

### Information Note

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## Template for Generator Compliance Programs Review 2015

### Stakeholder Workshop, 18 February 2015, 10am-1pm

The Reliability Panel (Panel) held a stakeholder workshop in relation to its review of the template for generator compliance programs (the template) at the AEMC's office in Sydney. The purpose of the workshop was for the Panel to gain a clearer view as to how stakeholders use the template and whether any specific modifications could make the current template more useful on the whole. Outcomes from the workshop will be used to inform the Panel's draft recommendations for the review, which will be published in a draft report on 26 March 2015 for public consultation. A summary of the key matters that were discussed at the workshop is provided below. A copy of the workshop presentation is also available from the Panel's website (see [www.aemc.gov.au](http://www.aemc.gov.au), project "REL0054").

### Workshop participants

Neville Henderson (Panel, Chairman), Murray Chapman (Panel, AEMO), Merryn York (Panel, Powerlink), Brian Williams (Snowy Hydro), Charles Tema (CS Energy, by phone), Chris Deague (GDF Suez, by phone), Christian Schaefer (AEMO), Darren Hunt (AGL), Derek Freeman (Origin Energy, by phone), Francis Holmes (Intergen/Millmerran, by phone), Franco Rabines (CS Energy, by phone), Garth Gum Gee (GHD), Jason Lynch (Intergen/Millmerran, by phone), Joanna Gall (AER), Joseph Leung (DigSILENT Pacific), Kosta Pirgousis (Origin Energy, by phone), Leopoldo Chatman (Newman Consulting), Marissa McCauley (AGL), Murali Venkata (Pacific Hydro), Nic Buckley (Stanwell, by phone), Ron Logan (ERM), Selina Lyons (Origin Energy, by phone), Alex Fattal (Panel secretariat), Anne Pearson (Panel secretariat), Slavko Jovanoski (Panel secretariat), Trevor Johnston (Panel secretariat), Julian Eggleston (Panel secretariat).

### Matters discussed

- The Panel Chairman and secretariat provided workshop participants with an overview of the review process.
- It was noted that the purpose of the template is to act as a guide, which is to assist electricity generators in developing and implementing their performance standards programs, and to assist the AER in its assessment of generators' compliance to their performance standards.
- The AER and AEMO gave briefing presentations. The AER presented on its role in monitoring reported non-compliance and auditing of generators' compliance with performance standards programs. AEMO presented on its observations with regard to continuous monitoring equipment.
- In general, generators appear to use the template when developing and maintaining their performance standards programs.
- Some stakeholders appreciated the template's usefulness in terms of providing a starting point for developing their own compliance programs. The point was also made that strict adherence to the template is not a substitute for a generator's compliance with the performance standards which may have been negotiated and agreed with the relevant network service provider(s) and registered with AEMO.
- It was suggested that improvements could be made to the template so as to clarify its role in the context of the regulatory regime relating to a generator's compliance with its performance standards program. For example, it was suggested that there may be value in highlighting

some aspects of generators' connection process with network service providers and AEMO, to provide additional context.

- There was discussion with regard to the overall approach to compliance programs undertaken by different generators and the degree of coordination between operations teams and corporate teams for performance standards programs. Also, comment was made that, while the template contains detailed technical information, not all site engineers may be aware of its existence.
- To support its ongoing usefulness, it was suggested that the template should be both forward- and backward-looking, in terms of its coverage of generation technologies and operating modes. For example, some stakeholders considered that the template was too focussed on base-load generation and that it did not recognise that there may be different performance monitoring and testing regimes for renewable generation.
- The compliance principles were discussed and the extent to which they afforded some flexibility to different generators, of varying size and technology, to tailor their compliance programs to meet the performance standards that are applicable to them.
- The template was generally seen to promote effective compliance, but it was queried whether efficient compliance could be achieved for generation plant which is rarely used as it may promote unnecessary testing (such as for plant associated with sugar mills).
- It was noted that network service providers and generators need to communicate and work together to maintain the security of the power system and to meet the requirements of their respective compliance programs.
- Stakeholders discussed their experiences with continuous monitoring technologies. As a general point, it was noted that when testing of generation plant cannot be run, monitoring of generation plant becomes more important and, in certain instances, may be appropriate.
- It was suggested that consideration be given to extending the use of continuous monitoring technologies in the template, as it is becoming more accessible, portable and may make testing less intrusive. However, it was noted that where there are plant changes, this may trigger the need for testing.
- Compliance with performance standards for generation plant that is not in operational mode was discussed (such as, "dry storage" or "mothballed" generation). The compliance concern appears to mainly relate to when an offline generator is seeking to come back online, and the potential risks that this may pose to power system security. Also, some stakeholders were concerned as to the level of ongoing testing required for plant that is not in operational mode.
- It was noted that AEMO prepared and published "Guidance for Dry Storage Generators" in 2013 with regard to what AEMO considers to be good electricity industry practice in relation to meeting generator technical performance standard obligations during long-term storage of registered generating facilities in the National Electricity Market. It was suggested that consideration be given to bringing such guidance into the template so that the information is located in one document.
- There was general support for an industry-led generator forum to discuss and put forward proposals on what constitutes good industry practice for different generation technologies and testing and monitoring methods.