

## **Minutes**

**Meeting title** 

Power System Security and Reliability Standards Working Group (PSSRSWG)

Date

## Item Subject

## 1 Welcome and Agenda

The Chair opened the meeting at 1pm with an Acknowledgement of Country and welcomed members.

## 2 Meeting Apologies and Attendance

The Chair noted the attendance and the apologies as listed above.

Mr Cassidy observed that the effectiveness of outcome-based standards hinges on how well they are set. He noted that, while these standards provide a good way to assess network performance, the challenge lies in determining the appropriate levels for each metric and setting these standards too tightly or too loosely could impact their efficiency compared to deterministic standards. He emphasised the importance of finding the correct balance in setting these metrics, including how granular they are, to ensure they are both effective and cost-efficient.

Ms Gunn noted that the Technical Working group discussed the need for further examination of the specific numbers for outcome-based standards. She mentioned that there will be a process to determine these numbers every three to five years, considering various inputs and consultations. While no final decision has been made regarding the exact measures and numbers, she acknowledged the importance of the discussion and that there will be continued conversations on this matter.

Mr Schubert highlighted that setting outcome-based standards depends heavily on customer tolerance for outages. He noted that, if customers become intolerant, they may escalate their complaints to the Minister, which can lead to political interference. This, in turn, can force Western Power to make changes, as has occurred in several regional towns over the years.

Mr Glazier pointed out that existing settings in the Network Quality and Reliability of Supply (NQRS) Code and Access Arrangement 5 (AA5) should serve as a starting

these standards evolve appropriately and the goal is to address reliability issues without making electricity unaffordable. He emphasised the importance of balancing reliability improvements with cost considerations.

Mr Gunn agreed that the existing settings in the NQRS Code and AA5 are a good starting point. However, she noted that some of these settings have previously been discussed as potentially unfit for purpose or infeasible. She clarified that before incorporating them into the ESMR, there will need to be a review to determine if they are effective and what changes might be necessary.

Mr Cassidy noted that the transmission standards are not currently integrated with distribution standards, and that detailed work will need to be done to consider this. He also pointed out that the discussion needs to take into account market costs.

The Chair emphasised that the aim is to meet the expectations of various consumer groups. She clarified that this is the essence of an outcome-based approach, which will be influenced by what the government considers the appropriate outcomes for customers are. The Chair acknowledged Mr

distribution but reinforced that the purpose of the approach is to ensure alignment with consumer expectations.

Mr Cassidy agreed with the Chair but noted that outcome-based standards are typically used for distribution settings, particularly residential ones. He pointed out that for transmission, where multiple layers of redundancy exist due to deterministic standards, market participants are more focused on market costs and congestion. He noted that SAIDI and SAIFI might not always align with this focus. Mr Cassidy acknowledged that while deterministic standards and planning tools are used to identify net benefit investments, the approach in transmission tends to differ from a SAIFI and SAIDI-focused approached.

Ms Roshan added that the consideration should extend beyond just transmission or distribution, as events can impact both. She emphasised the need for a comprehensive framework for outcome-based standards that integrates with minimum standards under the ESMR and incentive-based outcomes in the Access Arrangement. She acknowledged that this is a significant piece of work that needs to be developed carefully and not merely added for the sake of

appropriate working arrangement. She clarified that EPWA wants to avoid creating a register, that would require ongoing maintenance and management.

Mr Peake suggested that it might be appropriate for Western Power to consider different scenarios compared to generation planning. For instance, anticipating new developments like data centres could lead to varying analyses depending on the location that is assumed that may be relevant from a network perspective but not a generation adequacy perspective.

Mr Schubert noted that past forecasters often used their initiative to gather valuable data that might not be routinely collected. He added that, for example, Mr Ross Bowden collected extensive data from ABS on appliance penetrations and other statistics from various sources. He clarified that effective forecasting relies on leveraging such detailed and unconventional data to enhance accuracy.

Ms Gunn agreed, emphasising the preference for a collaborative approach rather than