type: none">○ there have been lots of arguments raised by the PAC that work needs to be done before the report is published;○ stakeholders need to have complete information in the draft report, to the extent practicable, to make sensible comments on it; and○ drafting of the rules may need to change, for example by including triggers for reassessment of compliance at the point of interconnection.• Ms Guzeleva summarised the information that would be required to be published in an extension notice in the event the Coordinator decides to extend the publication of the draft rule change report.<ul style="list-style-type: none">○ Ms Guzeleva requested that a timeframe is agreed for completion of the works that need to be undertaken.• The Chair asked the PAC if there were concerns regarding an extension and the length of extension.<ul style="list-style-type: none">○ No concerns were raised by any of the members which was taken to mean general consensus from the PAC for publishing the extension notice.	

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	<ul style="list-style-type: none"> ○ Ms Papps supported taking the time needed to get the drafting right, and noted that it is vital to get it right the first time. ● The Chair asked Mr Campbell-Everden as the chair of the TWG, how long of a delay is necessary in order to inform a potential extension by the Coordinator. <ul style="list-style-type: none"> ○ Mr Campbell-Everden responded that the timeframe is dependent on Horizon Power submitting a draft compliance criteria and then allowing time for the ISO to review. He noted the need to take this to the TWG for consideration and, hopefully, consensus. ○ Mr Stephens noted that Horizon Power has already started drafting the criteria and indicated that it could deliver a draft by 10 October 2022. 	
	<p>Action: Horizon Power is to submit a draft compliance criteria to the technical working group by 10 October 2022.</p>	<p>Mr Stephens</p>
	<p>Ms Guzeleva asked for a high level work program from the ISO, which could then be reflected in an extension notice, as the PAC seems to support an extension.</p>	
	<ul style="list-style-type: none"> ● The Chair supported this work package and the need to inform Ms Guzeleva by tomorrow afternoon, and reinforced the need to also consider the non-binding protocol and the impact on other parties. 	
	<p>Action: Mr Campbell-Everden is to develop a timeframe and Stage 2 work to be completed by the technical working group before the next PAC meeting to inform the rule change process.</p>	<p>Mr Campbell-Everden</p>
	<ul style="list-style-type: none"> ● The Chair noted that unless anyone objects, the extension notice itself didn't need to come back to the PAC, but the length of the extension required may need to come back to the PAC. <ul style="list-style-type: none"> ○ The Chair noted that in the interest in keeping the process as expedient as possible, perhaps a period of twenty business days for this additional work would be appropriate to not delay the final advice too much. ● Mr Campbell-Everden noted that he will do everything possible to facilitate this and requested clarification on whether the scope of works for stage 2 needed to be formally presented to the PAC. <ul style="list-style-type: none"> ○ The Chair clarified that this was not necessary, that the ISO should just provide the key steps via email to Ms Guzeleva and the PAC, for the purposes of developing the extension notice. ○ PAC members will be given until COB on 30 September to provide any comments. ● Mr Campbell noted that the work program could potentially be delivered by 26 October 2022. 	
	<p>Action: Members of the PAC are to inform Ms Guzeleva by COB 30 September 2022 of any issues with the extension of the draft rule change report.</p>	<p>PAC Members</p>

