

# Wholesale Electricity Market Procedure change report: AEPC\_2024\_06

June 2024

WEM Procedure: Mid Peak Electric Storage  
Resource Obligation Intervals





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# 1 Background

## 1.1 Regulatory requirements

The publication of this Procedure Change Report and the accompanying Wholesale Electricity Market Procedure (**WEM Procedure**) completes the Procedure Change Process conducted by AEMO to consider proposed amendments to the WEM Procedure: Electric Storage Resource Obligation Intervals under the Wholesale Electricity Market Rules (**WEM Rules**). The amendments included renaming the procedure to WEM Procedure: Mid Peak Electric Storage Resource Obligation Intervals (**Procedure**), to reflect the change in focus to Mid Peak Electric Storage Resource Obligation Intervals (MPESROI).

The purpose of this Procedure is to set out the process AEMO must follow when determining changes to, and publishing, the Trading Intervals classified as MPESROI and to align consultation requirements with amendments to the WEM Rules.

AEMO has published this Procedure Change Report in accordance with the Procedure Change Process specified in section 2.10 of the WEM Rules.

## 1.2 Context

On 17 April 2023, as part of the reforms to the Reserve Capacity Mechanism (RCM), the Minister amended clause 4.11.3A of the WEM Rules<sup>1</sup> via the *Wholesale Electricity Market Amendment (Tranche 6 Amendments) Rules 2022, Schedule D*. Sub-clause 4.11.3A(c) requires AEMO to document in a WEM Procedure the processes to be followed by AEMO for determining, amending and publishing the Mid Peak Electric Storage Resource Obligation Intervals (MPESROI), including the processes to be followed by AEMO to comply with its obligation to consult with Market Participants.

Clause 4.11.3A also has linkages to Short Term PASA arrangements under clause 6.3.1.

## 1.3 Procedure change process and timetable

On 22 May 2024, AEMO published the Procedure Change Proposal (AEPC\_2024\_05) and issued a call for submissions. The proposal was progressed using the Procedure Change Process specified in section 2.10 of the WEM Rules with submissions required by 20 June 2024. One submission was received from Synergy.

# 2 Proposed procedure change

This section details the changes that AEMO proposed when the call for submissions was published.

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<sup>1</sup> Clause 4.11.1 was also amended.



## 2.1 Detail of the proposed procedure change

The sub-sections below outline the amendments made to the Procedure to reflect amendments made to clause 4.11.3A of the WEM Rules<sup>2</sup> via the *Wholesale Electricity Market Amendment (Tranche 6 Amendments) Rules 2022, Schedule D* which have commenced.

### 2.1.1 New procedure name

Procedure Change Proposal AEPC\_2024\_05 proposed amendments to the original WEM Procedure: Electric Storage Resource Obligation Intervals, to reflect the refocusing of the procedure to MPESROI. The procedure is renamed accordingly to WEM Procedure: Mid Peak Electric Storage Resource Obligation Intervals.

### 2.1.2 Determining changes to the MPESROI

The Procedure sets out the process AEMO must follow when determining changes to the Trading Intervals classified as MPESROI, and the circumstances in which AEMO may make a determination.

### 2.1.3 Publishing requirements

The Procedure sets out the process AEMO must follow when publishing the Trading Intervals classified as MPESROI and the information associated with the redetermination of the MPESROI. It also specifies what information AEMO must publish (the MPESROI) or may publish (for example, the Peak Demand Periods and/or supporting analysis), and where the information is to be published.

### 2.1.4 Consultation requirements

The consultation process that applied to changes to previously determined and published ESROI have been removed to reflect recent changes to clause 4.11.3A(c)(i) of the WEM Rules.

### 2.1.5 Determination and publishing of MPESROI under ST PASA arrangements

The Procedure identifies the circumstances in which AEMO will determine (and record) in accordance with clause 6.3.1 of the WEM Rules, and without consultation with Market Participants, to change the Trading Intervals classified as the MPESROI for a Scheduling Day where they differ from those previously published. The Procedure also requires the redetermined MPESROI to be published.

The *Wholesale Electricity Market Amendment (Miscellaneous amendments No.3) Rules 2022* will amend clause 6.3.1 of the WEM Rules to insert this publication requirement, as well as fixing an existing manifest error by changing the reference to 'Electric Storage Resource Intervals' to 'Mid Peak Electric Storage Resource Intervals'.

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<sup>2</sup> Clause 4.11.1 was also amended.

## 2.2 Proposed drafting

AEMO published a draft of the proposed Procedure for consultation. Clean and change marked versions are available on AEMO's website at [https://aemo.com.au/consultations/current-and-closed-consultations/aepc\\_2024\\_05](https://aemo.com.au/consultations/current-and-closed-consultations/aepc_2024_05)

# 3 Consultation process

## 3.1 Market Advisory Committee and Working Group

### 3.1.1 Market Advisory Committee

In accordance with the Coordinator's WEM Procedure: Procedure Administration, AEMO notified the Market Advisory Committee (MAC) on 23 May 2024 of the publication of the Procedure Change Proposal, which was within one Business Day of publishing the Procedure Change Proposal.

At the time, AEMO advised the MAC that it did not consider that the MAC should be convened in relation to the Procedure Change Proposal, for the following reasons:

- The Procedure Change Proposal explained the reason for changes to the existing procedure, and contained comprehensive detail on the proposed amendments.
- The Procedure Change Proposal was on the agenda for discussion at the AEMO Procedure Change Working Group meeting on 6 June 2024.

The MAC Chair agreed with this assessment and a MAC meeting was not convened.

### 3.1.2 AEMO Procedure Change Working Group

An overview of the proposed amended WEM Procedure was presented at the AEMO Procedure Change Working Group (APCWG) meeting held on 6 June 2024. No feedback was received at this meeting.

The papers and minutes from the meeting can be found on the WEM website at <https://aemo.com.au/consultations/industry-forums-and-working-groups/list-of-industry-forums-and-working-groups/wem-aemo-procedure-change-working-group>

## 3.2 Submissions received during consultation period

AEMO published the Procedure Change Proposal AEPC\_2024\_05 and issued a call for submissions on 22 May 2024. The submission period closed on 20 June 2024.

AEMO received one submission on the proposed amendments and incorporated the feedback. A summary of Synergy's feedback and AEMO's responses are set out below.

**Table 1 Summary of Stakeholder Feedback**

Respondent	Paragraph	Summary of feedback	AEMO Response
Synergy	2.1.5	Typological error for 'Mid Peak Storage Resource Obligation Interval' which should be 'Mid Peak Electric Storage Resource Obligation Interval'	AEMO has updated the Procedure
Synergy	2.1.6	Typological error for 'Mid Point' which should be 'Mid Peak'	AEMO has updated the Procedure

The above-mentioned submission is available on the WEM Website [https://aemo.com.au/consultations/current-and-closed-consultations#consultation%20market=Wholesale%20Electricity%20Market%20\(WA\)](https://aemo.com.au/consultations/current-and-closed-consultations#consultation%20market=Wholesale%20Electricity%20Market%20(WA))

## 4 AEMO's assessment

### 4.1 Consistency with Electricity Industry Act, WEM Regulations, WEM Rules and Wholesale Electricity Market Objectives

AEMO considers that the revised Procedure is consistent with the:

- *Electricity Industry Act 2004*;
- WEM Regulations 2004;
- WEM Rules; and
- Wholesale Electricity Market Objectives.

### 4.2 Proposed date and time of the commencement of the Procedure

The amended Procedure will commence at 8.00am on 1 July 2024.

The revised Procedure can be found on the WEM Website: [https://aemo.com.au/consultations/current-and-closed-consultations/aepc\\_2024\\_05](https://aemo.com.au/consultations/current-and-closed-consultations/aepc_2024_05)