



DEFERRED 2015 RESERVE CAPACITY INFORMATION PACK

FOR THE WHOLESALE ELECTRICITY MARKET

Published: June 2016





IMPORTANT NOTICE

Purpose

AEMO has prepared this document to provide information about the Western Australian Wholesale Electricity Market, as at the date of publication.

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Background

Each year, AEMO must publish the Reserve Capacity Information Pack under clause 4.7.2 of the Western Australian (WA) Wholesale Electricity Market (WEM) Rules.

This Reserve Capacity Information Pack relates to the 2015 Reserve Capacity Cycle. It sets the Reserve Capacity Requirement¹ for the 2017–18 Capacity Year, as published in the Deferred 2015 WEM Electricity Statement of Opportunities (ESOO). It provides information on the Expressions of Interest process completed in May 2016 and the Availability Curves determined for the 2016–17, 2017–18 and 2018–19 Capacity Years.

A more detailed discussion of the information below is provided in the Deferred 2015 WEM ESOO.²

Any questions about the information provided here can be directed to AEMO's System Capacity (WA) team on (08) 9254 4300 on wa.capacity@aemo.com.au.

Deferral of the 2015 and 2016 Reserve Capacity Cycles

Due to a ministerial direction in March 2015 to defer aspects of the 2015 Reserve Capacity Cycle (including the requirement to publish a Reserve Capacity Information Pack) for a period of 12 months, the Reserve Capacity Information Pack is being published in June 2016.

This Reserve Capacity Information Pack does not address the 2016 Reserve Capacity Cycle. In March 2016, at the WA Public Utilities Office's request, AEMO decided to defer aspects of the 2016 Reserve Capacity Cycle (including the requirement to publish a Reserve Capacity Information Pack) for a period of 12 months. The Reserve Capacity Information Pack for the 2016 Reserve Capacity Cycle (for the 2018–19 Capacity Year) is expected to be published in June 2017.

Further information on the deferral of aspects of the 2015 and 2016 Reserve Capacity Cycles is available on AEMO's website.³

Reserve Capacity Requirement

The Reserve Capacity Requirement for the 2017–18 Capacity Year is **4,552 MW**.

Availability Curve

Previously, there were four Availability Classes and capacity was allocated on the basis of the maximum number of hours the capacity was available to be dispatched. Recent amendments to the WEM Rules implemented for the Electricity Market Review reduced the number of Availability Classes from four to two. Under the amended WEM Rules, two Availability Classes are defined as follows:

- Availability Class 1 relates to all generation capacity, and any other capacity that is expected to be available to be dispatched for all trading intervals in a capacity year.
- Availability Class 2 relates to capacity that is not expected to be available to be dispatched for all trading intervals in a capacity year.

Capacity from Availability Class 1 can be used to meet the requirement for Availability Class 2.

Assuming the Reserve Capacity Target is just met, the Availability Curve indicates the minimum amount of capacity that must be provided by generation capacity to ensure the energy requirements of users are met.

The Availability Curves for the 2016–17, 2017–18 and 2018–19 Capacity Years are shown in Table 1.

¹ The Reserve Capacity Requirement for the relevant Capacity Year is the Reserve Capacity Target published in the ESOO report for the Reserve Capacity Cycle (clause 4.6.1 of the WEM Rules).

² Available at <http://wa.aemo.com.au/home/electricity/electricity-statement-of-opportunities>.

³ See <http://wa.aemo.com.au/home/electricity/reserve-capacity/reserve-capacity-timetable-overview>.

**Table 1 Availability Curves**

	2016–17 (MW)	2017–18 (MW)	2018–19 (MW)
Clause 4.5.12(b) of the WEM Market Rules			
Capacity associated with Availability Class 1	3,760	3,792	3,861
Capacity associated with Availability Class 2	720	760	755

Source: PA Consulting

Expressions of Interest process

The 2015 Request for Expressions of Interest and the corresponding summary report are available on AEMO's website.⁴

⁴ Available at <http://wa.aemo.com.au/home/electricity/reserve-capacity/expressions-of-interest>.