



Rule Change Notice: Various Pilbara ISO Functions (PRC_2023_01)

This rule change notice is published under clause A2.5.7 of the Pilbara Network Rules (PNR).

Submitter: James Campbell-Everden, Pilbara ISOCO Limited (ISO)

Date submitted: 14 March 2023

The Rule Change Proposal

The ISO has submitted a *rule change proposal* under the *standard rule change process*, which seeks three distinct changes to the PNR.

A high level outline of the proposed changes, which relate to various functions of the ISO, is provided below.

- Proposal A – ISO access and connection related costs: proposes amendments to the cost recovery provisions in relation to the ISO's access and connection functions under subchapter 9.2 of the PNR.
- Proposal B – Procedure relating to essential system services under Subchapter 8.1: proposes an amendment to rule 244 of the PNR to provide for the development of a permanent ISO Essential System Services Procedure.
- Proposal C - Reference error with regard to Pluto CPC measures: proposes an amendment to correct a referencing error in rule A4.73(b) of the PNR.

A copy of the *rule change proposal* is uploaded with this notice, and describes in detail the changes the ISO is proposing and the rationale behind these changes. A copy of the marked up changes to the PNR are also provided in section 2 of the ISO's proposal.

Pilbara electricity objective

In accordance with clause A2.5.7 of the PNR, this notice must include the ISO's explanation as to how the proposed changes will better address the *Pilbara electricity objective*.

The ISO's complete detailed assessment of the proposed changes will better address the *Pilbara electricity objective* is provided in section 3 of the *rule change proposal*, however a high level overview is outlined below.

Proposal A

The ISO considers that it is in the interests of all North West Interconnected System (NWIS) participants and the improved reliability and security of the NWIS as a whole that the ISO is able to perform its access and connection related functions with certainty in its ability to recover the costs of doing so.

The ISO considers that if these costs were not recovered on a user pays basis, and were instead socialised through ISO fees, the result would raise issues of equity and fairness that are difficult to answer.

Proposal B

The ISO considers that Proposal B will give the ISO a clear capability to engage with stakeholders and experts in availing itself of advice of those with the technical knowledge and understanding of the unique characteristics of the NWIS and the Pilbara region more generally.

The ISO considers that Proposal B will also assist the ISO in developing processes that ensure transparency and accountability in the procurement, delivery and performance of essential system services.

The ISO notes that this will enable stakeholders to better understand essential system services related processes and to provide feedback, which will contribute to ensuring that the ISO is meeting the needs of the NWIS and its users.

Background of the Proposal Development

The ISO tabled an issues paper at the 3 August 2022 meeting of the Pilbara Advisory Committee (PAC), inviting views on which method the ISO should use to recover its costs associated with its access and connection functions under subchapter 9.2 of the PNR.

The ISO's *rule change proposal* reflects the agreed position of PAC, as outlined in the minutes of the 3 August 2022 meeting available on the Energy Policy WA [website](#).

The other two changes are administrative in nature, and the PAC will have the opportunity to consider and provide feedback at the next PAC meeting on 30 March 2023.

Decision to Progress the Rule Change Proposal

The Coordinator has decided to progress the *rule change proposal* the proposal did not meet any of the grounds for not progressing a proposal under clause A2.5.6A of the PNR.

The Coordinator will progress the proposal using the *standard rule change process*, as this is the process requested by the ISO and the criteria for the fast track or abridged processes have not been met.

Timeline

This rule change proposal will be progressed under the standard rule change process described in clauses A2.7.1A to A2.7.8 of the PNR. The projected timeline for processing this proposal is:



Call for Submissions

The Coordinator invites interested stakeholders to make submissions on this *rule change proposal*. The submission period is 30 Business Days from the Rule Change Notice publication date. Submissions must be delivered to the Coordinator by **5:00pm (AWST) on Monday, 8 May 2023**.

The Coordinator prefers to receive submissions by email to energymarkets@energy.wa.gov.au, using the submission form available at [Rule Change Process \(www.wa.gov.au\)](http://www.wa.gov.au).

Submissions may also be sent to the Coordinator by post, addressed to:

Coordinator of Energy

Attn: Director, Wholesale Markets Branch
Energy Policy WA
Locked Bag 11 Cloisters Square WA
PERTH BC WA 6850