

RESERVE CAPACITY INFORMATION PACK

Each year the Independent Market Operator (IMO) is required to publish the Reserve Capacity Information Pack. This is an obligation established under Clause 4.7 of the Wholesale Electricity Market Rules (Market Rules).

This Reserve Capacity Information Pack sets out the Reserve Capacity Requirement for the Reserve Capacity Cycle that runs from 1 October 2011 to 1 October 2012. It provides information on the Expression of Interest process that was conducted between January and May 2009 and information in respect to the amount of capacity that can be provided by facilities, such as Demand Side Management (DSM) that are only available for limited periods.

A more detailed discussion of the information provided below is included in the 2009 Statement of Opportunities Report available at

http://www.imowa.com.au/10_5_1_m_stmt_of_opp.htm.

Should you have any questions in respect to the information provided here, please contact the IMO on (08) 9254 4300 or at imo@imowa.com.au.

Reserve Capacity Requirement

The Reserve Capacity Requirement for the Reserve Capacity Cycle is **5,191 MW**. This is the amount of Reserve Capacity the IMO must acquire for the 2011/12 Reserve Capacity Year.

Availability Curve

The Market Rules include the concept of Availability Classes. This approach recognises the value of DSM, but ensures that the time limitations of DSM are properly considered when assessing system reliability.

Four Availability Classes are defined under the Market Rules:

- Class 1 relating to capacity that is available more than 96 hours every year;
- Class 2 relating to capacity that is available for 72 to 96 hours every year;
- Class 3 relating to capacity that is available for 48 to 72 hours every year; and
- Class 4 relating to capacity that is available for 24 to 48 hours every year.

Class 1 covers generation capacity, while Classes 2 to 4 relate to DSM.

The Availability Curve does not limit the amount of Capacity Credits assigned to any Availability Class where there is intent to bilaterally trade.

The Availability Curve information for 2011/12 and 2012/13 are shown in Table 1.

Table 1 – Availability Curve

Availability Curve Information	2011/12 (MW)	2012/13 (MW)
Market Rule 4.5.12(a):		
Capacity required for more than 24 Hours	4171	4565
Capacity required for more than 48 Hours	4068	4449
Capacity required for more than 72 Hours	3953	4353
Capacity required for more than 96 Hours	3925	4292
Market Rule 4.5.12(b):		
Minimum Capacity Required to be Provided by Generation Capacity	3870	4260
Market Rule 4.5.12(c):		
Capacity associated with Availability Class 1	3925	4292
Capacity associated with Availability Class 2	29	60
Capacity associated with Availability Class 3	114	97
Capacity associated with Availability Class 4	1123	1183

Note that capacity that meets the requirement of any particular Availability Class can also cover the requirements of a higher Availability Class. Therefore:

- Facilities that are in Availability Class 1 can cover the requirements of Availability Classes 2, 3 or 4.
- Facilities that are in Availability Class 2 can cover the requirements of Availability Classes 3 or 4.
- Facilities that are in Availability Class 3 can cover the requirement of Availability Class 4.

Expressions of Interest Process

The Request for Expressions of Interest and the 2009 Summary of Expressions of Interest are available on the IMO website at http://www.imowa.com.au/rc_eoi.htm.