



2021 Expressions of Interest summary report

30 September 2021

A report for the Wholesale Electricity Market

Important notice

PURPOSE

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

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VERSION CONTROL

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1. Background

Each year, the Australian Energy Market Operator (AEMO) requests Expressions of Interest (EOIs) from existing and potential new Market Participants to provide Reserve Capacity¹. The EOI indicates the amount of new generation and Demand Side Management (DSM) capacity that may be offered into the South West interconnected system (SWIS) for the 2021 Reserve Capacity Cycle².

On 1 July 2021, AEMO requested EOIs for the 2021 Reserve Capacity Cycle, covering the 2023-24 Capacity Year³. EOI submissions closed on 16 August 2021. AEMO must publish an EOI summary by 30 September 2021 in accordance with the Wholesale Electricity Market Rules (WEM Rules).

This report provides a summary of EOIs submitted to AEMO for the 2023-24 Capacity Year. In accordance with clause 4.2.7 of the WEM Rules, the report must outline the following information:

- The number of EOIs received.
- Based on the EOIs, the additional Reserve Capacity potentially available (which must be categorised).
- AEMO's estimate of the existing capacity eligible to be assigned Certified Reserve Capacity (CRC)⁴ in the SWIS.
- The preliminary Reserve Capacity Requirement (RCR)⁵.

2. Summary

AEMO received 29 valid EOIs for the 2023-24 Capacity Year. In some cases, multiple EOIs were submitted for the same Facility or upgrade, representing different possible configuration options (for example, different system sizes). AEMO has selected the EOI with the maximum amount of potential Reserve Capacity for each Facility or upgrade in these cases. As a result, four EOIs were excluded as duplicates, with the remaining 25 included in the data presented in this report.

The total additional Reserve Capacity potentially available for the 2021 Reserve Capacity Cycle is 300.846 megawatts (MW), including 24 EOIs from Energy Producing Systems and one for a Demand Side Programme (see Table 1). No EOIs were received from Facilities with a Small Aggregation Facility Technology Type.

¹ Reserve Capacity may be provided by generation or DSM Facilities.

² A Reserve Capacity Cycle is a cycle of events (covering a four-year period) described in clause 4.1 of the WEM Rules.

³ A Capacity Year is defined in Chapter 11 (Glossary) of the WEM Rules as a period of 12 months commencing on the start of the Trading Day on 1 October and ending on the Trading Day ending on 1 October of the following calendar year.

⁴ Certified Reserve Capacity is a quantity of Reserve Capacity that AEMO has assigned to a Facility for a Reserve Capacity Cycle in accordance with the WEM Rules.

⁵ The preliminary Reserve Capacity Requirement is AEMO's estimate of the total amount of generation or DSM capacity required in the SWIS to satisfy the Planning Criterion for a Capacity Year in accordance with the WEM Rules.

Table 1 Number of EOIs received and potential Reserve Capacity (MW)

EOIs from Energy Producing Systems by Facility Technology Type	Number of EOIs		Potential Reserve Capacity (MW)
	New	Upgrades	
Intermittent Generating Systems (IGS)	2 (standalone)	2 (standalone)	84.400
	5 (with ESR component ^A)	1 (with ESR component ^A)	
Non-Intermittent Generating Systems (NIGS)	4 (standalone)	7 (standalone)	15.196
		2 (with ESR component ^A)	
Electric Storage Resources (ESR) ^A	1 (standalone ^A)		196.250 ^A
Sub-total	12	12	295.846
EOI from Demand Side Programmes	1		5.000
Total EOIs	13	12	300.846

A. The Potential Reserve Capacity of ESR within a New Facility or Facility Upgrade is included in the total Potential Reserve Capacity associated with ESR in Table 1.

For the 2023-24 Capacity Year, 4,807 MW of capacity is expected to be in service, resulting in 411 MW of excess capacity⁶.

The potential supply-demand balance for the 2023-24 Capacity Year is outlined in Table 2.

Table 2 Preliminary supply-demand balance for the 2023-24 Capacity Year

Capacity Credits assigned for the 2022-23 Capacity Year	4,807.237
Potential capacity provided by 2021 EOIs^A	300.846
Estimate of the existing capacity eligible to be assigned CRC for the 2023-24 Capacity Year	4,807.237
RCR for the 2023-24 Capacity Year	4,396.000
Estimated excess capacity for the 2023-24 Capacity Year⁷	411.237 (8.6%)

A. Refer to Table 3 for detailed information on the Reserve Capacity potentially available based on submitted EOIs.

⁶ The quantity of capacity expected to be in service, and in access, for the 2023-24 Capacity Year does not include potential capacity from the EOIs received for the 2023-24 Capacity Year.

⁷ Estimated excess capacity for the 2023-24 Capacity Year does not include potential capacity from the EOIs received for the 2023-24 Capacity Year

2.1 Categories of EOI submissions

The EOI submissions for the 2021 Reserve Capacity Cycle are summarised in Table 3 in accordance with clause 4.2.7 of the WEM Rules.

Table 3 Summary of EOI for the 2021 Reserve Capacity Cycle^A

Summary of Expressions of Interest	2023-24 Capacity Year (MW)
Committed Facilities (in place or under construction)	10.696
Facilities that are not yet committed	290.150
Total	300.846
For Facilities that are not yet committed and are new Facilities	
Facilities for which an Access Proposal has been made and all necessary Environmental Approvals granted	136.850
Facilities for which applications for both Access Proposals and Environmental Approvals have been made and one or both are being processed	73.100
Facilities for which no Access Proposal has been applied for or some or all Environmental Approvals have not been applied for	3.000
Categorisation based on Facility Technology types	
Intermittent Generating Systems	84.400
Non-Intermittent Generating Systems	15.196
Electric Storage Resources	196.250
Small Aggregation	0.000
Non-Dispatchable Load	5.000
Total	300.846
Categorisation based on technology for Energy Producing Systems	
Solar	29.480
Wind	54.920
Open cycle gas turbine	10.300
Reciprocating engine	3.396
Electric Storage Resources	196.250
Other	1.500
Total	295.846

Summary of Expressions of Interest	2023-24 Capacity Year (MW)
Categorisation by number of proposed technologies	
1 technology	179.116
2 technologies	121.730
Total	300.846
Categorisation based on primary fuel type	
Liquid	3.396
Non-liquid	10.300
Renewable energy	84.400
Electric Storage Resources	196.250
Other	1.500
Total	295.846
Categorisation based on back-up/alternative fuel type	
None or not applicable	300.846

A. The figures have been adjusted from the nameplate capacity figures provided by the project proponents to account for an estimate of the Relevant Level for Intermittent Generating Systems.