

Linearly Derating Capacity

WRIG – 02 September 2021

Context

- At the WRIG meeting on 5 August 2021, changes to the Certified Reserve Capacity (CRC) process for the 2021 Reserve Capacity Cycle were presented.
- As part of the CRC process changes, a new methodology – Linearly Derating Capacity (LDC) – for Electric Storage Resources (ESR) has been introduced.
- This presentation focusses on the LDC methodology, which will be included in the CRC WEM Procedure.

What is the LDC methodology?

- The (CRC) process determines the quantity of capacity that can be delivered during peak periods for the relevant Capacity Year.
- The LDC is used to determine the CRC for:
 - Components of Scheduled Facilities and Semi-Scheduled Facilities that are ESR.
 - Non-Scheduled Facilities comprising only ESR that have not been in operation for the full 5-year period identified for the Relevant Level Methodology.

Setting the LDC

- Under clause 4.10.1(fA)(iii), 4.10.1(fB)(iii), 4.10.1(fC)(iii), or 4.10.1(fD)(iii), a Market Participant must provide the sent out capacity at 41°C over 4 hours over the ESR's expected life.
- The LDC will equal the capacity provided by the Market Participant under clause 4.10.1(fA)(iii), 4.10.1(fB)(iii), 4.10.1(fC)(iii), or 4.10.1(fD)(iii) unless AEMO considers it to be inaccurate.

Information that AEMO will consider

In setting the LDC, AEMO will review if applicable:

- The forecast degradation rate specified in the original manufacturer's data or an independent engineer's report over the expected life of the ESR.
- Sent Out Metered Schedule or Facility Sub-Metering data from the previous year.
- Evidence that the ESR is expected to discharge during the Electric Storage Resource Obligation Intervals.
- Any other relevant information provided by the Market Participant in their CRC application.

Questions and further information

- CRC WEM Procedure to be published for consultation in September 2021.
- CRC WEM Procedure effective 1 November 2021.

Additional comments or questions can be directed to AEMO by email to wa.capacity@aemo.com.au (cc WA.ETS@aemo.com.au).