

# **INTERIM ESSENTIAL SYSTEM SERVICES PROCEDURE**

VERSION 2.0

## VERSION RELEASE HISTORY

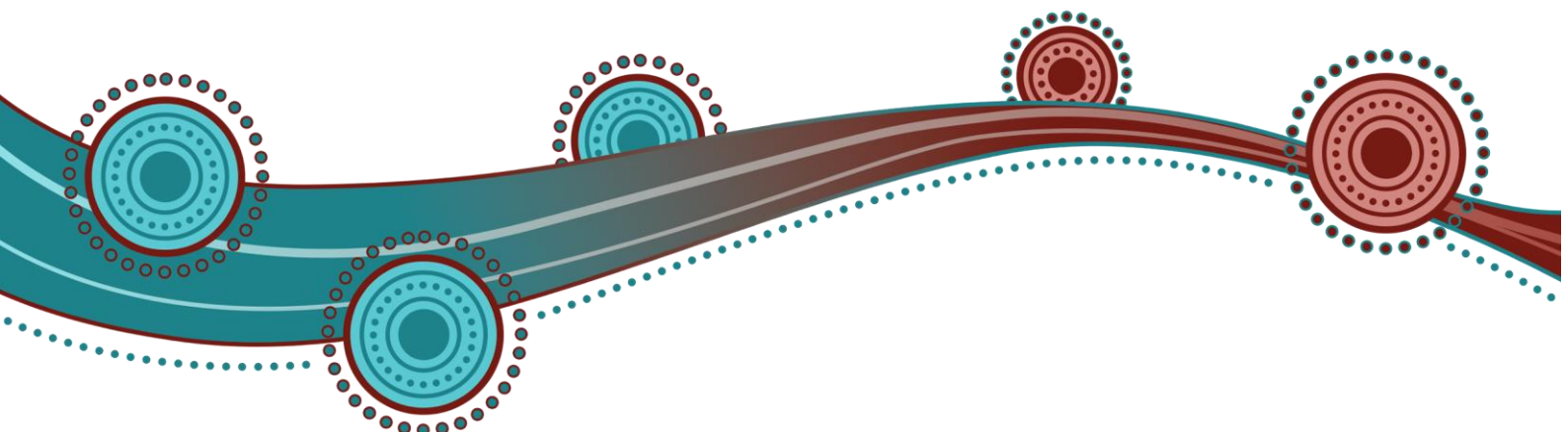
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1.0	16 November 2022	Version 1 published	James Campbell-Everden
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### Disclaimer

This document does not constitute legal advice or business advice and should not be relied on as a substitute for obtaining legal advice about the *Electricity Industry Act 2004 (WA)*, the Electricity Industry (Pilbara Networks) Regulations 2021, the Pilbara Networks Access Code, the Pilbara Networks Rules or any other applicable laws, procedures or policies.

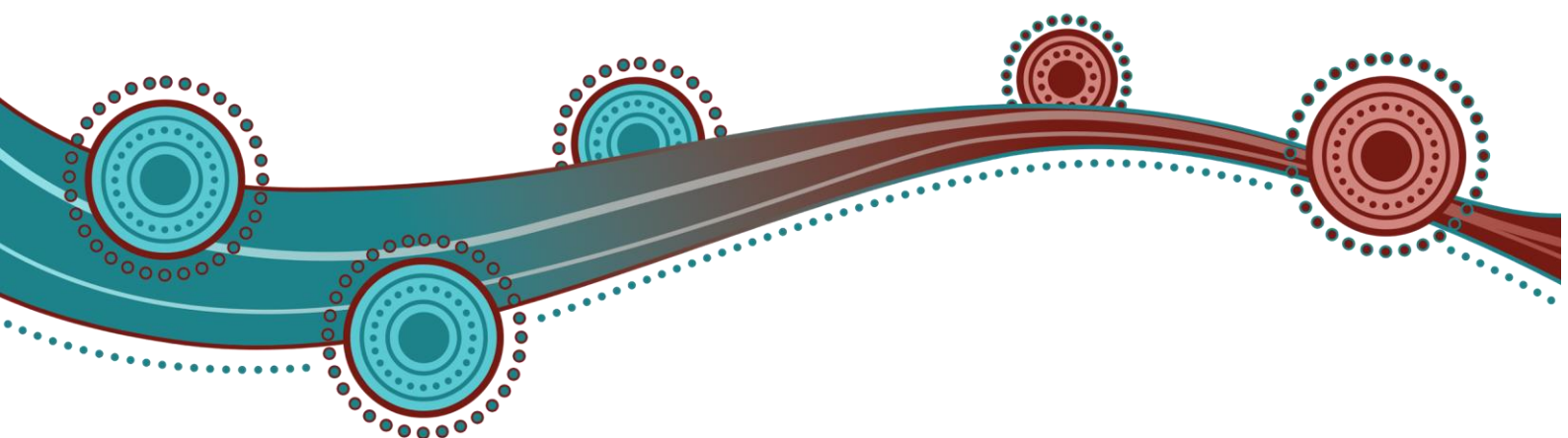
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# 1. Introduction

## 1.1 Purpose and Scope

- 1.1.1. This Essential System Services Procedure (Procedure) is made in accordance with Rule 244 (2) the Sub-appendix 4.14 of the Pilbara Networks Rules (Rules).
- 1.1.2. The purpose of this Procedure is to document the Pilbara ISOC Co (ISO) functions to convene and consult with an essential system services technical consultation group as well as the roles and responsibilities of those participating.
- 1.1.3. The *Electricity Industry Act 2004 (WA)*, the Electricity Industry (Pilbara Networks) Regulations 2021, the Pilbara Networks Access Code and the Rules prevail over this Procedure to the extent of any inconsistency.
- 1.1.4. In this Procedure, where obligations are conferred on a Rules Participant, that Rules Participant must comply with the relevant obligations in accordance with Rule 85 of the Rules, unless the Rules Participant has grounds for non-compliance under Rule 172 of the Rules.

## 1.2 Definitions and Interpretation

- 1.2.1. Terms defined in the *Electricity Industry Act 2004 (WA)*, the Electricity Industry (Pilbara Networks) Regulations 2021, the Pilbara Networks Access Code and the Rules have the same meaning in this Procedure unless the context requires otherwise. The ISO does not capitalise or italicise terms defined in the above instruments in this Procedure.
- 1.2.2. Where there is a discrepancy between the Rules and information or a term in this Procedure, the Rules take precedence.
- 1.2.3. The following principles of interpretation apply in this Procedure unless the context requires otherwise.
  - (a) Subchapter 1.2 of the Rules apply to this Procedure.
  - (b) References to time are references to Australian Western Standard Time.
  - (c) A reference to the Rules or Procedures made under the Rules, have the meaning given to them in the Rules.
  - (d) Words expressed in the singular include the plural and vice versa.
  - (e) A reference to a paragraph refers to a paragraph in the Procedure.
  - (f) A reference to a rule, subchapter or chapter refers to the relevant section in the Rules.
  - (g) References to the Rules in this Procedure is bold and square brackets, e.g. "**See Rule [XXX]**" are included for convenience only, and do not form part of this Procedure.

(h) Explanatory notes are included for context and explanation and do not form part of this Procedure.

1.2.4. Appendix A of this Procedure outlines the head of power Rule(s) that this Procedure is made under, as well as other obligations in the Rules covered by the Procedure.

## 2. Essential System Services Consultation

### 2.1 Technical Consultation Group – Role and Responsibilities

**See Rule [199; 202; 205(1); 205(2); 212(1)(a); 214(a)]**

- 2.1.1. The ISO may convene and consult as it sees fit with one or more technical consultation groups in connection with the ISO's determination of any or all of the following:
- (a) determining amounts of Regulation Raise Reserve and Regulation Lower Reserve [Rule 202]
  - (b) identifying Credible Islanding scenarios [Rule 205(1)]
  - (c) identifying the pool of potential Secondary FCESS Providers for each Credible Island (based solely on their geographical location) [Rule 205(2)]
  - (d) determining Required Headroom level [Rule 212(1)(a)]
  - (e) deciding how to apportion Headroom obligations [Rule 214(4)]
  - (f) any other technical matter relating to Essential System Services' technical specifications
- (any such consultation being "ESS technical consultation").
- 2.1.2. The ISO, having regard to the objectives in Rule 199 of the Rules (ESS objectives):
- (a) may invite selected persons to join a technical consultation group;
  - (b) may publish a general invitation seeking applicants for technical consultation group membership, and if so may determine which applicants should be admitted to technical consultation group membership;
  - (c) is to chair a technical consultation group; and
  - (d) is to determine a technical consultation group's meeting schedule, agenda and procedure.
- 2.1.3. A person may decline to join a technical consultation group, and may resign from the technical consultation group at any time.
- 2.1.4. Each technical consultation group member is to participate in any activity in relation to the working group, including discussions, having regard to GEIP and the objectives in Rule 199(1). *{Note: This item makes the member's participation a "function".}*
- 2.1.5. A technical consultation group is an advisory body only. It must restrict its activities, including discussions to technical matters, and must not discuss competitively sensitive information

including: cost, price or commercial terms. A technical consultation group has no role in any procurement selection process.

2.1.6. None of the following will disqualify a person from participating in any ESS procurement process or from becoming an ESS Provider:

- (a) being a member of, or participating in, a technical consultation group;
- (b) disclosing information to a technical consultation group or to the ISO in connection with ESS technical consultation; or
- (c) receiving information from the technical consultation group or from the ISO in connection with ESS technical consultation.

2.1.7. Nothing in this Procedure limits the ISO's ability to confer with any person, or convene any technical consultation group, in connection with any other ISO function or matter, including under or in connection with Chapter 8 of the Rules.

## 2.2 Confidential Information

### **See Rule [Subchapter 11.2]**

2.2.1 To the extent any information provided to the ISO by a technical consultation group member in connection with ESS technical consultation is Confidential Information, Subchapter 11.2 of the Rules (Confidential information) applies —

- (a) in respect of the ISO's, and each technical consultation group member's, use and disclosure of the information; and
- (b) to any recipient to whom the ISO directly or indirectly discloses the information.

2.2.2 Without limiting paragraph 2.2.1(a) of this Procedure above or Rule 297 of the Rules:

- (a) the ISO may disclose any such Confidential Information to a potential ESS Provider, to the extent that the ISO judges reasonably necessary having regard to applicable competition laws, to ensure that any ESS procurement process remains fair as between members and non-members of a technical consultation group; and
- (b) Rule 303 of the Rules (Pre-disclosure process) applies to a disclosure under paragraph 2.2.2(a) of this Procedure above; and
- (c) if, after consulting with an Information Owner under Rule 303 of the Rules, the ISO decides not to disclose information, and the ISO believes that as a result of the non-disclosure a person may have an unfair advantage in any ESS procurement process, then the ISO may in its absolute discretion exclude the person from the ESS procurement process; and
- (d) for the purposes of Rule 297(1)(a) of the Rules, it is a function of a technical consultation group member to participate in any ESS procurement process as a potential ESS Provider if it wishes. [Note: This ensures that the member, when tendering, is not hamstrung by an inability to use something it has heard in the technical consultation group.]

## 2.3 Limited Nominee Director Role

- 2.3.1 In accordance with ISO's *Conflicts of Interest & Information Protocol*, although a 'Nominee Director' (as defined in that Protocol) may (if invited) participate in ESS technical consultation as a member of a technical consultation group representing the entity which nominated it, no Nominee Director is to participate in the ISO's final determination of any of the matters listed in paragraphs 2.1.1(a) to (f) of this Procedure, or in the ISO's conduct of any ESS procurement process, selection of an ESS Provider or negotiation of an ESS Contract.



# Appendix A. Relevant Rules

Table 1 details the Rules under which this Procedure has been developed and where an obligation, process or requirement has been documented in this Procedure.

**Table 1: Relevant Rules**

<b>Pilbara Networks Rules</b>
199
202
205
212
214
244
Subchapter 11.2 (297; 303)
Sub-appendix 4.14