

Pilbara Advisory Committee (PAC) - Minutes

Date:	29 May 2025
Time:	1:30 pm – 3:30 pm
Location:	Microsoft Teams online

Attendees	Representing in MAC	Comment
Sally McMahon	Chair	
James Campbell-Everden	Independent System Operator (ISO)	
Quentin Jeay	Excluded Network Service Provider (NSP)	Proxy for Rebecca White
Gabby Pracilio	Contestable Customer	
Rosh Ireland	Small-Use Consumer	
Lekshmi Jaya Mohan	Discretionary Rule Participant	
Kristian Myhre	Discretionary Rule Participant	
Bethwyn Cowcher	Discretionary Rule Participant	
Anthony Ravi	Registered NSP	
Momcilo Andric	Registered NSP	
Jaden Williamson	Registered NSP	Proxy for Sandy Morgan
Melinda Anderson	ERA Appointed Observer	
Noel Ryan	Minister Appointed Observer	
Other attendees	From	Comment
Dora Guzeleva	EPWA	PAC Secretariat
Tom Coates	EPWA	PAC Secretariat
Thomas Tedeschi	EPWA	PAC Secretariat
Luke Commins	EPWA	PAC Secretariat
Paul Meyerkort	EPWA	Presenter for Item 6
Chris McKay	EPWA	Presenter for Item 6
Claire Lings	EPWA	Presenter for Item 6
Tim Robinson	RBP	Presenter for Item 7
Apologies	From	Comment
Sandra McInnes	Contestable Customer	Not in attendance

1. WELCOME

The Chair opened the meeting with an Acknowledgement of Country.

The Chair noted that she had no conflicts to declare and reiterated that any views expressed were the views of the PAC, not the independent Chair.

The Chair noted the Competition Law Statement, reminded members of their obligations, and encouraged them to bring any issues to her attention should they arise.

The Chair reminded members that the meeting would be recorded to develop the Minutes.

2. MEETING APOLOGIES AND ATTENDANCE

The Chair noted the attendance as listed above.

3. MINUTES OF MEETINGS 2024_12_05 AND 2025_03_13

The 5 December 2024 and 13 March 2025 meeting minutes were approved out-of-session and published on the Coordinator's website on 21 January 2025 and 10 April 2025 respectively.

4. ACTION ITEMS

The Chair noted that the one action item in the register was closed.

5. DEBRIEF ON MEETINGS

The Chair summarised meetings she had held with various PAC members to gather their views on the PAC's operation. She highlighted common themes from the discussions, including:

- The timing and sequencing of new Pilbara initiatives, considering appropriate 'triggers' for reform staging.
- Linking agenda items to value for industry and consumers.
- Support for sound governance arrangements.
- Opportunities to improve and optimise meeting preparation and conduct.

The Chair sought members' support for reviewing meeting materials and sharing comments with her and all members in advance of meetings, to enable more efficient discussions. Members agreed.

The Chair also proposed holding a one in-person meeting annually, tentatively nominating the 28 August 2025 meeting. Members agreed.

- Ms Guzeleva confirmed EPWA could host the in-person meeting (with an option for online attendance), subject to room availability.

Action: EPWA to include a standing invitation, when circulating meeting materials, for members to email comments on agenda items to the Chair and all PAC members in advance of each meeting.

Action: EPWA to host the PAC meeting on 28 August 2025 as an in-person meeting at its office, with optional online attendance.

6. UPDATE ON EPWA'S PILBARA ENERGY TRANSITION PLAN (PETP) WORK PROGRAM

Mr Meyerkort, Mr McKay and Ms Lings presented this agenda item, referring to the presentation slides in the Agenda Item 6 papers. The Chair invited questions from members.

- Mr Ireland asked to what extent the proposed Priority Corridor Agreements are being progressed to align with the future vision for the Pilbara system and its regulatory framework.

Ms Lings responded that one requirement under the EOI guidelines is for priority projects to be 'covered networks', ensuring the relevant regulatory provisions of the PNAC and PNR would apply. She noted that this would be subject to negotiations.

The Chair asked whether anything identified in the process to date would have implications for the timing and approach for the next phases of the Pilbara Energy Transition Plan.

Mr Meyerkort advised that proponents have indicated that they expect to deliver their projects by 2030. He added that the Priority Corridor Agreements are expected to be finalised in the third quarter of 2025, after which the focus would shift to supporting delivery of the priority projects.

The Chair invited members to email any further queries to Mr McKay.

7. EPNR PROJECT UPDATE

Ms Guzeleva presented slides 1 to 4. She outlined that the next EPNR Project deliverable is an implementation plan, to be discussed at the PAC, which will guide timing (including triggers) and reiterated her expectation that Pilbara reform will be staged. She explained that the purpose of the discussion was for the PAC to provide further feedback on contentious issues for priority initiatives.

- Mr Jeay noted that many submissions requested more detail on proposals, as the lack of detail is making it difficult for stakeholders to provide a view.

Ms Guzeleva acknowledged this and clarified that the consultation focuses on high level principles to set the direction for reforms, and that today's priority issues are foundational and must be addressed before developing detailed proposals.

Mr Robinson presented slides 5 to 15, outlining four priority EPNR Project proposals. The Chair invited questions from members on the proposals presented.

a) Proposal 16 - ISO Board

- Mr Jeay emphasised the core responsibility of the ISO is system security and reliability, and that it makes sense to have board members who are informed about these matters. He noted that there were a limited choice of people with the right skills and having them come from market participants is likely to be at lower cost. He suggested members could be rotated.
- Mr Ravi questioned whether an independent board could still align with industry goals and noted the higher cost of independence.
- Mr Ireland stated that independence is critical to attract new participants in the NWIS and investment, and supported establishing mechanisms (such as the PAC) for industry input.

- Mr Andric noted fiduciary duties of directors requires independence and highlighted existing processes to manage conflicts involving commercially sensitive information.

Ms Guzeleva questioned how a board, which avoids discussions or information on the grounds of potential conflict could effectively guide the Pilbara's transformation and deliver good governance for a growing number of participants.

- Mr Williamson suggested that a board with representation from all participant classes could help manage strategic and risk concerns. He questioned what specific information participants were concerned about the board accessing.
- Mr Ravi suggested a hybrid between the current board and full independence, and proposed that the PAC could become a formal channel for industry advice to the board.
- Ms Cowcher suggested that perceived rather than actual conflicts of interest were the issue. She supported a reconstituted board with a majority independent directors to give new entrants confidence to invest large amounts of capital into the Pilbara system.
- Ms Pracilio suggested potential risks of board composition could be addressed by considering what may be suitable at different stages and timing of the Pilbara Energy Transition.

b) Proposal 18 – ISO fees

- Mr Ravi argued for allocating fees per MW of installed capacity basis rather than per MWh, noting that participants may have connections without injecting significant amounts of energy.

Mr Robinson asked if capacity-based fees should differ between wind farms and gas plants.

- Mr Ravi proposed using capacity factors for allocation.
- Mr Williamson noted that allocating fees based on gross MWh would disproportionately allocate fees to a largely self-contained participant even though they derive less benefit than others.
- Ms Pracilio suggested that fees should reflect the level of participation in the NWIS, rather than capacity they may be using behind the connection point.
- Mr Jeay supported MWh-based fee allocation as used in other jurisdictions and opposed total fees caps, which often signal suboptimal design. He recommended fee exemptions or discounts for batteries to prevent double charging.

c) Proposal 15 – ISO functions

- Mr Ravi supported bringing the ISO control desk in-house as soon as possible but opposed expanding its functions beyond that. He argued the ISO should remain nimble and cost-efficient, with vertical integration of NSPs managed through ringfencing in the near term.
- Mr Williamson proposed introducing an NSP-to-NSP connection functions early in the reform process.
- Mr Andric reflected on earlier 'light touch' reforms but noted that the next reform phase will transform the ISO's role. He viewed bringing the control desk functions in-house as a necessary first step.

d) Proposal 2 – Network reliability standard

- Mr Jeay recommended applying the reliability standard at the point of connection with the broader network. He suggested that private-use networks designed with their own specific purpose and standards should not be forced to change their standard if they are not jeopardising network security and reliability.
- Mr Ravi argued that NSPs are best placed to understand their network and its requirements, with much investment being customer-led and built to a particular customer's requirements. He suggested that a higher level of redundancy could be added later if required by the customer.
- Mr Ravi also warned that mandating a particular standard could lead to more transmission build than necessary and increased costs for customers.

Mr Robinson noted that while the proposed standard is N-1, the framework allows for achieving reliability through non-network solutions.

- Mr Andric acknowledged the complexity of the issue, suggesting reliability also depends on the availability of spinning reserve and inertia. He recommended reviewing the proposal carefully, noting different customer needs – some may need no redundancy, others - N-2.
- Mr Andric added that UFLS should be considered in reliability planning, so those choosing no redundancy face consequences if that negatively impacts on the system.
- Mr Ireland noted that the proposal allows self-reliant users to adopt a different standard if it does not impact on third parties, while also ensuring confidence in the security and reliability of supply across the multi-user, interconnected network.

The Chair noted insufficient time to discuss the remaining proposals and directed members to slide 27 outlining the proposed EPNR Project timeline. She encouraged members to email any further comments on the remaining proposals to EPWA for circulation to the rest of the members.

8. OVERVIEW OF RULE CHANGE PROPOSALS

The Chair noted the material provided in the meeting papers.

9. GENERAL BUSINESS

The next PAC meeting is scheduled for 1:30pm on 26 June 2025. The Chair indicated this meeting may be brought forward 30 minutes, pending member availability.

The meeting closed at 3:30pm.