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INTENDED FOR PUBLICATION

To Whom It May Concern

SUBMISSION – EVOLUTION OF THE PILBARA NETWORK RULES CONSULTATION PAPER

1 Executive summary

Woodside appreciates the opportunity to provide feedback on the proposed changes to the Pilbara Electricity Network Rules (***PNR***) to support the Pilbara Energy Transition (***PET***), as set out in Energy Policy WA's Evolution of the Pilbara Network Rules Consultation Paper dated 4 February 2025 (***Consultation Paper***).

Woodside has reviewed the Consultation Paper and provides its in principle support of the proposed changes on the basis that they align with the overall objective of decarbonising, and facilitating renewable energy and energy storage integration in, the Pilbara. Acknowledging that the proposed reforms are still at a relatively early stage of development, Woodside reserves its position to provide more detailed comments on the proposed reforms once further particulars of the specific rule changes to the PNR are released.

Woodside would be supportive of an expedited process for the design, development and implementation of these rule changes, as an omnibus rule change, to the extent possible, to provide investor certainty in a timely manner and to facilitate efficient investment in the Pilbara.

2 Background

Woodside has been operating facilities in the Pilbara since the commencement of the North West Shelf (***NWS***) project in 1984. Since that date, the NWS project has been expanded and the Pluto LNG Facility (**Pluto Facility**) has also been developed and expanded. During that time, both projects have relied on stand-alone electricity generation facilities and neither project has connected to the North West Interconnected System (***NWIS***).

Woodside is currently seeking to progress the development of a solar farm at the Maitland Strategic Industrial Area to supply renewable energy to the existing Pluto Facility. A key enabler for this project is the PNR enabling the solar farm and the Pluto Facility to be connected to the NWIS and for the Pluto Facility to continue operating in a safe and reliable manner. The proposed changes to the PNR, if implemented as outlined in the Consultation Paper, provide Woodside with the necessary regulatory certainty to be the first LNG facility to connect to an interconnected network once an acceptable transmission solution is secured.

Woodside continues to support reforms to the Pilbara regulatory regime, as they are consistent with the major changes expected to occur in the NWIS including in respect to the type of technologies supplying electricity and the services needed to operate a secure and reliable power system. Indeed, the recent adoption of the State Electricity Objective[1] in the Pilbara region is demonstrative of the need

[1] As per Part 2 of the *Electricity Industry Amendment (Distributed Energy Resources) Act 2024*, which came into effect on 6 February 2025, the Pilbara electricity objective of the *Electricity Industry Act 2004* is to be amended 'to meet the State electricity objective in the Pilbara region'. The State electricity objective 'is to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity in relation to:
(a) the quality, safety, security and reliability of supply of electricity
(b) the price of electricity; and

for this change. In particular, Woodside supports the following themes in the reforms to the Pilbara regulatory regime: efficient investment, long term interests of consumers, safe and reliable supply of electricity and reduction in greenhouse gas emissions (consistent with Australia's commitment to achieve net zero by 2050).

3 Woodside's support for PNR reforms that aim to facilitate the transition of the Pilbara Electricity System

The PNR were originally designed around a power system that relies predominantly on a dispatchable thermal generation fleet comprised of gas turbines. Woodside agrees that this position in the Pilbara is expected to change, and that changes to the PNR are required as the capacity mix in the Pilbara power system transitions towards more variable renewable energy generation, energy storage and increasingly flexible demand. Broadly, the changes to the PNR being proposed by Energy Policy WA in the Consultation Paper appear to be sufficient and fit-for-purpose, particularly in the context of facilitating this change and directly supporting the State Electricity Objective of decarbonisation.

Woodside notes that the proposed changes set out in the Consultation Paper have been communicated at a high level, and that there is still significant detail to be developed and consultation to occur before any changes are incorporated into the PNR. Acknowledging this qualification, Woodside supports most of the changes proposed in the Consultation Paper. In particular, Woodside supports:

- amendments to the Essential System Services arrangements for both frequency control and spinning reserve;
- individual participants taking responsibility for capacity certification;
- the treatment of non-firm loads in capacity considerations;
- the new balancing mechanism which supports the variable supply and demand; and
- new governance arrangements for the Independent System Operator.

Woodside support an omnibus rule change to promulgate all changes to the PNR as soon as possible. Noting the scale and scope of new investment intended to be undertaken in the Pilbara, the efficient and timely implementation of the proposed rule changes will be crucial to providing investor certainty.

Alternatively, to the extent that proposals will be progressed on an individual basis, Woodside submits that priority should be given to implementing the rule changes proposed in respect of the ESS framework and ESS cost recovery, capacity certification, balancing mechanism, ISO related administration costs, demand side participation, NSP to NSP connection arrangements and preferential supply for transmission foundation customers.

4 Detailed submissions on proposed PNR reforms

To assist EPWA with its further development of the PNR reforms, we have set out in:

- **Annexure A** Woodside's more detailed submissions on each of the proposals raised in the Consultation Paper, which is intended to be read alongside Table 1 of the Consultation Paper; and
- **Annexure B** Woodside's submissions on two aspects of the HTR specific issues and proposals as set out in Table 2 of the Consultation Paper.

Woodside would be pleased to discuss any aspect of this submission or to assist with any queries the EPWA team may have.

Yours sincerely

Menno Weustink
Vice President Business Development and New Energy Origination
APAC

(c) the environment, including reducing greenhouse gas emissions.'

Annexure A – Woodside's detailed submissions in response to each of the proposals tabled in Table 1 of the Consultation Paper

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
Power System Security and Reliability		
Proposal 1: **Long term planning**	Woodside broadly supports Proposal 1.	Woodside supports the proposal that the Pilbara System Plan be prepared by the ISO on a regular basis. Woodside is also supportive of the Pilbara System Plan being prepared in accordance with assumptions and methodologies, the terms of which will be subject of consultations run by the ISO. Woodside notes that it is important that any information sought by the ISO from any parties not yet connected to the NWIS at the time of development and/or update of the Pilbara System Plan be limited to proposed connection opportunities (rather than seeking detailed information from such parties typically required for power system modelling associated with access applications).
Proposal 2: **Network reliability standard**	Woodside submits that network development should be based on a case-by-case basis where affected consumers determine a standard at which they are willing and able to pay, and the relevant NSP makes an assessment based on estimated consumer requirements.	Woodside acknowledges that ensuring network reliability requires ongoing maintenance and upgrading of transmission infrastructure, implementation of advanced technologies and having robust contingency plans, and that operating to an n-1 standard would be the ideal outcome from a technical perspective as this should result in a more resilient network. Whilst an n-1 standard for the entire Pilbara network would be preferred from a technical perspective, there are cost implications associated with implementing this as a default network standard. Woodside submits that a similar level of resiliency in certain areas of the network could also be achieved in other ways. For example, non-network solutions could be implemented, which could involve flexible agreements with generators or consumers in particular locations to respond to variable increases and decreases to demand and supply. Accordingly, the default network planning and operation standard of n-1 should be applicable to parts of the NWIS where there are multiple parties who require that level of reliability and are willing to pay the costs of this standard of reliability. Where this does not exist, other options for ensuring reliability in those parts of the network should be considered.
Proposal 3: **Capacity forecasting**	Woodside broadly supports Proposal 3, subject to its comments in the next column regarding ongoing review of this approach to ensure associated costs are minimised.	Woodside submits that the proposal for ISO capacity forecasting is more conservative than the current approach applied by AEMO in the National Electricity Market (***NEM***) and the Wholesale Electricity Market in WA (***WEM***). While Woodside broadly supports this approach, it should be subject to ongoing review to ensure costs associated with this approach are minimised and not disproportionate to the benefits of this approach. In particular, the expected capacity requirement in the NEM and the WEM uses Expected Unserved Energy (***EUE***), which is the amount of energy that cannot be supplied to consumers, resulting in involuntary load shedding (loss of consumer supply). AEMO uses a generation adequacy assessment to determine whether available generation capacity (which includes an allocation for potential generation outages and transmission capacity) is sufficient to meet

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		consumer demand. This is done in accordance with AEMO's adopted reliability standard of EUE not exceeding 0.002% of annual electricity system consumption. This assessment is based on the probability of the distributions of demand and generator outages and considers the requirement for essential system services. Proposal 3 is in contrast to AEMO's approach to use a EUE based on a week with a one-in-ten year combination of high demand and low renewable output. This would also include a reserve margin to account for the largest contingency based on the expected forced outage rate of the fleet.
Proposal 4: **Individual capacity requirements**	Woodside broadly supports Proposal 2.	Woodside supports the self-certification approach to calculating individual capacity requirements (***ICR***). It also supports participants not being required to account for consumption served by co-located generation, and being able to nominate part of their demand as 'non-firm'. Under this approach, participants will be required to have sufficient capacity to meet their ICR. However, it is not clear from this proposal how this will be managed where one participant has more capacity than required, and where another participant has less capacity than required. Woodside suggests that a bulletin board could be established where real time ICR can be known, allowing participants to understand where trading is possible. Such a concept may alleviate the need to undertake backup capacity procurement as suggested in Proposal 6.
Proposal 5: **Capacity certification**	Woodside broadly supports Proposal 5, subject to its comments on subproposals 5.2 and 5.3 in the next column.	Woodside supports the approach outlined for self-certification as it is consistent with the approach in the WEM and in other jurisdictions. In particular, the proposal addresses the dynamic nature of the NWIS, where not all customers require firm supply, generation may be intermittent, and electricity can be often be sourced from either the NWIS or self-generation sources. Woodside supports subproposal 5.2, which provides that where a participant does not include consumption served by co-located generation in its capacity target, then those co-located facilities cannot have a self-certified capacity contribution. Woodside considers it will be important as part of developing the rule change to understand how this calculation will be undertaken, particularly when there is a mix of firm on-site generation and intermittent off-site generation (and on-site generation can meet all consumption requirements). For subproposal 5.3, Woodside's view is that the proposed approach of ISO certifying all other capacity will minimise the probability of excess capacity and keep prices of capacity at reasonable levels. However, Woodside considers it is important that the methodology the ISO intends to adopt to perform the calculations set out in subproposal 5.3 is transparent. Woodside proposes that well-defined and comprehensive definitions of associated variables be provided. By way of example, the types of questions that arise include:

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		• When certifying firm generation, will maximum output be derived from nameplate capacity or net summer generation capacity of an asset? • When certifying variable generation, what probabilistic methodology will be used, what time of year will this be based on, will multiple year performance be considered, and how will risks associated with solar performance be determined on a cumulative basis?
Proposal 6: **Backup capacity procurement**	Woodside supports the concept of backup capacity procurement in principle, however further consideration is required as to how this will be carried out in practice.	While Woodside is supportive of the concept of backup capacity procurement in principle where participants do not present evidence of sufficient capacity to meet their individual requirements, Woodside submits that further consideration of how the process of procuring backup capacity and how these costs are allocated to those participants who have a capacity shortfall is required. The outworkings of this may lead to a conclusion that individual participants should take responsibility to ensure that they have sufficient capacity to meet their requirements, either from their own resources or by accessing capacity from other participants, with a capacity procurement process to only be available in a fallback situation. Various circumstances can result in a participant experiencing a shortfall in achieving its ICR. For example, delays in the commissioning of a new power station might necessitate temporary electricity supply for the delay period until the new facility becomes operational. If, for example, the ISO considers it necessary to deploy a new gas turbine with an economic lifespan of approximately 20 years to procure backup capacity, this solution raises several questions: • What process would the ISO use to obtain the necessary capacity to meet requirements within the 24 month time frame? • Would the ISO be prepared to enter into a 20 year power purchase agreement with the gas turbine owner, or would a shorter term agreement be more appropriate (given the temporary nature of the capacity shortfall)? How will costs under this agreement be recovered? • What happens when the customer's power station comes into service? • Additionally, and if required, what type of fuel contract would the new power station be required to enter into and is that type of contract available? What term would be appropriate? Will the maximum $/MWh balancing energy price be allowed to vary over time? On what basis? Any limits? It is also necessary to consider the appropriate methodology for selecting providers of shortfall capacity. In particular, what term, discount rate and expected capacity factor will be used in determining the lowest overall cost by taking into account both capacity payments ($/MW) and expected energy payments ($/MWh)?
Proposal 7: **ESS framework**	Woodside broadly supports Proposal 7.	Woodside supports the proposed ESS framework on the basis that this better aligns with the evolving energy transition in the Pilbara and the likelihood that total generation in the market will be supplemented by significant renewable energy sources and the expectation of new demand on the system.

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		Woodside understands and supports the ISO's rationale that ESS should continue to be procured on a contractual basis. Woodside expects that, without a more detailed understanding of the proposed ESS framework and ESS cost recovery, investment decisions may be delayed until sufficient clarity is available. Given the importance of ESS, particularly to renewable projects, the changes required to this framework should be progressed expeditiously.
Proposal 8: **ESS cost recovery**	Woodside supports Proposal 8 subject to its comments in the next column on the current approach to ESS cost recovery.	Woodside strongly supports the proposed approach to ESS cost recovery as this is consistent with the 'causer pays' principle. Consistent with Woodside's submissions of 22 September 2023 to ISO regarding the Interim Energy Balancing and Settlement Procedure[2], Woodside considers that the current approach to ESS cost recovery in the PNR fails to adequately consider the true risks to the system that drive Spinning Reserve Essential System Services (***SRESS***) and Frequency Co-Optimised Essential System Services (***FCESS***) (to be renamed Contingency Reserve Raise and Regulation respectively). Where there is no metered data available, FCESS for new connections is currently based on the concept of load swings, which often have the effect of overstating the allocation of costs. Similarly, the PNR's method for calculating SRESS includes terms like 'reference periods', 'nameplate capacity', and 'reference units', which are not always relevant in assessing the risk of a single point of failure. While Woodside supports the "Contingency Reserve Raise" (i.e. SRESS service) allocation in principle, Woodside considers that certain issues will need to be resolved as part of the more detailed development of this regime. For example, the methodology for calculating generator capacity and whether this will be based on nameplate capacity, operating capacity, or another approach, will need to be considered in further detail. Additionally, consideration will need to be given to determine *'…facility contributions to the size of the largest contingency in any given trading interval'*. Traditionally, this has been focused on the generator(s) with the largest capacity (for example, the loss of a single unit of 330MW in the South-West Interconnected System (***SWIS***)) and procedures in other major power systems (such as the SWIS and Darwin-Katherine interconnected system) have assumed that generators are connected to the network in such a manner so as to represent this risk. With changes in technology, the largest generation risk to power systems may not necessarily be the largest generator, and so it may be necessary to instead consider the nature of each connecting generator. Woodside continues to strongly support the proposed exemption from Contingency Reserve Raise costs for facilities where a trip would be automatically offset by a load curtailment. Woodside reiterates the importance of

[2] https://pilbaraisoco.com.au/wp-content/uploads/2023/10/EBAS-Woodside-Submission-22-Sept-2023.pdf

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		progressing the ESS rule changes promptly given the importance of ESS costs to new renewable projects from an investment decision perspective.
Proposal 9: **System strength**	Woodside broadly supports Proposal 9.	Woodside understands that system strength requirements differ across locations but can impact the power system as a whole. Woodside therefore considers it appropriate for the HTR to provide guidance on how the minimum and maximum fault levels of the NWIS will be set. Woodside supports responsibility being shared between the ISO and NSPs on determining requirements, with the ISO approving system strength requirements for different parts of the network with NSP support. Ultimately, however, in Woodside's view, it is the responsibility of the NSP to manage and mitigate these risks.
Proposal 10: **Outage planning**	Woodside submits that the outage planning regime proposed should not apply to the Pluto Facility.	Woodside appreciates the need for outage planning particularly around the issue of power system security and reliability. However, the proposal is a significant change from current arrangements and is not supported by Woodside to the extent that it applies to the Pluto Facility. The Integrated LNG Systems (PRC_2022_01) rule change[3] considered the question of LNG facilities generally, and the Pluto Facility specifically. The end result was that under PNR Rule 182, the Pluto Facility was effectively removed from outage planning. The safety and reliability of the facility were a critical factor in making this decision to implement the rule change (see section 14 of PRC_2022_01). On this basis, the continuation of the ISO's current powers to issue the Pluto Facility directions in accordance with the current PNR (once connected to the NWIS) is of key importance to Woodside as a precondition to its initial and ongoing connection to the NWIS. Woodside also supports an outage assessment procedure containing a risk-based outage assessment framework, noting that there are pre-existing developed risk frameworks available that should be considered when developing this framework. As provided in Woodside's letter to the ISO dated 1 November 2024 regarding the proposed rule change for chapters 7.3 and 7.4[4], it is supportive of the development of a single, common risk assessment framework, where communication of outages is done in an open and transparent manner.
Proposal 11: **Outage plan timing**	Woodside submits that the outage planning regime proposed should not apply to the Pluto Facility.	Woodside reiterates its comments made in response to Proposal 10 above.

[3] https://www.wa.gov.au/government/document-collections/pilbara-rule-change-prc202201
[4] https://pilbaraisoco.com.au/wp-content/uploads/2024/11/Submission-Woodside-Energy-Review-of-Subchapters-7.3-and-7.4.pdf

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
Scheduling and dispatch		
Proposal 12: **Balancing mechanism**	Woodside supports Proposal 12.	Woodside strongly supports the proposed balancing and dispatch mechanism, including the proposed approach to penalties.
Proposal 13: **Metering**	Woodside supports Proposal 13.	N/A
Proposal 14: **Manual load shedding plan**	Woodside broadly supports Proposal 14.	Woodside understands that an electrical system requires a load shedding plan if it is to meet the State Electricity Objective. Woodside supports the approach outlined in principle. In particular: • prioritising the disconnection of uncontracted customers over contracted customers; • transmission foundation customers being prioritised ahead of others when network congestion is the cause of the shortfall; and • that where load shedding is required, load rotation and disconnection should be in proportion to consumption.
Governance of ISO		
Proposal 15: **ISO functions**	Woodside broadly supports Proposal 15, subject to its comments regarding the transition of functions in the next column.	Woodside is concerned that the current administrative ISO model is unlikely to be appropriate as more generators, loads, storage, and variable generation are introduced to the Pilbara market and the remit of the ISO expands to cover additional functions. Woodside supports the proposed changes in principle, however submits that further consideration is required in relation to timing, and how it is proposed these additional functions of the ISO will transfer, develop and expand over time. Woodside recommends that the transition of tasks and responsibilities from current arrangements to those proposed should take place in accordance with pre-approved "triggers" related to the NWIS. Any expansion in covered networks as described in the Pilbara Electricity Transition Plan (***PETP***) will be preceded by industry investment decisions, and ultimately driven by access agreements. It should be these events that provide the signal for changes in ISO functions.
Proposal 16: **ISO board**	Woodside broadly supports Proposal 16, subject to its comments regarding the appointment of directors in the next column.	Woodside supports the proposed changes, in particular: • board members independent of participants; • requiring new board members to meet selection criteria including requisite skills; and • defined and staggered terms of office. Woodside suggests that there may be merit in allowing Pilbara network users the right to jointly nominate to the Minister at least one director, who would need to meet the eligibility requirements outlined above (noting the current

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		position is that all directors will be appointed by the Minister for Energy). Woodside agrees that an ISO cost recovery approach should be amended at the same time as Board composition changes occur.
Proposal 17: **ISO budget**	Woodside broadly supports Proposal 17.	Woodside notes the Consultation Paper reference to "significant expansion of the ISO's functions will bring increased costs". A rapid increase in NWIS network administration costs may represent a barrier to industry investment. Woodside notes that in the SWIS, network administration costs have almost tripled in the last four years since 2020/2021. This issue has been raised by the Chamber of Minerals and Energy of Western Australia on behalf of industry in its 'Energy costs in transition: Decarbonising Western Australia's South West Interconnected System (SWIS)' paper[5] as part of the broader reforms being proposed in the SWIS. Woodside looks forward to the provision of further detail regarding the mechanism for consultation on and approval of the proposed ISO budget. As the Consultation Paper is silent on the duration of the ERA's approval of the ISO Budget, to provide certainty to NWIS users and NSPs from an administration cost perspective, Woodside would recommend that the ISO Budget approvals are in place for five years.
Proposal 18: **ISO fees**	Woodside broadly supports Proposal 18, subject to the assumptions set out in the next column.	Woodside supports EPWA's proposal that 'ISO costs will be recovered from participants based on gross injection and withdrawal figures into and from the NWIS'. Woodside looks forward to the provision of further detail regarding the precise mechanism which will be used to calculate annual ISO fees. Woodside also assumes that EPWA's proposal: • means MWh generated and consumed behind the meter will be excluded for the purposes of calculating recovery of ISO fees from participants; and • applies to the entire NWIS6.
Proposal 19: **Confidential Information**	Woodside supports the current position, see the comments set out in the next column.	It is proposed that all information is public as the default position unless there is a compelling reason for it to remain confidential such as where: • the PNR has designated information to be confidential (i.e. terms, conditions and prices in bilateral contracts); • a discloser requests information provided to the ISO to be treated as confidential and the ISO determines that this information meets the PNR specified criteria for being confidential in accordance with an ISO procedure; and

[5] https://www.cmewa.com.au/wp-content/uploads/2024/09/CME-SWIS-Energy-Report.pdf
[6] As defined by the ISO here: https://pilbaraisoco.com.au/nwis/system-map/

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		• the Coordinator of Energy has determined certain information to be confidential following a dispute about the classification of that information. Woodside agrees that a bilateral contract between commercial parties should be considered confidential, given the terms of these contracts are likely to be bespoke for large customers. However, the network connection process involves several steps, and it is not currently clear whether (for example) an access application lodged as part of this process would be considered confidential. Woodside also submits that access applicants may not want the existence and or terms of any potential access application, and bilateral contracts between that applicant and relevant third parties, known to other participants. Not only would these applications contain commercially sensitive information, but such applications may also obtain confidential information from other third parties (including third party intellectual property). This is particularly relevant against the backdrop of the vertically integrated nature of some of the dominant participants in the NWIS. Woodside submits that confidentiality needs to be carefully considered and managed noting that there will be various commercial sensitivity reasons why commercial information should remain confidential. Woodside looks forward to commenting on the associated rules and procedures.
Proposal 20: **Compliance monitoring**	Woodside supports Proposal 21.	N/A
Proposal 21: **Compliance enforcement**	Woodside supports Proposal 21.	N/A
New Connections		
Proposal 22: **NSP to NSP connection arrangements**	Woodside broadly supports Proposal 22, provided that the current position regarding exemptions and CPC measures under the existing PNR is maintained, and the Pluto Facility continues to be treated as an excluded network.	Woodside supports this proposal on the basis that it would simplify and accelerate connection to the network. Woodside acknowledges that the development of this proposal will likely require significant discussion with NSPs who have developed their own networks to different standards, to ensure any new networks can be accommodated accordingly. With respect to connecting networks demonstrating compliance with the HTR, this should include an acknowledgement of permitted exemptions under the PNR and also permitted CPC measures. In addition, Woodside submits that 'self-contained network infrastructure' should explicitly be defined to include the Pluto Facility, which should continue to be an excluded network if connected. With respect to subproposal 22.2, Woodside supports ISO management of the connection process for new networks connecting to the NWIS and for new interconnections

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		between existing networks. There are certain circumstances where a load may trigger network investment, namely where: • a new end use customer wants to connect to the network; or • an existing end use customer wishes to increase the capacity of its connection in order to increase its energy use. In order for customers to make connection decisions on projects which require NSP to NSP connection arrangements (***N2N***), they will need clarity on both the timing and cost of N2N arrangements. One solution could be the requirement for the ISO to produce its own Network Development Protocol (***NDP***) with respect to N2N. Section 42 of the existing PNAC provides some useful principles with respect to user access. These could be the basis of a N2N NDP, aimed at providing sufficient clarity in terms of process and timelines for the management of N2N. This may include that: • all process steps and requirements are clearly specified; • wherever practicable, timelines are clearly specified, or if timing must be flexible, the process for determining a timeline is clearly specified; • applicants/NSPs can hold the ISO accountable to those processes and timelines, including when timing is flexible; • where timing is flexible, applicants are provided with reasonable information as to the required steps to progress the N2N and the targeted time frames; and • the ISO is required to notify an applicant/NSP where timelines or targeted timelines cannot be met, including reasons for the delay, new timelines or targeted timelines, and measures it is implementing to avoid further delay.

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
Proposal 23: **Preferential supply for transmission foundation customers**	Woodside supports Proposal 23 in principle, subject to its queries in the next column.	Whilst Woodside supports subproposal 23.1 in principle, it is difficult to understand how this will be facilitated in practice. In a scenario where, for example, a connection applicant is required to pass through various networks owned by different NSPs and some (but not all) of the network connections are as a result of new investment supported by the foundation customer, how is it proposed that the foundation customer will be provided with firm supply? This is further considered in Woodside's response to the Evolution of the Pilbara Electricity Access Regime Consultation Paper dated 4 February 2025. Separately, Woodside supports the allocation of energy process proposed in circumstances where a customer's generation is constrained. Woodside also supports subproposal 23.3, where foundation customers of transmission infrastructure may be settled without imbalance penalties in circumstances where dedicated generation is constrained.
Proposal 24: **Self-contained networks**	Woodside broadly supports Proposal 24, subject to its additional comments in the next column.	Woodside supports the proposed approach to self-contained networks. However, Woodside considers further information is required regarding what standing data and real time data for individual pieces of critical equipment (including facilities subject to CPC) will need to be provided to the ISO as per subproposal 24.3. It is necessary to consider the cost to participants of providing this data including new systems, resource requirements, etc. On a related note, Woodside submits that a consistent approach should be taken in respect of a participant's ability to dispute various matters under the PNR. In particular, under Rule 274C(2)(a) of the existing PNR, there is no ability to dispute a decision by the ISO to agree CPC measures. Additionally, the ISO is not obliged to agree to CPC Measures. Like other matters within the PNR, Woodside submits that these matters should be able to be disputed.
Proposal 25: **Storage Participation**	Woodside broadly supports Proposal 25, subject to its comments regarding behind the meter batteries in the next column.	Woodside supports the changes to accommodate participation of storage facilities and creating the classification of an 'Energy Producing System' to encompass generation and storage facilities. Woodside supports registration of these facilities provided they are directly connected to the NWIS (and behind the meter batteries are not required to be registered).
Proposal 26: **Demand Side Participation**	Woodside broadly supports Proposal 26.	Woodside supports the approach to demand side participation in the Pilbara. Woodside also considers flexible loads should be considered capable of registration for capacity, and also capable of being sold to third parties.
Development of the Harmonised Technical Rules		
Proposal 27: **HTR Standards**	Woodside broadly supports Proposal 27.	Woodside supports the proposal that there should only be one technical standard for the NWIS, and that this should be contained within the HTR. Woodside notes that subproposal 27.3 states that "in the medium term, the HTR will set a minimum standard for connection" and that "connection will not be allowed for equipment that falls short of the minimum standard" but it is

Proposal	Summary submission	Woodside detailed comments and/or suggested clarifications for consideration
		not clear what a 'minimum standard' means in this context, and requests that this point be clarified in subsequent stages.
Proposal 28: **HTR negotiation framework**	Woodside broadly supports Proposal 28, subject to clarification on how disputes with the ISO will be dealt with.	Woodside seeks clarification on how any disputes with the ISO (rather than between an access seeker and an NSP) will be dealt with in this new regime? For example, if there is a dispute in relation to a CPC measure.

Annexure B – Woodside comments in response to Table 2: HTR-specific issues and proposals

Proposal	Woodside comments for consideration
Monitoring and Control Requirements	Woodside notes that the ISO already has a procedure addressing these requirements, in respect of which Woodside has provided specific feedback to the ISO on 8 December 2023[7]. This feedback remains and is yet to be addressed.
UFLS integrity and transparency	Woodside notes that annual testing of under frequency load shedding (UFLS) is not industry standard and may place facilities at risk. Ten-year testing frequency is more appropriate for modern protection relays used in other jurisdictions. For example, Woodside understands that Western Power does not currently impose UFLS testing on customers.

[7] https://pilbaraisoco.com.au/wp-content/uploads/2023/12/Woodside-Submission-Pilbara-ISOCo-Interim-Visibility-List-Procedure-8-December-2023.pdf