

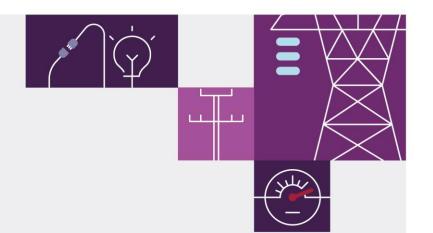
2024 Reserve Capacity Information Pack

18 June 2024

A report for the Wholesale Electricity Market







Important notice

Purpose

AEMO publishes this 2024 Reserve Capacity Information Pack under clauses 4.1.10 and 4.7.2 of the Wholesale Electricity Market Rules (WEM Rules).

This publication has been prepared by AEMO using information published in the 2024 WEM Electricity Statement of Opportunities.

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1 Background

Each year, AEMO must publish the Reserve Capacity Information Pack under clauses 4.1.10 and 4.7.2 of the Wholesale Electricity Market Rules (WEM Rules) for the South West Interconnected System (SWIS) in Western Australia (WA).

This Reserve Capacity Information Pack relates to the 2024 Reserve Capacity Cycle and includes the Reserve Capacity Requirement (RCR)¹ for the 2026-27 Capacity Year², as published in the 2024 WEM Electricity Statement of Opportunities (ESOO)³.

The 2024 WEM ESOO presents AEMO's 2024 Long Term Projected Assessment of System Adequacy (PASA) for the SWIS over the 10-year Long Term PASA Study Horizon for the 2024-25 to 2033-34 Capacity Years. It provides detailed information on:

- The electricity consumption and demand projections.
- The supply outlook and network augmentations.
- The reliability assessment results, including the Reserve Capacity Targets (RCT) determinations and the regional capacity shortfall assessment.
- Investment opportunities for maintaining system reliability and security.

Please direct any questions relating to the Certified Reserve Capacity (CRC) process for the 2024 Reserve Capacity Cycle to the WA Capacity Market Investment team at wa.capacity@aemo.com.au. For questions relating to the 2024 WEM ESOO, please contact the WA Future System & Design team at wa.futuresystemdesign@aemo.com.au.

2 Reserve Capacity Requirement

The RCT for 2026-27 is 5,696 megawatts (MW), which sets the RCR for the 2024 Reserve Capacity Cycle.

The RCR is 153 MW higher than the RCR set for 2025-26 (5,543 MW) and 20 MW lower than the RCT forecast for 2026-27 (5,716 MW) in the 2023 WEM ESOO. The increase from the 2025-26 RCT is primarily due to forecast growth in peak demand and a small increase in the Regulation Raise requirement (to account for the impacts of increasing penetration of intermittent generation in the power system).

For the RCT determination, refer to Chapter 4 of the 2024 WEM ESOO for further information.

AEMO acknowledges the Traditional Owners of country throughout Australia and recognises their continuing connection to land, waters and culture. We pay respect to Elders past and present.

¹ The RCR (determined under clause 4.6.1 of the WEM Rules) is the Reserve Capacity Target (RCT) for the Capacity Year commencing on 1 October of Year 3 of a Reserve Capacity Cycle as reported in the Statement of Opportunities Report for that Reserve Capacity Cycle. The RCT for a specific Capacity Year (determined under clause 4.5.10(b) of the WEM Rules) is AEMO's estimate of the total amount of generation or Demand Side Programme capacity required in the SWIS to satisfy the Planning Criterion under clause 4.5.9 of the WEM Rules for that Capacity Year.

² A Capacity Year commences at the start of Trading Interval 08:00 on 1 October and ends at the end of Trading Interval 07:30 on 1 October of the following calendar year. All data in this 2024 Reserve Capacity Information Pack is based on Capacity Years unless otherwise specified.

³ See https://www.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Planning-and-forecasting/WEM-Electricity-Statement-of-Opportunities.

3 Expressions of Interest

The 2024 Request for Expressions of Interest (REOI) published on 15 January 2024 invited Expressions of Interest (EOI) from project proponents with new Energy Producing Systems and Demand Side Programme capacity seeking CRC and Capacity Credits for 2026-27. However, it is not mandatory to submit an EOI to be eligible to apply for CRC.

The 2024 EOI submission window opened on 15 January 2024 and closed on 1 March 2024⁴, with an accompanying summary report published on 28 March 2024.

AEMO received 71 valid EOIs totalling 2,546.753 MW of potential Reserve Capacity as part of the 2024 EOI⁵ process. Submissions included two EOI Facility Variants. EOI Facility Variants represent different possible configurations of a Facility, including system sizes, components, etc.

The 2024 REOI and 2024 EOI Summary Report are available on AEMO's website⁶.

AEMO has assessed the development status of new projects from a range of information sources and presented the forecasts for the supply-demand balance from 2024-25 to 2033-34 (see Chapter 5 of the 2024 WEM ESOO for further information). Information sources include:

- 2024 EOI submissions.
- 2024 Long Term PASA formal information requests.
- Outcomes of the 2025-27 Peak Demand Non-Co-optimised Essential System Services procurement process⁷.

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⁴ The 2024 Reserve Capacity timetable can be found at https://aemo.com.au/energy-systems/electricity/wholesale-electricity-market-wem/wa-reserve-capacity-mechanism/reserve-capacity-timetable.

⁵ Reserve Capacity figures adjust nameplate capacity to estimate the Relevant Level for Intermittent Generating Systems

⁶ See https://www.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Reserve-capacity-mechanism/Expressions-of-interest

⁷ See https://aemo.com.au/consultations/tenders/expressions-of-interest-and-tender-for-ncess-reliability-services-2025-27-wa.