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Dear Dora

### **Exposure draft of the Cost Allocation Review Wholesale Electricity Market Amending Rules**

Western Power is supportive of the changes which aim to allocate both market fees and essential system service costs to align them with the causer-pays principal, to the extent practicable and efficient.

Our understanding is that there are no new obligations on Western Power created by the rule changes proposed in the exposure draft. We note that the cost allocation methodology for the essential system services of regulation raise and lower proposes to use existing data available to AEMO that is sourced from the "SCADA system operated by AEMO or the network operator (as applicable)".

Western Power's SCADA system is implemented in line with the requirements of the WEM rules and the WEM procedure control and communications, noting that some items are on an agreed pathway to compliance through the implementation of SCADA and communication upgrade/replacement projects. It is our understanding that the methodology utilises SCADA data in AEMO's databases rather than processing the SCADA data in real time.

Western Power is aware that the methodology proposed is based on an approach adopted in the NEM on equivalent SCADA data. The NEM arrangement indicates that AEMO's systems take into account some of the complexities of TNSP SCADA data such as latency, unavailable/missing data and quality of data. Western Power requires that similar considerations are accommodated for and are documented in a relevant AEMO WEM procedure. For example:<sup>1</sup>

#### *4.1.2. 4-second active power measurement data ...*

*b) AEMO's database application provides linear data interpolation in cases where the resolution of the SCADA data is larger than four-seconds, and in cases where interpolation is required across DI boundaries.*

SCADA data may not always be available for particular intervals. For example, due to outages of SCADA equipment such as RTUs, communications pathways or underlying measuring equipment due to maintenance or faults. The SCADA data in the intervals is not estimated or substituted. Western Power requires that the methodology accommodates missing or unavailable SCADA data in AEMO's systems.

There are a small number of generator sites that are not currently sampled at 4-seconds and may not necessarily be upgraded by the proposed commencement date of October 2025. Western Power would like the methodology to accommodate these sites.

Though we are working on the principal that the methodology proposed in the exposure draft is using existing systems and data available to AEMO, Western Power looks forward to collaborating on the implementation with EPWA and AEMO should any matters require further input from us.

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<sup>1</sup> [Contribution Factors Procedure 2018 \(aemo.com.au\)](https://www.aemo.com.au/wholesale/rules-and-conditions/contributors/Contribution_Factors_Procedure_2018)

Should you have any queries, please contact Mark McKinnon, Principal Energy Market Advisor on (08) 9326 4030 or [mark.mckinnon@westernpower.com.au](mailto:mark.mckinnon@westernpower.com.au) or myself on (08) 9441 3518 or [Zahra.jabiri@westernpower.com.au](mailto:Zahra.jabiri@westernpower.com.au).

Yours sincerely,

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