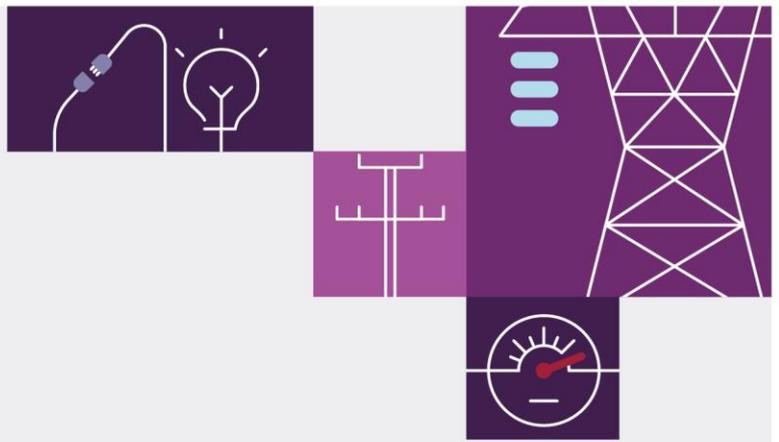


2024 Expression of Interest summary report

April 2024

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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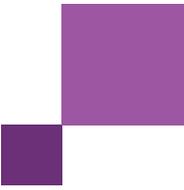
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Version control

Version	Release date	Changes
1	02/04/2024	Initial release.



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1 Background

Each year the Australian Energy Market Operator prepares a Request for Expressions of Interest as part of a Reserve Capacity Cycle¹. The purpose of the Expressions of Interest (EOI) process is for existing and new Market Participants to notify AEMO of the amount of new Energy Producing System and Demand Side Programme capacity they intend to make available as Peak Capacity and Flexible Capacity in the relevant Capacity Year².

On 15 January 2024, AEMO published a Request for Expressions of Interest for the 2024 Reserve Capacity Cycle (for the 2026-27 Capacity Year). EOI submissions closed on 1 March 2024. AEMO must publish a summary of responses to the EOI by 2 April 2024 in accordance with clause 4.1.6 of the Wholesale Electricity Market Rules (WEM Rules).

This report provides a summary of EOIs received for the 2026-27 Capacity Year, as required under clause 4.2.7 of the WEM Rules.

1.1 Changes to the Expression of Interest and indicative Facility Class

The WEM Rules were relevantly amended on 13 December 2023.³ Changes to the EOI and Indicative Facility Class (IFC) processes include:

- Proponents are no longer required to submit an EOI to be eligible to apply for Certified Reserve Capacity (CRC) for the relevant Reserve Capacity Cycle.
- Proponents are still required to undergo an IFC assessment prior to applying for CRC.

As IFC assessments can be carried out independently of the EOI process, AEMO is likely to receive submissions for additional Reserve Capacity which are not considered in the estimates detailed in this report.

¹ A Reserve Capacity Cycle is a cycle of events occurring over four successive calendar years consisting of events and deadlines relevant to the provision of Reserve Capacity. Clause 4.1 of the Wholesale Electricity Market Rules details the Reserve Capacity Cycle.

² 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. A Trading Day is a period of 24 hours commencing at 08:00.

³ Available at <https://www.wagov.pipeline.preproduction.digital.wa.gov.au/government/document-collections/wholesale-electricity-market-amendment-reserve-capacity-reform-rules-2023>.

2 Summary

AEMO received 71 EOIs for the 2026-27 Capacity Year. All 71 of the EOIs submitted in the 2024 Reserve Capacity Cycle met the requirements detailed in clause 4.4.1 of the WEM Rules and were deemed valid. Two EOI Facility Variants were submitted. EOI Facility Variants represent different possible configurations of a Facility, including system sizes, components, etc.

A total of 69 EOIs form the basis for the Reserve Capacity estimates in this report (see Table 1).

Table 1 EOI submissions for the 2026-27 Capacity Year

	WEM Rule Clause	Value
Number of EOIs received	4.2.7(a)	71
Number of EOIs received, excluding EOI Facility Variants not nominated under clause 4.4.2	4.2.7(aA)	69

The Preliminary Reserve Capacity Requirement (Preliminary RCR) for 2026-27 is 5,716 MW. AEMO estimates that 4716.729 MW⁴ of existing capacity will be eligible for Reserve Capacity in 2026-27. Table 2 presents the preliminary supply-demand balance (excluding potential capacity from 2024 EOI submissions), which is approximately 1000 MW. A total of 2,546.753 MW of potential Reserve Capacity was submitted as part of the 2024 EOI⁵ process.

Table 2 Preliminary supply-demand balance for the 2026-27 Capacity Year

	WEM Rule Clause	Value
Existing capacity which AEMO estimates will be eligible (MW)	4.2.7(e)	4,716.729
Preliminary Reserve Capacity Requirement (MW)	4.2.7(f)	5,716.000
Estimated excess capacity		-999.271

Of the 2546.753 MW of potentially available Reserve Capacity from the 2024 EOI process, 989.849 MW is associated with Facilities that are committed⁶ (see Table 3). If all committed potentially available Reserve Capacity is assigned in addition to all existing capacity (4716.729 MW), the preliminary shortfall reduces to about 10 MW.

Table 3 Potential Reserve Capacity available by commitment status

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Facilities that are committed	4.2.7(b)(i)	989.849
Facilities that are not yet committed:	4.2.7(b)(ii)	1,556.904
Total potential Reserve Capacity available		2,546.753

⁴ 4716.729 MW of Reserve Capacity was assigned for 2025-26. AEMO does not currently expect that any Facilities assigned Reserve Capacity in the 2025-26 Capacity Year will retire prior to the conclusion of the 2026-27 Capacity Year.

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

⁶ For the purposes of the EOI process, a committed Facility is a Facility which is under construction or has completed construction.

Table 4 Potential Reserve Capacity available from Facilities not yet committed

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Where an Access Proposal has been made and all necessary Environmental Approvals granted	4.2.7(b)(ii)(1)	588.916
Where all applications for Access Proposals and Environmental Approvals have been made	4.2.7(b)(ii)(2)	220.800
Where no Access Proposal has been applied for or some or all Environmental Approvals have not been applied for.	4.2.7(b)(ii)(3)	747.188
Potential Reserve Capacity available from Facilities not yet committed		1,556.904

Tables 5 - 8 detail the composition of capacity submitted as part of the 2024 EOI process.

Table 5 Potential Reserve Capacity available from Facilities with single/multiple Technology Types

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Potential Reserve Capacity available from Facilities with a single Technology Type	4.2.7(cB)	2,444.113
Potential Reserve Capacity available from Facilities with multiple Technology Types	4.2.7(cB)	102.640
Total potential Reserve Capacity available		2,546.753

Table 6 Potential Reserve Capacity available by Technology Type

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Intermittent Generating Systems (IGS)	4.2.7(c)(i)(1)	124.161
Non-Intermittent Generating Systems (NIGS)	4.2.7(c)(i)(2)	137.598
Electric Storage Resources (ESR)	4.2.7(c)(i)(3)	2,114.994
Demand Side Programme (DSP)	4.2.7(c)(ii)	170.000
Small Aggregation (AGG)	4.2.7(c)(iii)	0.000
Total potential Reserve Capacity available		2,546.753

Table 7 Potential Reserve Capacity available by generation technology

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Coal	4.2.7(cA)	0.000
Gas	4.2.7(cA)	117.000
Distillate	4.2.7(cA)	20.598
Dual-fuel thermal	4.2.7(cA)	0.000
Wind	4.2.7(cA)	104.961
Solar	4.2.7(cA)	19.200
Biogas	4.2.7(cA)	0.000
Battery storage	4.2.7(cA)	2,114.994
Hydro storage	4.2.7(cA)	0.000
Load reduction	4.2.7(cA)	170.000
Small aggregations	4.2.7(cA)	0.000
Total potential Reserve Capacity available		2,546.753

Table 8 Potential Reserve Capacity available by fuel source

Additional Reserve Capacity available from:	WEM Rule Clause	Value (MW)
Non-renewable fuels: Liquid	4.2.7(d)	105.598
Non-renewable fuels: Non-liquid	4.2.7(d)	32.000
Renewable fuels	4.2.7(d)	124.161
Electricity storage	4.2.7(d)	2,114.994
Other sources (DSP, AGG)	4.2.7(d)	170.000
Total potential Reserve Capacity available		2,546.753