

Sufficient capacity to meet electricity demand continues in Western Australia

Existing and committed generation resources alongside demand side management capacity is sufficient to meet forecast peak demand in the South West interconnected system (SWIS), according to the latest report released by the Australian Energy Market Operator.

Released today, AEMO's Wholesale Electricity Market Electricity Statement of Opportunities (WEM ESOO) shows that electricity demand is forecast to grow slowly over the 10-year outlook period, underpinned by lower economic and population growth, and the continuing uptake of rooftop PV.

The latest analysis shows that the states' homeowners are set to install 134 megawatts (MW) of rooftop PV per year on average, equating to a total rooftop PV generation capacity of 2,273 MW by 2027-28. One in four Western Australian households now have rooftop PV installed.

"With equipment and installation costs for rooftop PV falling, we are anticipating Western Australian consumers to continue to take control of their power consumption," said Cameron Parrotte, Executive General Manager, Western Australia.

This WEM ESOO illustrates the role increasing rooftop PV is playing within the SWIS, flattening both operational and peak demand over the 10-year outlook, and contributing to a reduction of the Reserve Capacity Target (RCT), which sets the capacity required to meet peak demand, a worst-case contingency, and frequency keeping requirements.

"Based on the 10% Probability of Exceedance (POE) scenario, the Reserve Capacity Target for the 2020-2021 Capacity Year has been determined as 4,581 megawatts, which is a decrease from the 4,660 megawatts target in 2019-20," said Mr Parrotte.

"The decrease in the RCT is due to a relatively flat outlook for peak demand (an expected annual increase of 0.6%); it also factors in the increased levels of rooftop solar generation, together with forecast lower economic and population growth compared with the previous year's forecast," said Mr Parrotte.

"While there have been recent retirements of some fossil-fueled generators, new renewable generation capacity is enabling the RCT to be met within the defined reliability standard, and with significantly lower excess capacity than historically recorded" said Mr Parrotte.

The growth of renewable generation in Western Australia is an example of the changing generation mix, which is in line with changes observed in other electricity systems, including the National Electricity Market of eastern and southern Australia. As the independent market and system operator, AEMO is working closely with both government and industry stakeholders to manage a smooth, secure transition to a lower emission future.

"Wind and solar generation by their very nature are intermittent, and with rooftop solar in particular, the generation availability is not visible to AEMO in real time, and cannot currently be controlled or coordinated to respond to variances in the system," said Mr Parrotte.

“However, projects like the Western Australian Government’s market reform, the upcoming WEM reviews, and further infrastructure development in the SWIS, are all well underway. These important developments are focused on ensuring consumer expectations for reliable, secure and affordable energy are addressed,” said Mr Parrotte.

Ends

For more information: AEMO Media | Mobile: 0409 382 121 | Email: media@aemo.com.au



About AEMO:

AEMO is responsible for operating Australia’s largest gas and electricity markets and power systems, including the National Electricity Market and interconnected power system in Australia’s eastern and south-eastern seaboard, and the Wholesale Electricity Market and power system in Western Australia.

AEMO also operates the Victorian Declared Wholesale Gas Market and the Victorian gas transmission system; the wholesale gas Short Term Trading Market hubs in Adelaide, Sydney and Brisbane; the Wallumbilla Gas Supply Hub in Queensland; and the Moomba Gas Supply Hub in South Australia.

As Australia’s independent energy markets and power systems operator, AEMO provides critical planning, forecasting and power systems security advice and services to deliver energy security for all Australians. For more information, head to www.aemo.com.au

As Managing Director and CEO, Ms Zibelman also serves on the Energy Security Board.

About AEMO Energy Live

Launched in December 2017, [AEMO Energy Live](#) is our digital news and information hub dedicated to all things energy. AEMO Energy Live features commentary, analysis, interviews, news and views delivered via videos, podcasts, full-length feature articles, infographics and easy to understand explainers.