

# WEM Procedure: Indicative Facility Class

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**Approved by:** Tom Butler

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**Title:** A/Group Manager – WA Market Development & Energy Procurement

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New South Wales | Queensland | South Australia | Victoria | Australian Capital Territory | Tasmania | Western Australia

Australian Energy Market Operator Ltd ABN 94 072 010 327

## Version Release History

| Version | Effective Date  | Summary of Changes  |
|---------|-----------------|---|
| 1.0     | 1 August 2021   | New WEM Procedure   |
| 2.0     | 1 December 2021 | Revised for amendments made in Wholesale Electricity Market Amendment (Miscellaneous Amendments No. 2) Rules 2021 |
| 3.0     | 1 March 2022    | Revised for amendments made in Wholesale Electricity Market Amendment (Tranche 5 Amendments) Rules 2021           |
| 4.0     | 21 March 2024   | Revised for amendments made in Wholesale Electricity Market Amendment (Tranche 6 Amendments) Rules 2022           |

### IMPORTANT NOTICE - EXPLANATORY NOTES

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# 1. Introduction

## 1.1. Purpose and scope

- 1.1.1. This WEM Procedure: Indicative Facility Class (Procedure) is made in accordance with AEMO's functions under clause 2.1A.2(h) of the Wholesale Electricity Market Rules (WEM Rules).
- 1.1.2. The *Electricity Industry Act 2004* (WA), the WEM Regulations and the WEM Rules prevail over this Procedure to the extent of any inconsistency.
- 1.1.3. In this Procedure, where obligations are conferred on a Rule Participant, that Rule Participant must comply with the relevant obligations in accordance with clause 2.9.7A, 2.9.7D, or 2.9.8 of the WEM Rules, as applicable.
- 1.1.4. The purpose of this Procedure is to document:
- the processes to be followed by AEMO in determining and assigning an indicative Facility Class and an indicative Facility Technology Type to a new Facility or Facility upgrade under clause 4.8A **[Clause 4.8A.7(a)]**;
  - the information required to be provided in support of an application under clause 4.8A.3 **[Clause 4.8A.7(c)]**;
  - the processes to be followed by an applicant in relation to making an application under clause 4.8A.3 **[Clause 4.8A.7(d)]**; and
  - any other matters AEMO considers relevant **[Clause 4.8A.7(e)]**.
- 1.1.5. Appendix A of this Procedure outlines the head of power clauses that this Procedure is made under, as well as other obligations in the WEM Rules covered by this Procedure.

## 1.2. Definitions

- 1.2.1. Terms defined in the *Electricity Industry Act 2004* (WA), the WEM Regulations, and the WEM Rules have the same meanings in this Procedure unless the context requires otherwise.
- 1.2.2. The following definitions apply in this Procedure unless the context requires otherwise.

**Table 1 Definitions**

| Term             | Definition   |
|------------------|--|
| Facility Upgrade | Either: <ol style="list-style-type: none"> <li>works that have increased the nameplate capacity of a Facility and were completed after the date and time specified in clause 4.1.11 for the previous Reserve Capacity Cycle; or</li> <li>works expected to be completed that will increase the nameplate capacity or available capacity of a Facility, which is yet to be demonstrated through normal market operations or a Reserve Capacity Test.</li> </ol> |

## 1.3. Interpretation

- 1.3.1. The following principles of interpretation apply in this Procedure unless the context requires otherwise.
- (e) Clauses 1.3 to 1.5 of the WEM Rules apply in this Procedure.
  - (f) References to time are references to Australian Western Standard Time.
  - (g) Terms that are capitalised, but not defined in this Procedure, have the meaning given in the WEM Rules.
  - (h) A reference to the WEM Rules or WEM Procedures includes any associated forms required or contemplated by the WEM Rules or WEM Procedures.
  - (i) Words expressed in the singular include the plural and vice versa.
  - (j) A reference to a paragraph refers to a paragraph of this Procedure.
  - (k) A reference to a clause refers to a clause or section of the WEM Rules.
  - (l) References to WEM Rules in this Procedure in bold and square brackets **[Clause XXX]** are included for convenience only, and do not form part of this Procedure.
  - (m) Text located in boxes and headed as Explanatory Note X in this Procedure is included by way of explanation only and does not form part of this Procedure. The Procedure prevails to the extent of any inconsistency with the explanatory notes contained within it.
  - (n) The body of this Procedure prevails to the extent of any inconsistency with the figures, diagrams, appendices, schedules, annexures or attachments contained within this document.

## 1.4. Related documents

- 1.4.1. The documents in Table 2 are associated with this Procedure.

**Table 2** Related documents

| Reference     | Title  | Location                    |
|---------------|--|-----------------------------|
| Template      | Indicative Facility Class application template | <a href="#">WEM Website</a> |
| WEM Procedure | Certification of Reserve Capacity              | <a href="#">WEM Website</a> |
| WEM Procedure | Facility Registration Processes                | <a href="#">WEM Website</a> |

- 1.4.2. A Market Participant or person wishing to use a template listed in Table 2 must ensure that it downloads the current version from the WEM Website at the time of use.

## 1.5. Communications and provision of information

- 1.5.1. All communication and provision of information between a Market Participant and AEMO under this Procedure must be conducted via email, unless otherwise specified in this Procedure.

## 2. Modification of timeframes

- 2.1.1. AEMO (in its sole discretion) may modify or extend a date or time in this Procedure, as a result of modifying or extending a date or time under clause 4.1.1C or to the extent permitted under the WEM Rules.
- 2.1.2. If AEMO extends a date or time under paragraph 2.1.1, then it must publish on the WEM Website:
- (o) the modified or extended date or time; and
  - (p) the effective date or time of any modification or extension under paragraph 2.1.1.

## 3. Applications for an Indicative Facility Class and Indicative Facility Technology Type

### 3.1. Application Process

- 3.1.1. If AEMO receives an Expression of Interest in relation to a new Facility or a Facility Upgrade in accordance with clause 4.2.6, by the date and time specified in clause 4.1.7, AEMO must assign an indicative Facility Class and one or more indicative Facility Technology Type to the new Facility or Facility Upgrade in accordance with this Procedure **[Clause 4.8A.1]**.
- 3.1.2. The notification from AEMO under clause 4.8A.1(b) to the person who submitted the Expression of Interest of the indicative Facility Class and indicative Facility Technology Types assigned to the new Facility or Facility Upgrade may be provided through WEMS.
- 3.1.3. A person that has not submitted an Expression of Interest under clause 4.2.6, and intends to apply for:
- (q) Early Certified Reserve Capacity for a new Facility or Facility Upgrade; or
  - (r) Conditional Peak Certified Reserve Capacity for a new Facility; or
  - (s) Certified Reserve Capacity
- must, prior to submitting the application, apply to AEMO for an indicative Facility Class and one or more indicative Facility Technology Types to be assigned to the Facility or Facility Upgrade **[Clause 4.8A.3]**.

- 3.1.4. An application for an indicative Facility Class and one or more indicative Facility Technology Types in accordance with 3.1.3 must use the Indicative Facility Class application template published by AEMO on the WEM Website.
- 3.1.5. AEMO may request further information under clause 4.8A.5(c) and may specify a time and date by which the clarification and further information must be provided to AEMO.
- 3.1.6. If the person does not fully comply with the request under paragraph 3.1.5 by the date and time specified in the request, AEMO will not assign an indicative Facility Class or indicative Facility Technology Type.
- 3.1.7. Where a person submits:
  - (a) an Expression of Interest under clause 4.2.6; or
  - (b) an application for an indicative Facility Class and one or more indicative Facility Technology Type under paragraph 3.1.3,for a Facility Upgrade, AEMO will assess and assign an indicative Facility Class to the Facility as a whole. For the avoidance of doubt, AEMO will consider the configuration of the Facility as a whole, including the Facility Upgrade, when assigning the indicative Facility Class.
- 3.1.8. A person to whom clause 4.8.1(b) applies must create the intending Facility name in WEMS, in accordance with the WEM Procedure: Facility Registration Processes, at least 10 Business Days before:
  - (a) the date and time specified in clause 4.1.7, where the person has submitted an Expression of Interest in relation to the new Facility or Facility Upgrade; or
  - (b) the date and time specified in clause 4.1.11, where the person has not submitted an Expression of Interest under clause 4.2.6.

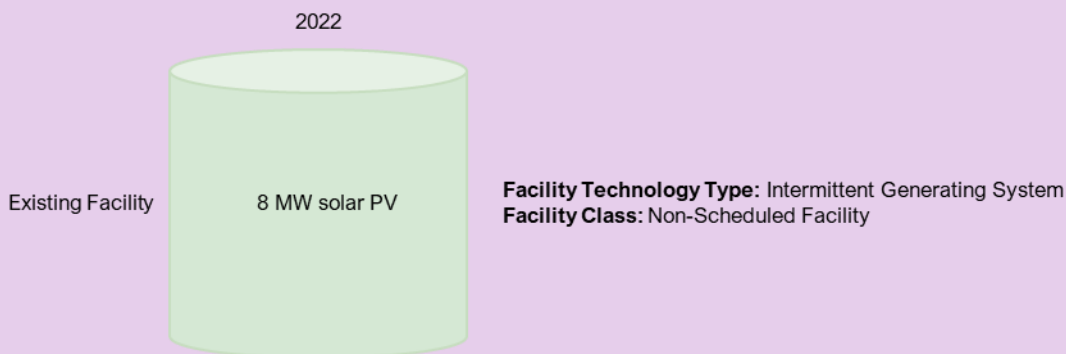
Failure to create the intending Facility name in WEMS will mean AEMO is unable to assign a Facility Class and the Facility will be unable to participate in Reserve Capacity Cycle.

## Explanatory note 1

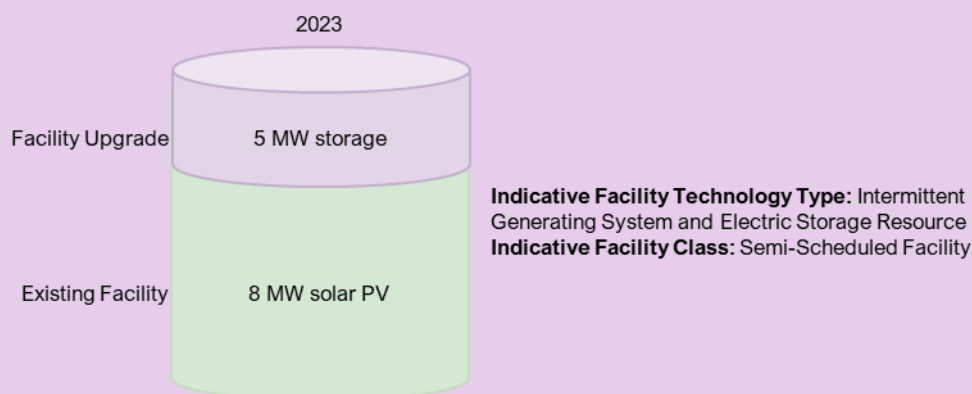
### E[A] Treatment of a Facility Upgrade

This explanatory note provides an example of how AEMO will assess a Facility Upgrade for an indicative Facility Class.

In the 2022 Reserve Capacity Cycle, Facility X is a Registered Facility (8 MW solar PV) with a registered Facility Class of Non-Scheduled Facility and a Facility Technology Type of Intermittent Generating System.



In the 2023 Reserve Capacity Cycle, the Market Participant submits an Expression of Interest for a Facility Upgrade (5 MW storage). AEMO assigns an indicative Facility Class after considering the capability of the 8 MW solar PV and the 5 MW storage upgrade. AEMO assigns an indicative Facility Class of Semi-Scheduled Facility and an indicative Facility Technology Type of Intermittent Generating System and Electric Storage Resource.



The indicative Facility Class and the indicative Facility Technology Type will be used to assign Certified Reserve Capacity to the existing Facility and the Facility Upgrade in the 2023 Reserve Capacity Cycle.

## 3.2. Information requirements

3.2.1. A person who submits an Expression of Interest or an application for an indicative Facility Class and one or more indicative Facility Technology Type must provide the following information in the Expression of Interest or application (as applicable):

- (c) Facility name;
- (d) the owner of the Facility and the identity of the person submitting the application and contact details;
- (e) the requested indicative Facility Class;
- (f) the requested indicative Facility Technology Type;



- (g) details of any intention to apply to AEMO for Facility aggregation in accordance with clause 2.30;
- (h) the Reserve Capacity Cycle to which the application relates;
- (i) expected nameplate capacity of the Energy Producing System for the Facility as at 1 October in Year 3 of the relevant Reserve Capacity Cycle;
- (j) the expected Declared Sent Out Capacity of the Facility as at 1 October in Year 3 of the relevant Reserve Capacity Cycle;
- (k) if the Facility contains an Electric Storage Resource, the sum of the maximum MW consumption of each Electric Storage Resource as at 1 October in Year 3 of the relevant Reserve Capacity Cycle;
- (l) if the Facility contains an Electric Storage Resource, the expected Contracted Maximum Demand as at 1 October in Year 3 of the relevant Reserve Capacity Cycle;
- (m) for each Facility Technology Type, the sum of the nameplate capacity of each item of energy producing equipment that is expected to comprise the Facility Technology Type as at 1 October in Year 3 of the relevant Reserve Capacity Cycle;
- (n) the description and configuration of each Facility Technology Type as at 1 October in Year 3 of the relevant Reserve Capacity Cycle; and
- (o) if the requested indicative Facility Class is a Semi-Scheduled Facility or a Scheduled Facility, information to support how the Facility will comply with paragraph 4.2.5.

A person applying for an indicative Facility Class and one or more indicative Facility Technology Type must include the information required under clause 4.4.1 **[Clause 4.8A.4(a)]**

## 4. Assignment of an Indicative Facility Class and Indicative Facility Technology Type

### 4.1. Facility Technology Type

- 4.1.1. When assigning one or more indicative Facility Technology Types, AEMO must consider the technology and fuel that comprise the configuration of the Facility.
- 4.1.2. If the configuration of the Facility includes one or more loads and the applicant has requested a Facility Class of Demand Side Programme, AEMO must assign an indicative Facility Technology Type of Load.

#### Explanatory note 2

#### E[B] Technologies corresponding to each Facility Technology Type

The table below provides an example of technologies and fuels that may correspond to a Non-Intermittent Generating System, Intermittent Generating System and Electric Storage Resource.

| Facility Technology Type           | Technologies/fuel   |
|------------------------------------|---|
| Non-Intermittent Generating System | <ul style="list-style-type: none"> <li>• Coal-powered generation.</li> <li>• Gas-powered generation.</li> <li>• Distillate-powered generation.</li> <li>• Dual-fuelled thermal generation.</li> <li>• Other forms of thermal generation.</li> </ul> |
| Intermittent Generating System     | <ul style="list-style-type: none"> <li>• Solar photovoltaics.</li> <li>• Wind turbines.</li> </ul>  |
| Electric Storage Resource          | <ul style="list-style-type: none"> <li>• Electric storage systems.</li> <li>• Pumped hydroelectric.</li> </ul>  |

### 4.2. Facility Class

- 4.2.1. In accordance with clause 2.29.2, AEMO will only assign one indicative Facility Class per Facility.
- 4.2.2. Where an applicant requests an indicative Facility Class of Demand Side Programme and meets the requirements of being a Demand Side Programme, AEMO will assign an indicative Facility Class of Demand Side Programme.
- 4.2.3. Where a Facility contains an Energy Producing System with a System Size of less than 10 MW and the applicant requests an indicative Facility Class of Non-Scheduled Facility AEMO will assign an indicative Facility Class of Non-Scheduled Facility.
- 4.2.4. AEMO will not assign an indicative Facility Class of Non-Scheduled Facility to a Facility with a System Size greater than or equal to 10 MW.
- 4.2.5. When assigning an indicative Facility Class of Semi-Scheduled Facility or Scheduled Facility, AEMO will take into account the extent to which the relevant Facility is controllable as follows:
  - (a) a Scheduled Facility must be able to respond to a Dispatch Target from AEMO such that it can maintain its Injection or Withdrawal within its Tolerance Range for a specified period; and

- (b) a Semi-Scheduled Facility cannot meet the criterion in paragraph 4.2.5(a); however, the Facility must be able to reduce the value of its Injection or increase the value of its Withdrawal to comply with a Dispatch Cap issued by AEMO.
- 4.2.6. AEMO will consider the Facility Technology Types comprising the Facility when assigning an applicable indicative Facility Class for the Facility.
- 4.2.7. Where the Facility contains an Energy Producing System, has a System Size of equal to or greater than 10 MW, or the applicant has requested an indicative Facility Class of Semi-Scheduled Facility or Scheduled Facility, AEMO will assign an indicative Facility Class in accordance with the following criteria:
- (a) where the Energy Producing System comprises only a Non-Intermittent Generating System, or an Electric Storage Resource, or both, an indicative Facility Class of Scheduled Facility; or
  - (b) where the Energy Producing System comprises only an Intermittent Generating System, an indicative Facility Class of Semi-Scheduled Facility.
- 4.2.8. AEMO will determine the proportion of a Facility that is intermittent in accordance with paragraph 4.2.9 where:
- (a) the Facility contains an Energy Producing System that comprises a combination of (first) an Intermittent Generating System and (second) a Non-Intermittent Generating System or an Electric Storage Resource, or both; and
  - (b) the applicant has requested an indicative Facility Class of Semi-Scheduled Facility or Scheduled Facility.
- 4.2.9. AEMO must determine the proportion of a Facility that is intermittent as follows:

$$Intermittency(f) = \frac{Nameplate(IGS)}{Nameplate(EPS)}$$

where the variables are defined in the table below:

| Variable                | Unit | Definition  |
|-------------------------|------|---|
| <i>Intermittency(f)</i> | %    | Proportion of a Facility that is intermittent.            |
| <i>Nameplate(IGS)</i>   | MW   | Nameplate capacity of the Intermittent Generating System. |
| <i>Nameplate(EPS)</i>   | MW   | Nameplate capacity of the Energy Producing System.        |

- 4.2.10. Where the Facility meets the criteria in paragraph 4.2.8 and the proportion of the Facility that is intermittent is equal to or greater than 50%, as determined under paragraph 4.2.9, AEMO will assign an indicative Facility Class of Semi-Scheduled Facility, unless:
- (a) the applicant requests an indicative Facility Class of a Scheduled Facility; and
  - (b) the applicant provides sufficient evidence that the Facility (if required by AEMO) could respond to a Dispatch Target such that it could maintain its Injection or Withdrawal within its Tolerance Range for a specified period,
- in which case AEMO will assign an indicative Facility Class of Scheduled Facility.

4.2.11. Where the Facility meets the criteria in paragraph 4.2.8 and the proportion of the Facility that is intermittent is less than 50%, as determined under paragraph 4.2.9, AEMO will assign an indicative Facility Class of Scheduled Facility, unless:

- (a) the applicant requests an indicative Facility Class of a Semi-Scheduled Facility; and
- (b) the applicant provides sufficient evidence that the Facility (if required by AEMO) could not respond to a Dispatch Target such that it could maintain its Injection or Withdrawal within a Tolerance Range for a specified period,

in which case AEMO will assign an indicative Facility Class of Semi-Scheduled Facility.

## Appendix A. Relevant clauses of the WEM Rules

Table 3 details:

- (c) the head of power clauses in the WEM Rules under which the Procedure has been developed; and
- (d) each clause in the WEM Rules requiring an obligation, process or requirement be documented in a WEM Procedure, where the obligation, process or requirement has been documented in this Procedure.

**Table 3 Relevant clauses of the WEM Rules**

| Clause    |
|-----------|
| 4.8A.7(a) |
| 4.8A.7(c) |
| 4.8A.7(d) |
| 4.8A.7(e) |