

# Reliability Panel

## AEMC

### Teleconference – possible amendments to the guidelines for identifying reviewable operating incidents

Record of discussion  
Teleconference  
11:00 AM (Sydney time), 1 November 2012

Organisation	Participant
AEMO	Brian Nelson
AEMO	Peter Biddle
Origin	Hannah Heath
Origin	Ashley Kemp
Origin	Brad Little
Pacific Hydro	Kate Summers
Private Generators	Chris Deague

AEMC Staff
Anita Lai
Skye d'Almeida

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#### 1. Introduction

Anita Lai (AEMC) noted the public meeting had not gone ahead due to limited registration. This teleconference was arranged to seek further comments from stakeholders who had previously engaged with the Panel or its staff during the review. Ms Lai emphasized that the documents circulated for the meeting were prepared by staff to inform the discussion and the Panel had not been involved in their preparation.

#### 2. Progress of the review

Ms Lai gave an overview of the Panel's review process to date, noting a final report was due to be published by the end of 2012.

#### 3. Guidelines – history and purpose

Ms Lai discussed the Panel's obligations under the rules in relation to the guidelines and noted the Panel's focus was on incidents that:

- are of significance to the operation of the power system; or
- represent a significant deviation from normal operating conditions; and
- where investigation and public reporting could promote power system security.

#### 4. Proposed guideline amendments

Skye d'Almeida (AEMC) explained that the objective of the guideline amendments proposed in the draft report was to promote the efficient use of resources in conducting reviews. Ms d'Almeida noted the Panel did not wish to remove any incidents from the scope of reviews that are important from a system security perspective.

## 5. Possible amendments

Ms d'Almeida noted that AEMC staff were considering how to improve the amendments following submissions on the draft report. This includes an option to revise the first of the six guidelines, concerning transmission contingencies.

AEMC staff circulated some possible new wording to teleconference participants on Tuesday 30 October 2012 and Ms d'Almeida discussed the rationale for the suggestions.

### ***Critical transmission elements***

Ms d'Almeida discussed one of the key proposed changes, which was to consider reviewable contingencies in terms of their actual or possible impact on 'critical transmission elements'. This would capture incidents involving transmission elements of 220 kV or above, or elements of a lower voltage that have been identified by AEMO as critical in the supply of electricity within or between regions. This would also capture incidents in the transmission or distribution network involving load or generation interruption of a significant enough scale that it 'could affect' the critical transmission elements.

Ms d'Almeida noted that AEMO had developed a draft table using the regional system security procedures to identify what it considered 'critical transmission elements' in each region. This table was included in the information circulated to the teleconference participants prior to the meeting. Peter Biddle (AEMO) described the table and the network elements identified, noting that AEMO had taken a regional approach as the importance of lower voltage networks differs between regions. For example, there is a large amount of generation in Tasmania connected to networks below 220 kV.

A 'catch-all' guideline was discussed, which could direct AEMO to review any other incidents it considered necessary to report on. This is to address any unforeseen incidents that would not otherwise be captured by the guidelines.

A participant considered that the table of critical elements currently excluded important networks below 220 kV in North Queensland, New South Wales and South Australia.

### ***TNSP reporting***

Participants discussed the differences between the reporting conducted by TNSPs under connection agreements and AEMO's incident reporting. AEMO's reports are publicly available and broader in scope - for example, AEMO's reviews consider AEMO's performance whereas TNSP reviews do not.

### ***Scaled approach to reporting***

A participant noted that the possible new amendments were an improvement on the previous proposal but raised concerns about pairing back the number of incidents reviewed. If an incident is no longer reviewable, there would be no information provided to the market on the incident at all.

The scaled approach, proposed by the Private Generators Group in its submission to the consultation paper, was discussed at length. Participants considered this approach was preferred as it would retain all incidents within the scope of AEMO's reviews but AEMO would have flexibility on the detail of the reports, depending on the severity of the incident. The scaled approach would involve less detail being reported on less severe incidents - potentially just some facts and figures on the incident to ensure the incident is not lost from AEMO reporting.

Ms d'Almeida noted that this issue had been considered by the Panel and its support for scaled reporting had been discussed in the Panel's draft report. Ms d'Almeida canvassed views on whether the guidelines needed to explicitly direct AEMO to scale its reporting. The Panel's draft report had not recommended doing so, as the rules do not stipulate the level of detail AEMO needs to provide in its reports and AEMO was therefore already permitted under the rules to scale the reporting detail as appropriate. Participants suggested it would

be useful to add to the guidelines that AEMO has discretion in scaling the reporting because it was not currently obvious that it could do so. This could protect AEMO in case it was questioned as to why some reports didn't contain more detail.

### ***Information to be included in reporting***

Participants discussed AEMO's market notices and whether they contained sufficient information on less severe operating incidents that may not be reviewed under the amended guidelines. Generally there were no objections that the information in market notices would be sufficient for some minor incidences. The difficulty in searching market notices was highlighted and it was suggested relevant market notices for operating incidents could be repeated on the operating incident webpage to improve accessibility.

### ***Reporting timeframes***

Participants discussed AEMO's plans to reduce the current timeframes for publishing incident reports, except in the case of more complicated incidents. Under the proposed scaled approach, it is likely a shorter report for less severe incidents could be provided in a much shorter timeframe. The most labour-intensive part of the current process was the physical writing of the report and checking the report before publishing it. The investigation of the incident is far less labour-intensive. The scaled approach could therefore reduce the resource requirements.

Participants reiterated the critical issue is that important events are captured in AEMO's reviews.

### ***Consultation on AEMO's approach***

Participants discussed whether AEMO should consult with stakeholders on how they planned to distinguish between severe and less severe incidents – AEMO could publish a document on its website for consultation, outlining its proposed approach.

Ms d'Almeida noted that the Panel had favoured the guidelines remaining relatively high level to maintain a degree of flexibility and today's discussion, including the discussion around requiring AEMO to consult with stakeholders, would need further consideration.

## **6. Other issues**

Earlier in the teleconference an issue was raised by a participant concerning the lack of information available on credible contingencies for the purpose of complying with generator performance standards. Generators are required to ride through credible contingencies, however it can be difficult for generators to find information about credible contingencies as these are not reported or publicly available, only non-credible contingencies are reported. AEMO's incident reporting is only on the incidents that are considered non-credible or a multiple credible contingency.

Participants recognised reporting on credible contingencies was outside the scope of the guidelines but noted this information gap.

## **7. Next steps**

Ms Lai noted additional consultation may be required if the final approach materially differed from the approach in the draft report.

Today's comments would be passed on to the Panel members in a brief to be discussed during the next Panel meeting.

Ms d'Almeida invited participants to contact her with additional questions or comments. She advised that the Panel would consider all issues raised and noted that the final report was due to be published by the end of 2012.

The teleconference ended at 11.55 AM.