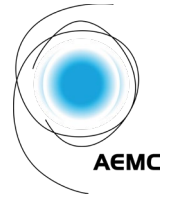


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Agenda:

- Agenda item #1: Acknowledgement of Country
- Agenda item #2: Competition Protocols
- Agenda item #3: Welcome and introductions
- Agenda item #4: Transmission access reform update
- Agenda item #5: Purpose and role of TWG
- Agenda item #6: April consultation paper
- Agenda item #7: Next steps

Agenda item #1: Acknowledgement of Country

The AEMC project team (**project team**) acknowledged the traditional owners of the many lands from which the TWG was dialing in from and paid respects to elders past, present and emerging.

Agenda item #2: Competition Protocols

The project team noted the consent to use of personal information and competition protocols to which the project team and TWG must adhere to specifically:

- Attendees at this forum must not enter into any discussion, activity or conduct that may infringe, on their part or on the part of other attendees, any applicable competition laws. For example, attendees must not discuss, communicate or exchange any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, terms and conditions with third parties, terms of supply or access.
- Participating in this forum is subject to you having read and understood the protocol including the Key Principles. Refer to meeting slide pack for more detail.

Agenda item #3: Welcome and introductions

The project team, TWG members present and observers introduced themselves (the TWG member list is published on the transmission access reform [project page](#)).

Agenda item #4: Transmission access reform update:

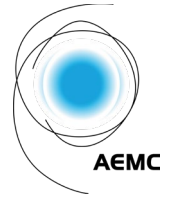
Contextualising TAR progress from early 2023 to present

- A brief summary was provided about the post-February 2023 development of the congestion relief market (**CRM**) and priority access, together forming what we refer to as the hybrid model.

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- The project team noted that AEMC's role was to pick up the work that the Energy Security Board (**ESB**) had completed on the hybrid model design and continue to develop it in collaboration with stakeholder feedback and industry advice provided through this TWG and other forums.
- The project team emphasized that its purpose, reflected in the [Terms of Reference \(ToR\)](#) and [project plan](#), was to develop the hybrid model design options that best meet the reform objectives and make recommendations to Ministers for consideration in September 2024.

Outlining AEMC's approach to the TAR model design for the consultation paper

- The key questions to be raised in the consultation paper were summarised:
 - Preferred CRM design (and implementation approach)
 - Preferred priority access design (and the implementation approach)
 - How to mitigate and address key stakeholder concerns with the hybrid model.
- Stakeholders asked why the ToR did not provide for any further cost-benefit analysis, as some stakeholders are of the view that the cost-benefit analysis should be redone.
 - The project team noted that we did not consider that redoing the cost-benefit analysis would provide significant new information to justify the time and cost involved. The project team noted that we understand that stakeholders have concerns or queries about the assumptions used in the cost-benefit analysis. Therefore, we will be consulting on views on these in the upcoming consultation paper – seeking to test these findings qualitatively.
- Stakeholders referred to objective 2 of TAR and questioned whether priority access 'levels the field' for generators in the market.
 - The project team noted that this goes to the practical application of priority access and noted that the objectives for this work are those previously agreed by ESB and Ministers.

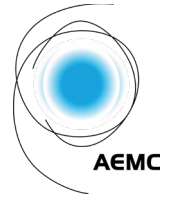
Outlining key pieces of work the AEMC will use to progress design of the hybrid model

- The project team highlighted four key pieces of work (noting that there are other pieces of work being undertaken) that it will use to progress its thinking and the design of the hybrid model:
 - publishing a consultation paper that outlines the progress of TAR to date and seeks stakeholder feedback – see more detail at next agenda item
 - interactions of access reforms with PPAs and the financial markets to better understand potential impacts

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- modelling priority access to better understand the practical impact on investors and developers making investment decisions
- a stylised network model to be interactive for stakeholders to better understand the reform.
- Stakeholders questioned whether the stylised network model will allow testing for different levels of participation in the CRM, which the project team took on notice.

Agenda item #5: Purpose and role of TWG: Overview of the role and purpose of TWG

- The governance structure of TAR, as well as the purpose and role of the TWG were explained.
- The TWG acknowledged that their purpose was to progress the model design and use participant input as a source of additional information.
- TWG members were encouraged to focus their contributions on assisting the AEMC provide useful recommendations to Ministers on access reforms that could best meet the reform objectives, noting that Ministers will then consider their response to these recommendations at the end of 2024.

Agenda item #6: April consultation paper: Discussion of the draft structure and key questions for the consultation paper

The project team provided a high-level overview of the paper structure and approach as follows:

- The paper will include the case for reform, hybrid model design and responses to previous stakeholder concerns
- The intention is to seek feedback from stakeholders that enables the AEMC to make recommendations to Ministers in September 2024 on a hybrid model that best meets the reform objectives
- The consultation paper updates stakeholders on work that has been done since ESB consulted on priority access and CRM design in May 2023
- The paper aims to highlight the open design questions providing preferred positions where relevant to assist stakeholders in providing useful feedback.

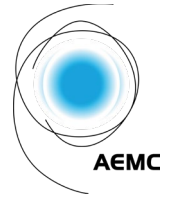
Questions from TWG members included:

- **Dispatch:** Stakeholders asked about the difference between EN RRP and CRM RRP. AEMO noted that:
 - EN or access RRP is produced in the first dispatch run of the hybrid model and is similar to the current RRP

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- CRM RRP is produced in the second dispatch run of the hybrid model, which produces CRM dispatch outcomes based on CRM bids.
- **Settlement:** Stakeholders asked whether the market can settle at CRM RRP. AEMO noted that it could however the EN or access RRP was the ESB preferred option.
- **Difference between EN and CRM RRP over time:** Stakeholders questioned whether in the early stages of modelling EN RRP and CRM RRP were supposed to produce the same outcome. AEMO noted the theory that over time generators would arbitrage between RRP and produce the same outcome. However, its limitation is that it did not consider contracts/bidding behaviors.
- **Treatment of Renewable Energy Zones (REZ):** Stakeholders referred to Queensland legislation that allows projects connecting near a to be treated differently, and raised concerns that the priority access model could create a double disadvantage for these projects. The project team responded that the aim of the scheme is to dovetail and support jurisdictional schemes – not create competing incentives.

Agenda item #7: Next steps

The project team referred to the project plan and highlighted:

- **Consultation paper** – expected to be published on 24 April 2024
- **Next TWG meeting** – will be scheduled at the end of April following publication of the consultation paper.