WEM Procedure: Network Access Quantity Model

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Prepared by:	AEMO
Document ref:	
Version:	0.1
Effective date:	1 March 2023
Status:	DRAFT

Approved for distribution and use by:

Approved by:	Draft – not approved for distribution or use
Title:	
Date:	

Version Release History

Version	Effective Date	Summary of Changes
0.1		Draft version developed in accordance with clause 4.15.17 and 4.28C.15.

IMPORTANT NOTICE – EXPLANATORY NOTES

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1. Introduction

1.1. Purpose and scope

1.1.1. This WEM Procedure: Network Access Quantity Model (Procedure) is made in accordance with AEMO's functions under clause 2.1A.2(h) of the Wholesale Electricity Market Rules (WEM Rules).

1.1.2. The *Electricity Industry Act 2004* (WA), the WEM Regulations and the WEM Rules prevail over this Procedure to the extent of any inconsistency.

1.1.3. In this Procedure, where obligations are conferred on a Rule Participant, that Rule Participant must comply with the relevant obligations in accordance with clause 2.9.7A or 2.9.8 of the WEM Rules, as applicable.

1.1.4. The purpose of this Procedure is to document:

(a) the processes, methodologies, inputs, parameters and assumptions to be applied in the Network Access Quantity Model for modelling the prioritisation and determination of Network Access Quantities to Facilities under Appendix 3 of the WEM Rules;

(b) the processes to be followed by AEMO in determining the facility dispatch scenarios under clause 4.15.5;

(c) the processes AEMO must follow when determining Network Access Quantities for a Reserve Capacity Cycle, including how Network Access Quantities are determined for Facilities;

(d) the processes to be followed by AEMO for publishing the information under clause 4.15.16;

(e) without limiting any other provision of these WEM Rules, information that a Market Participant or Network Operator must provide to AEMO and the format it must be provided in, for the purposes of operating the Network Access Quantity Model and determining Network Access Quantities to Facilities under Appendix 3 of the WEM Rules; and

(f) any other matters that AEMO reasonably deems relevant to performing its functions undersection 4.15 **[clause 4.15.7]**.

1.1.5. Appendix A of this Procedure outlines the head of power clauses that this Procedure is made under, as well as other obligations of the WEM Rules covered in this Procedure.

1.2. Definitions

1.2.1. Terms defined in the Electricity Industry Act 2004 (WA), the WEM Regulations and the WEM Rules have the same meanings in this Procedure unless the context requires otherwise.

1.2.2. The following definitions apply in this Procedure unless the context requires otherwise.

Table 1 Definitions

Term	Definition
Committed Status	Has the meaning given in the WEM Procedure: Declaration of Bilateral Trades.
Early CRC Facility	As defined in Appendix 3 of the WEM Rules.
Facility Dispatch Scenario (FDS)	A scenario representing how a NAQ Entity could be dispatched in times of peak demand.
Facility Upgrade	As defined in Appendix 3 of the WEM Rules.

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Term	Definition
FDS Batch	A subset of Facility Dispatch Scenarios from a FDS Set.
FDS Set	A group of Facility Dispatch Scenarios created for a specific Prioritisation Step.
Final Dispatch Value	The value associated with a NAQ Entity in a Facility Dispatch Scenario after the Network Access Quantity Model has solved and adjusted the NAQ Entity output, where required.
Initial Dispatch Value	The original value of a NAQ Entity in a Facility Dispatch Scenario.
Indicative Facility Class	Has the meaning given in the WEM Procedure: Indicative Facility Class and RCM Facility Class Assessment.
Indicative NAQ Facility	As defined in Appendix 3 of the WEM Rules.
Individual FDS Outcome	The outcome determined for a NAQ Entity for a Facility Dispatch Scenario and used to determine the NAQ Result for a Prioritisation Step.
LHS	Means the left-hand side of a Constraint Equation.
NAQ Ceiling	The maximum MW value that a NAQ Entity can be dispatched to in a Facility Dispatch Scenario for a specific Prioritisation Step.
NAQ Entity	Means: • a Facility or Facility Upgrade component that has been assigned Certified Reserve Capacity for the relevant Reserve Capacity Cycle; or • a Facility that has been assigned Early Certified Reserve Capacity for the relevant Reserve Capacity Cycle or a future Reserve Capacity Cycle.
NAQ Entity Parameters	The NAQ Floor, NAQ Ceiling and Possible Dispatch Range determined for a NAQ Entity for a Prioritisation Step.
NAQ Facility	As defined in Appendix 3 of the WEM Rules.
NAQ Floor	The minimum MW value that a NAQ Entity's output can be constrained down to by the Network Access Quantity Model during a solve for a specific Prioritisation Step.
NAQ Result	The Network Access Quantity value determined for a specific Prioritisation Step for a NAQ Entity. In accordance with clause 4.15.9(c), the NAQ Result is the 5th percentile of all Individual FDS Outcomes determined for that Prioritisation Step. Depending on the NAQ Entity and Prioritisation Step, the NAQ Result may set the Preliminary Network Access Quantity, Indicative Network Access Quantity or Final Network Access Quantity.
Peak Demand	Means the demand value determined under clause 4.5.10(a)(iv) and used in the calculation of the Reserve Capacity Requirement for the relevant Capacity Year.
Possible Dispatch Range	The possible range of values at which a Scheduled Facility, Semi-Scheduled Facility or Demand Side Programme could be dispatched in a Facility Dispatch Scenario.
Preliminary Network Access Quantity	As defined in Appendix 3 of the WEM Rules.
Prioritisation Step	A step outlined in Part A or Part B of Appendix 3 of the WEM Rules that requires the Network Access Quantity Model to be run.
Proposed Status	Has the meaning given in the WEM Procedure: Declaration of Bilateral Trades.
RCM Facility Class	Has the meaning given in clause 1.45.1.
Reserve Capacity Status	A status assigned to a Facility and used for the purposes of assigning Network Access Quantities in accordance with Appendix 3 of the WEM Rules. A Reserve Capacity Status is either Proposed Status, Committed Status or Commercial Operation.
RHS	Means the right-hand side of a Constraint Equation.

1.3. Interpretation

1.3.1. The following principles of interpretation apply in this Procedure unless the context requires otherwise.

(a) Clauses 1.3 to 1.5 of the WEM Rules apply in this Procedure.

(b) References to time are references to Australian Western Standard Time.

(c) Terms that are capitalised, but not defined in this Procedure, have the meaning given in the WEM Rules.

(d) A reference to the WEM Rules or WEM Procedures includes any associated forms required or contemplated by the WEM Rules or WEM Procedures.

(e) Words expressed in the singular include the plural and vice versa.

(f) A reference to a paragraph refers to a paragraph of this Procedure.

(g) A reference to a clause refers to a clause or section of the WEM Rules.

(h) References to WEM Rules in this Procedure in bold and square brackets [Clause XXX] are included for convenience only, and do not form part of this Procedure.

(i) Text located in boxes and headed as Explanatory Note X in this Procedure is included by way of explanation only and does not form part of this Procedure. The Procedure prevails to the extent of any inconsistency with the explanatory notes contained within it.

(j) The body of this Procedure prevails to the extent of any inconsistency with the figures, diagrams, appendices, schedules, annexures or attachments contained within this document.

(k) A reference to a Facility Class in this Procedure is also a reference to an RCM Facility Class or an Indicative Facility Class.

1.4. Related documents

1.4.1. The documents in Table 2 are associated with this Procedure.

Table 2 Related documents

Reference	Title	Location
WEM Procedure	WEM Procedure: Certification of Reserve Capacity	WEM Website
WEM Procedure	WEM Procedure: Declaration of Bilateral Trades	WEM Website
WEM Procedure	WEM Procedure: RCM Limit Advice Requirements	WEM Website

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2. Timeframes

2.1.1. AEMO must commence the processes under this Procedure, as soon as practicable, following both the date and time outlined in clause 4.1.15, and the creation of the RCM Constraint Equations under clause 4.4B.4.

2.1.2. AEMO (in its sole discretion) may modify or extend a date or time in this Procedure, as a result of modifying or extending a date or time under clause 4.1.1C or to the extent permitted under the WEM Rules.

2.1.3. If AEMO extends a date or time under paragraph 2.1.2, then it must promptly publish on the WEM Website:

(a) notice of the modified or extended date or time; and

(b) the effective date or time of any modification or extension under paragraph 2.1.2.

3. Network Access Quantities for a Reserve Capacity Cycle

3.1.1. The processes AEMO will follow in determining Network Access Quantities for a Reserve Capacity Cycle are outlined in the steps in Appendix 3 of the WEM Rules and the applicable steps are identified in accordance with the circumstances of a Reserve Capacity Cycle, including, but not limited to, whether the capacity requirement can be met in that Reserve Capacity Cycle.

4. NAQ Entity parameters

4.1.1. The NAQ Ceiling determined under paragraph 4.2 and Possible Dispatch Range determined under paragraph 4.3 are used in the process of creating Facility Dispatch Scenarios under paragraphs 5.2 or 6.2.

4.1.2. The NAQ Floor determined under paragraph 4.2 is used in the process of determining Network Access Quantities under paragraphs 5.3 or 6.3.

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E[A] What is a NAQ Entity?

AEMO uses the concept of a NAQ Entity in the Network Access Quantity Model process. A NAQ Entity can represent either a Facility or a Facility Upgrade component.

The example in Table 3 shows a Facility comprised of multiple components. The Market Participant has applied for the certification of Reserve Capacity for the Electric Storage Resource (Facility_WF1_ESR_01) and Intermittent Generating System (Facility_WF1_IGS_01) components of the Facility. The Market Participant has also applied to upgrade the Intermittent Generating System component (Facility_WF1_IGS_01_UPG).

Table 3 Facility and components

Facility	Certified Reserve Capacity
Facility_WF1	70
Components	**Certified Reserve Capacity**
Facility_WF1_ESR_01	10
Facility_WF1_IGS_01	50
Facility_WF1_IGS_01_UPG	10

Two NAQ Entities will be created, as shown in Table 4, to represent the Facility (original Electric Storage Resource and Intermittent Generating System components) and the Facility Upgrade component (denoted by UPG) in the Network Access Quantity Model.

Table 4 NAQ Entity

NAQ Entity	Certified Reserve Capacity
N_Facility_WF1	60
N_Facility_WF1_IGS_01_UPG	10

4.2. NAQ Floor and NAQ Ceiling

4.2.1. AEMO must determine the NAQ Floor and NAQ Ceiling for every Prioritisation Step required for each NAQ Entity, prior to running the Network Access Quantity Model.

4.2.2. The NAQ Floor of a NAQ Entity, excluding an Early CRC Facility, equals:

(a) the Preliminary Network Access Quantity determined for the NAQ Entity in the previous Prioritisation Step; or

(b) zero, if:

(i) the NAQ Entity was not included in the previous Prioritisation Step; or

(ii) it is the first Prioritisation Step of Part A or Part B of Appendix 3 of the WEM Rules for the Reserve Capacity Cycle.

4.2.3. Subject to paragraph 4.2.7, AEMO must determine a NAQ Ceiling for each NAQ Entity for each Prioritisation Step under Part A of Appendix 3 of the WEM Rules for the 2022 Reserve Capacity Cycle, excluding Early Certified Reserve Capacity, in accordance with Table 5.

Table 5 NAQ Ceiling for each Prioritisation Step of Part A Appendix 3 of the WEM Rules for the 2022 Reserve Capacity Cycle

Prioritisation Step	NAQ Ceiling
3A_2022 (non-GIA Facility) [1]	Initial NAQ
3C_2022 (non-GIA Facility) [2]	Certified Reserve Capacity
3A	Certified Reserve Capacity
3C	Certified Reserve Capacity
4	Certified Reserve Capacity
5	Certified Reserve Capacity
6	Certified Reserve Capacity
9	Certified Reserve Capacity
13(a) (Capacity Year +1)	Certified Reserve Capacity
13(b) (Capacity Year +1)	Certified Reserve Capacity
13(a) (Capacity Year +2)	Certified Reserve Capacity
13(b) (Capacity Year +2)	Certified Reserve Capacity

4.2.4. Subject to paragraph 4.2.7, AEMO must determine a NAQ Ceiling for each NAQ Entity for each Prioritisation Step under Part B of Appendix 3 of the WEM Rules for the 2022 Reserve Capacity Cycle excluding Early Certified Reserve Capacity, in accordance with Table 6.

Table 6 NAQ Ceiling for each Prioritisation Step of Part B Appendix 3 of the WEM Rules for the 2022 Reserve Capacity Cycle

Prioritisation Step	NAQ Ceiling
3A_2022 (non-GIA Facility)[3]	Initial NAQ
3C_2022 (non-GIA Facility) [4]	Certified Reserve Capacity
3A	Certified Reserve Capacity
3C	Certified Reserve Capacity
4	Certified Reserve Capacity
5	Certified Reserve Capacity
6A	Certified Reserve Capacity
6B	Certified Reserve Capacity
6C	Certified Reserve Capacity
9A	Certified Reserve Capacity
9B	Certified Reserve Capacity
13(a) (Capacity Year +1)	Certified Reserve Capacity
13(b) (Capacity Year +1)	Certified Reserve Capacity

[1] Prioritisation Steps 3A_2022 and 3C_2022 exclude GIA Facilities and are only required for the 2022 Reserve Capacity Cycle in accordance with Part A Step 3(a) and Part B Step 3(a) of Appendix 3 of the WEM Rules.

[2] Ibid

[3] Ibid

[4] Ibid

Prioritisation Step	NAQ Ceiling
13(a) (Capacity Year +2)	Certified Reserve Capacity
13(b) (Capacity Year +2)	Certified Reserve Capacity

4.2.5. Subject to paragraph 4.2.7, AEMO must determine a NAQ Ceiling for each NAQ Entity, for each Prioritisation Step under Part A of Appendix 3 of the WEM Rules for each Reserve Capacity Cycle from 2023, excluding Early Certified Reserve Capacity, in accordance with Table 7.

Table 7 NAQ Ceiling for each Prioritisation Step of Part A Appendix 3 of the WEM Rules from the 2023 Reserve Capacity Cycle

Prioritisation Step	NAQ Ceiling
3A	Minimum (Network Access Quantity, Certified Reserve Capacity)
3B	Minimum (Highest Network Access Quantity, Certified Reserve Capacity)
3C	Certified Reserve Capacity
4	Certified Reserve Capacity
5	Certified Reserve Capacity
6	Certified Reserve Capacity
9	Certified Reserve Capacity
13(a) (Capacity Year +1)	Certified Reserve Capacity
13(b) (Capacity Year +1)	Certified Reserve Capacity
13(a) (Capacity Year +2)	Certified Reserve Capacity
13(b) (Capacity Year +2)	Certified Reserve Capacity

4.2.6. Subject to paragraph 4.2.7, AEMO must determine a NAQ Ceiling for each NAQ Entity, for each Prioritisation Step under Part B of Appendix 3 of the WEM Rules for each Reserve Capacity Cycle from 2023, excluding Early Certified Reserve Capacity, in accordance with Table 8.

Table 8 NAQ Ceiling for each Prioritisation Step of Part B Appendix 3 of the WEM Rules from the 2023 Reserve Capacity Cycle

Prioritisation Step	NAQ Ceiling
3A	Minimum (Network Access Quantity, Certified Reserve Capacity)
3B	Minimum (Highest Network Access Quantity, Certified Reserve Capacity)
3C	Certified Reserve Capacity
4	Certified Reserve Capacity
5	Certified Reserve Capacity
6A	Certified Reserve Capacity
6B	Certified Reserve Capacity
6C	Certified Reserve Capacity
9A	Certified Reserve Capacity
9B	Certified Reserve Capacity
13(a) (Capacity Year +1)	Certified Reserve Capacity
13(b) (Capacity Year +1)	Certified Reserve Capacity
13(a) (Capacity Year +2)	Certified Reserve Capacity
13(b) (Capacity Year +2)	Certified Reserve Capacity

4.2.7. Where a NAQ Entity is subject to a NCESS Contract but was not assigned Capacity Credits in the previous Reserve Capacity Cycle, AEMO must determine the NAQ Ceiling for each Prioritisation Step under Part A or Part B of Appendix 3 of the WEM Rules as the quantity of Certified Reserve Capacity assigned for that Reserve Capacity Cycle.

4.2.8. Prioritisation Step 13(a) (Capacity Year +1) and 13(b) (Capacity Year +1) in Tables 5,6 7 and 8 relate to Step 13(a) and Step 13(b) of Part A and Part B in Appendix 3 of the WEM Rules, respectively, and are only required if an Early CRC Facility has been assigned Early Certified Reserve Capacity for the relevant Capacity Year plus one.

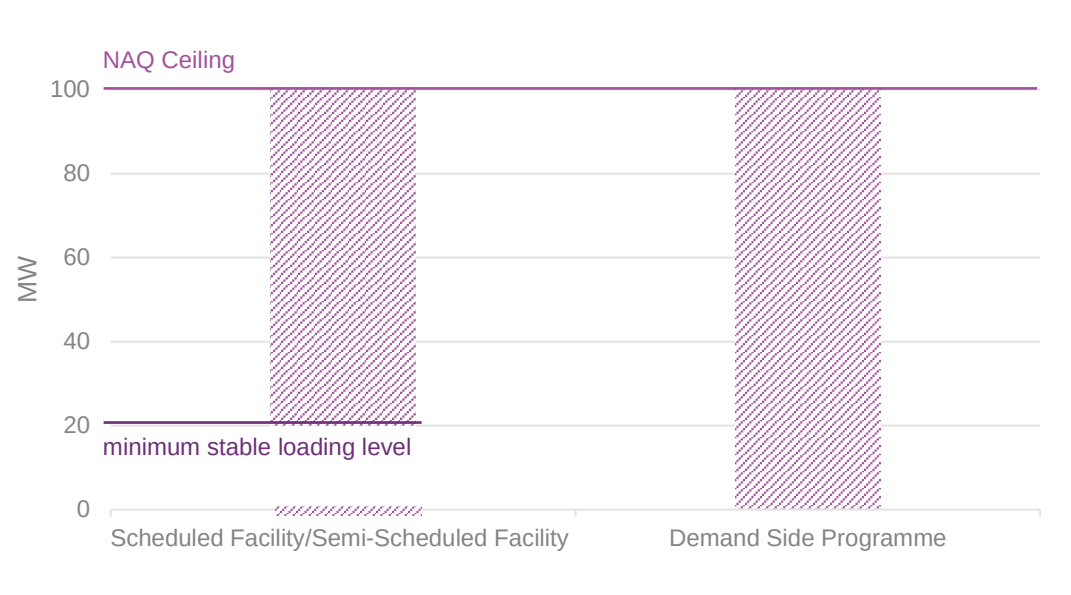
4.2.9. Prioritisation Step 13(a) (Capacity Year +2) and 13(b) (Capacity Year +2) in Tables 5,6 7 and 8 relate to Step 13(a) and 13(b) of Part A and Part B in Appendix 3 of the WEM Rules, respectively, and are only required if an Early CRC Facility has been assigned Early CRC for the relevant Capacity Year plus two.

4.3. Possible Dispatch Range

E[A1] Possible Dispatch Range

Figure 1 shows an example of a Possible Dispatch Range for a Scheduled Facility, Semi-Scheduled Facility and Demand Side Programme. A NAQ Entity must be dispatched within its Possible Dispatch Range when determining the Initial Dispatch Value and Final Dispatch Value.

Figure 1 Possible Dispatch Range



4.3.1. AEMO must determine the Possible Dispatch Range for each NAQ Entity, for each Prioritisation Step, excluding a Non-Scheduled Facility as follows:

$$PossibleDispatchRange = \{0, [MinContRange, MaxContRange]\}$$

where these variables are defined in accordance with Table 9

Table 9 Variables used in the Possible Dispatch Range calculation

Variable	Definition
MinContRange	Minimum MW quantity, excluding zero, in which a NAQ Entity can be dispatched.
MaxContRange	Maximum MW quantity in which a NAQ Entity can be dispatched.

4.3.2. AEMO must set the variables of the Possible Dispatch Range for a NAQ Entity, in accordance with its Facility Class as outlined in Table 10.

Table 10 Variables that set the Possible Dispatch Range of a Scheduled Facility, Semi-Scheduled Facility and Demand Side Programme

Facility Class	MinContRange	MaxContRange
Scheduled Facility	Minimum stable loading level	NAQ Ceiling
Semi-Scheduled Facility	Minimum stable loading level	NAQ Ceiling
Demand Side Programme	Zero	NAQ Ceiling

4.3.3. AEMO may verify the minimum stable loading level provided by a Market Participant for a NAQ Entity under clause 4.10.1(dB) against Standing Data, where applicable.

4.3.4. Subject to paragraph 4.3.5, in determining the Possible Dispatch Range for a NAQ Entity, AEMO may use:

(a) the minimum stable loading level provided under clause 4.10.1(dB); or

(b) the minimum stable loading level recorded in Standing Data, where AEMO considers, at its discretion, this is more reflective of the Facility's expected capability.

4.3.5. The minimum stable loading level for a NAQ Entity that is a Facility Upgrade component is zero.

5. Determining Network Access Quantities if the sum of NAQ Entities' NAQ Ceilings exceeds Peak Demand

5.1.1. When prioritising and determining Network Access Quantities under clause 4.15 and Appendix 3 of the WEM Rules, for each Prioritisation Step, if the sum of the NAQ Ceilings associated with NAQ Entities' assessed in the relevant Prioritisation Step is greater than Peak Demand (an excess), AEMO must:

(a) determine Facility Dispatch Scenarios for the Prioritisation Step in accordance with paragraph 5.2; and

(b) determine Network Access Quantities for the Prioritisation Step in accordance with paragraph 5.3.

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5.2. Facility Dispatch Scenarios

E[B] Creation of Facility Dispatch Scenarios

Under the scenario described in paragraph 5.1.1 (an excess scenario), AEMO must create a FDS Set. The process of creating Facility Dispatch Scenarios largely ignores Facility Class, Facility Technology Types and a merit order, besides specific requirements for a Non-Scheduled Facility outlined in paragraph 5.2.7. A Non-Scheduled Facility will always be dispatched at its NAQ Ceiling because the Facility is treated as unconstrained in the Network Access Quantity Model (see clause 4.15.9(d)).

AEMO's objective is for each NAQ Entity to have a relatively equal opportunity to be dispatched at its NAQ Ceiling in the FDS Set. The actual number of FDS where a NAQ Entity's Initial Dispatch Value equals the NAQ Ceiling will vary between NAQ Entities due to size.

E[B1] Process

AEMO will endeavour, where possible, to use the following process to create Facility Dispatch Scenarios in accordance with paragraphs 5.2.4 to 5.2.7:

1. Set the Initial Dispatch Value of all Non-Scheduled Facilities to the NAQ Ceiling
2. Organise all remaining NAQ Entities in the relevant Prioritisation Step in a random order
3. Dispatch each NAQ Entity based on the random order up to its MaxContRange:
    a. for each NAQ Entity dispatched, check if the sum of all Initial Dispatch Values determined so far is less than Peak Demand:
        i. if true, calculate the difference between the sum of all Initial Dispatch Values and Peak Demand.
            1. Check if the difference is greater than or equal to the MaxContRange of the next NAQ Entity:
                a. if true, set the Initial Dispatch Value of the next NAQ Entity to its MaxContRange
                b. if false, check if the difference is greater than the MinContRange of the next NAQ Entity:
                i. if true, set the Initial Dispatch Value of the next NAQ Entity to meet the difference; or
                ii. if false, set the Initial Dispatch Value to zero.
        ii. if false, set the Initial Dispatch Value of all remaining NAQ Entities to zero.

5.2.1. AEMO will create a FDS Set for each required Prioritisation Step.

5.2.2. AEMO will assign a unique identifier to each FDS Set based on an ordered series of the following components, each separated by an underscore:

(a) "FDS"

(b) the last 2 digits of the relevant Reserve Capacity Cycle (e.g. 22)

(c) the Prioritisation Step (e.g. 3A)

(d) the Prioritisation Step sub-step (known as a version) represented as a letter (e.g. a)

5.2.3. AEMO will create a unique identifier for each Facility Dispatch Scenario based on an ordered series of the following components, each separated by an underscore:

(a) "FDS"

(b) the last 2 digits of the relevant Reserve Capacity Cycle (e.g. 22)

(c) the Prioritisation Step (e.g. 3A)

(d) the Prioritisation Step sub-step (known as a version) represented as a letter (e.g. a)

(e) the FDS index which is a sequential number (e.g. 1)

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E[B2] Naming an FDS Set

The following shows an example of an FDS Set identifier that conforms with the naming convention:

FDS_23_3B_a

E[B3] Naming an FDS

The following shows an example of a FDS identifier that conforms with the naming convention:

FDS_23_3B_a_150

5.2.4. Each Facility Dispatch Scenario in a FDS Set must only include NAQ Entities assessed in the relevant Prioritisation Step.

5.2.5. In each Facility Dispatch Scenario, the sum of all relevant NAQ Entities' Initial Dispatch Values must equal Peak Demand.

5.2.6. AEMO will set the Initial Dispatch Value for a NAQ Entity, that is either a Scheduled Facility, Semi-Scheduled Facility or Demand Side Programme, within the Possible Dispatch Range.

5.2.7. AEMO will set the Initial Dispatch Value for a NAQ Entity that is a Non-Scheduled Facility at the NAQ Ceiling.

E[B4] Example FDS Set

Table 11 is an example of an FDS Set created for Prioritisation Step 3A for the 2023 Reserve Capacity Cycle. There are three NAQ Entities, all of which have a MaxContRange of 20 MW. The Peak Demand is 30 MW. Three Facility Dispatch Scenarios have been created.

Table 11 Example FDS Set

FDS Set	FDS	NAQ Entity	Initial Dispatch Value
FDS_23_3A_a	FDS_23_3A_a_1	NaqEntity1	0
		NaqEntity2	10
		NaqEntity3	20
	FDS_23_3A_a_2	NaqEntity1	20
		NaqEntity2	0
		NaqEntity3	10
	FDS_23_3A_a_3	NaqEntity1	10
		NaqEntity2	20
		NaqEntity3	0

5.3. Network Access Quantity Model

5.3.1. The Network Access Quantity Model must consider:

(a) Peak Demand;

(b) the relevant NAQ Entity Parameters for that Prioritisation Step;

(c) the relevant FDS Set for that Prioritisation Step; and

(d) relevant RCM Constraint Equations.

5.3.2. In accordance with the principle in clause 4.15.9(a), the objective of a solve by Network Access Quantity Model is to minimise the total change between the NAQ Entities' Initial Dispatch Values and Final Dispatch Values.

5.3.3. The Network Access Quantity Model will solve the Facility Dispatch Scenarios from the relevant FDS Set under paragraph 5.3.1(c) subject to the inputs under paragraph 5.3.1(a), 5.3.1(b) and 5.3.1(d) for each required Prioritisation Step, adjusting the NAQ Entities' values (subject to paragraphs 5.3.4 and 5.3.5), to determine a Final Dispatch Value for each NAQ Entity .

5.3.4. During the solve of a Facility Dispatch Scenario:

(a) all RCM Constraint Equations must be satisfied;

(b) the sum of the NAQ Entities' Final Dispatch Values must equal Peak Demand;

(c) if a NAQ Entity's Initial Dispatch Value is above the NAQ Floor, the NAQ Entity's Final Dispatch Value cannot be dispatched below the NAQ Floor;

(d) if the NAQ Entity's Initial Dispatch Value is below the NAQ Floor, the NAQ Entity's Final Dispatch Value cannot be dispatched below the Initial Dispatch Value;

(e) the Final Dispatch Value must be within the NAQ Entity's Possible Dispatch Range; and

(f) the Final Dispatch Value of a Non-Scheduled Facility must equal the NAQ Ceiling.

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E[C] Network Access Quantity Model solve

Below is an example of a simple Network Access Quantity Model solve.

There are four NAQ Entities and one RCM Constraint Equation included in the Prioritisation Step. The example below in Table 12 demonstrates how one Facility Dispatch Scenario is solved subject to the one RCM Constraint Equation.

Table 12 Example of how a Facility Dispatch Scenario is solved in the Network Access Quantity Model

Network Access Quantity Model

Objective: Minimise the total change between the NAQ Entities' Initial Dispatch Values and Final Dispatch Values

Peak Demand = 1100 MW

NAQ Entity Parameters

	Minimum stable loading level	NAQ Ceiling	NAQ Floor	Facility Class
GenA	0	400	0	SF
GenB	0	300	0	SF
GenC	0	500	0	SSF
GenD	0	50	0	NSF

Facility Dispatch Scenario

	Initial Dispatch Value
GenA	300
GenB	300
GenC	500
GenD	50

RCM Constraint Equation

The Constraint Equation below is an example of a simple RCM Constraint Equation. The LHS terms include the NAQ Entities that can respond to dispatch instructions (GenA, GenB, GenC) and, therefore, can be controlled by the Network Access Quantity Model. The RHS terms include all other terms that cannot be controlled by the Network Access Quantity Model, such as the Peak Demand and Non-Scheduled Facilities (GenD). Each term on both the LHS and

RHS of an RCM Constraint Equation has a unique coefficient. The coefficient provides a measure of the relative impact of each term on the Network Constraint.

$$0.7*GENB + 0.5*GENC - 0.8*GENA \leq 0.05*Demand + 0.7*GenD$$

To solve the Facility Dispatch Scenario, the Initial Dispatch Values are substituted into the Constraint Equation below to test whether the requirements of the RCM Constraint Equation have been met.

$$0.7*300 + 0.5*500 - 0.8*300 \leq 0.05*1100 + 0.7*50$$

$$220>90$$

The conditions of the above RCM Constraint Equation have been violated as the LHS is not less than or equal to the RHS. Therefore, the Network Access Quantity Model will adjust the NAQ Entities' values (on the LHS), while minimising the total changes made and subject to the conditions in paragraph 5.3.5 (further examples below).

The optimal solution following the solve is

$$0.7*213.333 + 0.5*500 - 0.8*386.667 \leq 0.05*1100 + 0.7*50$$

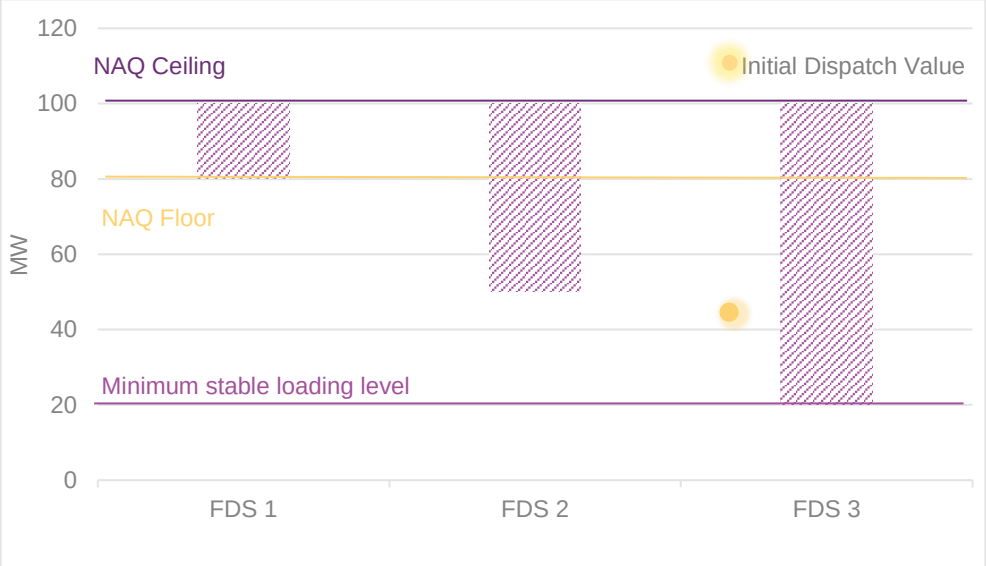
$$90\leq90$$

Optimal Solution

	GenA	GenB	GenC	GenB
Initial Dispatch Value	300	300	500	50
Final Dispatch Value	386.667	213.333	500	50
Total change	+86.667	-86.667	0	0

During the solve, the Network Access Quantity Model can only adjust the NAQ Entities' values (excluding Non-Scheduled Facilities) within a specific range (see paragraph 5.3.4(c), 5.3.4(d) and 5.3.4(e)). Below in Figure 2 are examples of the range within which the values can be adjusted during a solve.

Figure 2 Range within which the Initial Dispatch Value can be adjusted by the Network Access Quantity Model



In FDS 1, the Initial Dispatch Value is above the NAQ Floor. Therefore the Final Dispatch Value can only be adjusted between the Initial Dispatch Value and the NAQ Floor, but not below the NAQ Floor.

In FDS 2, the Initial Dispatch Value is below the NAQ Floor. Therefore the Final Dispatch Value can only be adjusted between the Initial Dispatch Value and the NAQ Ceiling, it cannot be adjusted below the Initial Dispatch Value.

In FDS 3, the Initial Dispatch Value is zero. Therefore the Final Dispatch Value can only be adjusted within the Possible Dispatch Range (minimum stable loading level and NAQ Ceiling).

5.3.5. Subject to the conditions in paragraph 5.3.4, the Network Access Quantity Model will adjust the Final Dispatch Values in proportion to the Initial Dispatch Values of all NAQ Entities with the same coefficient ('tie-break logic'), where:

(a) two or more NAQ Entities have the same coefficient (measure of relative impact) in a RCM Constraint Equation; and

(b) the Network Access Quantity Model is required to adjust the Final Dispatch Values to solve the Facility Dispatch Scenario.

E[D] Tie-breaking logic

During a solve of a Facility Dispatch Scenario, if an RCM Constraint Equation is violated, the Network Access Quantity Model will adjust the NAQ Entities' output until the conditions of all RCM Constraint Equations have been met. The objective of the Network Access Quantity Model is to minimise the total change between the NAQ Entities' Initial Dispatch Values and Final Dispatch Values. The Network Access Quantity Model will, therefore, prioritise the adjustment of the NAQ Entity with the largest coefficient. The coefficient is the measure of the relative impact of the NAQ Entity's output on the Network Constraint. For example, if the coefficient of a NAQ Entity on the LHS is 1, that NAQ Entity will have twice the impact on the management of the Network Constraint when compared with another NAQ Entity on the LHS with a coefficient of 0.5.

It is possible for multiple NAQ Entities to have the same coefficient in an RCM Constraint Equation. In a tie break situation, the Network Access Quantity Model will adjust all NAQ Entities with the same coefficient in proportion to their Initial Dispatch Value.

$$\frac{\boldsymbol{Final\ Dispatch_A}}{\boldsymbol{Initial\ Dispatch_A}} = \frac{\boldsymbol{Final\ Dispatch_B}}{\boldsymbol{Initial\ Dispatch_B}}$$

A simple example is provided below in Table 13

Table 13 Example of how the Network Access Quantity Model resolves a tie-break

Network Access Quantity Model

Objective: Minimise the total change between the NAQ Entities' Initial Dispatch Values and Final Dispatch Values

Peak Demand = 300 MW

NAQ Entity Parameters

	Minimum stable loading level	NAQ Ceiling	NAQ Floor
GenA	0	200	15
GenB	0	100	0
GenC	0	150	0
GenD	0	70	0

Facility Dispatch Scenario

	Initial Dispatch Value
GenA	20
GenB	100
GenC	150
GenD	30

Constraints

Solve the Facility Dispatch Scenario subject to the conditions in paragraph 5.3.4, including the following RCM Constraint Equation:

2*GENA + 2*GENB + 2*GENC ≤ 480

2*20+2*100+2*150 ≤ 480

540>480

To meet the requirements of the RCM Constraint Equation, the Network Access Quantity Model could reduce the values of either GenA, GenB or GenC. Given all NAQ Entities have the same coefficient, there is a tie-break. The Network Access Quantity Model will reduce all NAQ Entities in proportion to their Initial Dispatch Value.

The optimal solution following the solve is:

2*17.778+2*88.889+2*133.333 ≤ 480

480≤480

Optimal Solution

	GenA	GenB	GenC	GenD
Initial Dispatch Value	20	100	150	30
Coefficient	2	2	2	NA
Final Dispatch Value	17.778	88.889	133.333	60
Tie-break logic	$\frac{17.778}{20} = 0.889$	$\frac{88.889}{100} = 0.889$	$\frac{133.333}{150} = 0.889$	NA

5.3.6. The Network Access Quantity Model must solve at least 1000 Facility Dispatch Scenarios for each Prioritisation Step.

5.3.7. AEMO will determine an Individual FDS Outcome for each NAQ Entity for each Facility Dispatch Scenario solved by the Network Access Quantity Model. Where the Final Dispatch Value:

(a) equals the Initial Dispatch Value, the Individual FDS Outcome is the NAQ Ceiling;

(b) is less than the Initial Dispatch Value and the NAQ Entity's total Network cost contribution is negative, the Individual FDS Outcome is the Final Dispatch Value;

(c) is less than the Initial Dispatch Value and the NAQ Entity's total Network cost contribution is either positive or neutral, the Individual FDS Outcome is the NAQ Ceiling; and

(d) is greater than the Initial Dispatch Value, the Individual FDS Outcome is the NAQ Ceiling.

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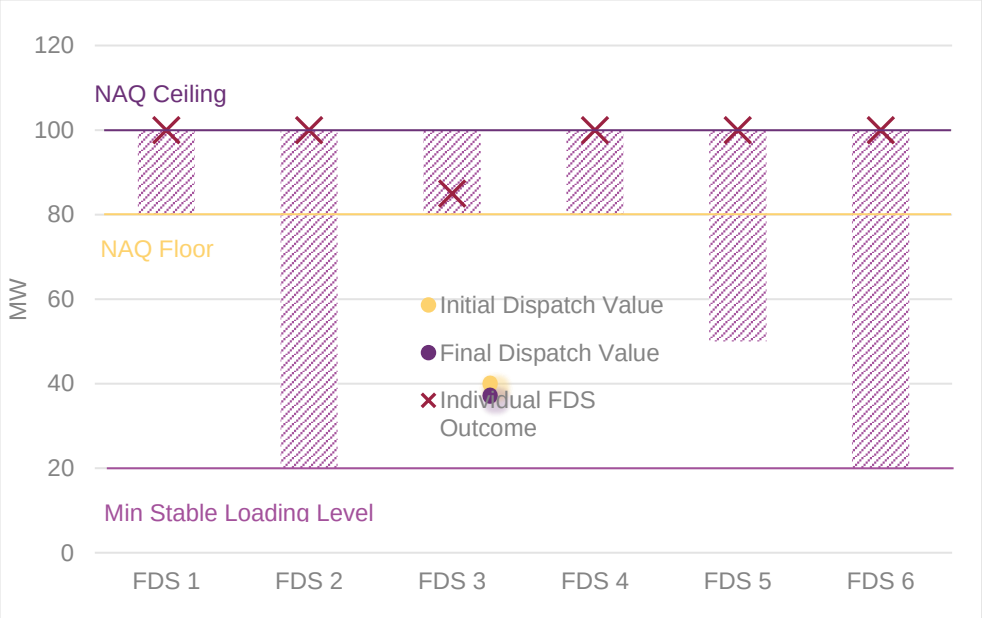
E[E] Individual FDS Outcome

Figure 3 below shows examples of how AEMO will determine the Individual FDS Outcome.

Figure 3 How to determine the Individual FDS Outcome



Benefit-of-the-doubt

In FDS 1 and FDS 2, the Final Dispatch Value equals the Initial Dispatch Value, this indicates that the NAQ Entity's output was not required to be adjusted to solve the Facility Dispatch Scenario. The NAQ Entity receives the 'benefit-of-the-doubt' and the Individual FDS Outcome equals the NAQ Ceiling. It is assumed that the NAQ Entity would have been able to operate at its NAQ Ceiling, regardless of whether it was dispatched at its NAQ Ceiling.

In FDS 5 and FDS 6, the Final Dispatch Value is greater than the Initial Dispatch Value, this indicates that the increased output of the NAQ Entity relieved Network congestion (had an overall positive impact on congestion) or assisted in meeting the supply-demand balance. The NAQ Entity is given the benefit-of-the-doubt and the Individual FDS Outcome equals the NAQ Ceiling.

In FDS 4, the Final Dispatch Value is less than the Initial Dispatch. Therefore, the determination of the Individual FDS Outcome depends on the NAQ Entity's total contribution to Network congestion. In this example, the NAQ Entity is deemed to have an overall positive impact, or no impact on Network congestion. It is assumed that the reduction in the NAQ Entity's output was only required to meet the supply-demand balance. The NAQ Entity is given the benefit-of-the-doubt and the Individual FDS Outcome equals the NAQ Ceiling.

Constrained down

In FDS 3, the Final Dispatch Value is less than the Initial Dispatch Value, and the NAQ Entity is deemed to have an overall negative impact on congestion.

Constraining the NAQ Entity's output was necessary in order to relieve congestion. Therefore, the Individual FDS Outcome equals the Final Dispatch Value.

Refer to E[F] for further information on how AEMO determines a NAQ Entity's contribution to congestion.

E[F] NAQ Entity Network Constraint cost contribution

AEMO calculates a NAQ Entity's Network Constraint cost contribution. This measures a NAQ Entity's contribution to Network congestion in a specific RCM Constraint Equation. If the NAQ Entity's Network cost contribution is negative, the NAQ Entity is negatively contributing to Network congestion. This variable is determined by multiplying the NAQ Entity's coefficient in the RCM Constraint Equation and the Network Constraint cost.

It is possible for a NAQ Entity to have a positive contribution to one Network Constraint and a negative contribution to another. Therefore, we measure the NAQ Entity's total Network Constraint cost contribution. A simplified example, which only includes one RCM Constraint Equation is provided below in Table 14. In a normal scenario, there are likely to be many RCM Constraint Equations.

Table 14 Example of how the NAQ Entity Network Constraint cost contribution impacts the Individual FDS Outcome

Network Access Quantity Model

Objective: Minimise the total change between the NAQ Entities' Initial Dispatch Values and Final Dispatch Values

Peak Demand = 1100 MW

NAQ Entity Parameters

	Minimum stable loading level	NAQ Ceiling	NAQ Floor
GenA	0	400	0
GenB	0	300	0
GenC	0	500	0

Facility Dispatch Scenario

	Initial Dispatch Value
GenA	300
GenB	300
GenC	500

Constraints

The Network Access Quantity Model solves the Facility Dispatch Scenario subject to the conditions in paragraph 5.3.4, including the following RCM Constraint Equation:

$$0.7*GENB + 0.5*GENC - 0.8*GENA \leq 90$$

Optimal Solution

	GenA	GenB	GenC
Initial Dispatch Value	300	300	500
Final Dispatch Value	386.667	213.333	500
Final Dispatch ≥Initial Dispatch	True	False	True
Individual FDS Outcome	NAQ Ceiling	Subject to the NAQ Entity's total Network cost contribution	NAQ Ceiling

Total Network Cost Contribution

	Network Constraint cost	NAQ Entity coefficient			NAQ Entity Network cost contribution		
		Gen A	Gen B	Gen C	GenA	GenB	GenC
RCMCE1	-1.333	-0.8	0.7	0.5	1.067	-0.933	-0.667
NAQ Entity total Network cost contribution					1.067	-0.933	-0.667
Positive or negative cost contribution					positive	negative	negative

Individual FDS Outcome					NAQ Ceiling	Final Dispatch Value	NAQ Ceiling

5.3.8. AEMO will calculate a NAQ Result for each NAQ Entity for each Prioritisation Step.

5.3.9. The NAQ Result determined under paragraph 5.3.8 must converge to a precision of 0.1 MW.

5.3.10. In accordance with clause 4.15.10, the NAQ Result will be expressed to a precision of 0.001 MW.

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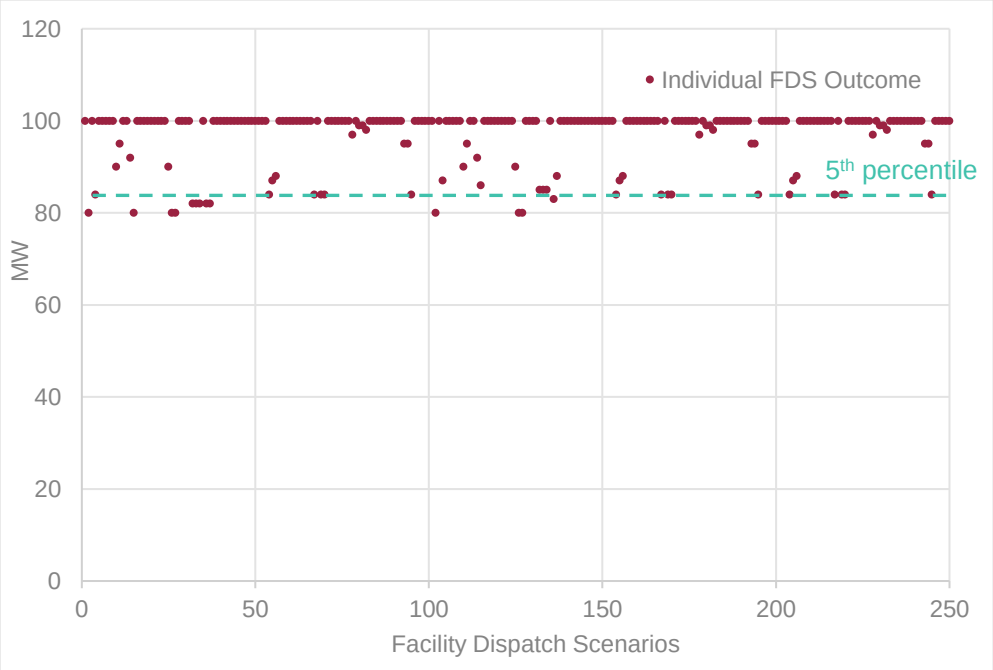
E[G] NAQ Result

The NAQ Result represents the level of Network access expected to be available to a NAQ Entity in at least 95% of the Facility Dispatch Scenarios solved for a specific Prioritisation Step. An example of how the NAQ Result is calculated is provided in Figure 4.

In this example, the Network Access Quantity Model has solved 250 Facility Dispatch Scenarios. Figure 4 shows the Individual FDS Outcome from the 250 Facility Dispatch Scenarios for one NAQ Entity. The 5th percentile calculated from all Individual FDS Outcomes equals 82 MW. This means in 95% of the Facility Dispatch Scenarios, the NAQ Entity achieved an Individual FDS Outcome equal to or greater than 82 MW.

Figure 4 How to determine the NAQ Result



E[G1] Convergence

To be confident in the NAQ Result, AEMO will check whether each NAQ Entity's NAQ Result has converged. This means that despite solving additional Facility Dispatch Scenarios, the NAQ Result does not change by a pre-determined amount.

To calculate convergence, the Network Access Quantity Model will sequentially solve FDS Batches. After each FDS Batch has been solved, the NAQ Result will be calculated. Convergence is considered achieved when the NAQ Result does not change by equal to or more than 0.1 MW, despite solving additional Facility Dispatch Scenarios.

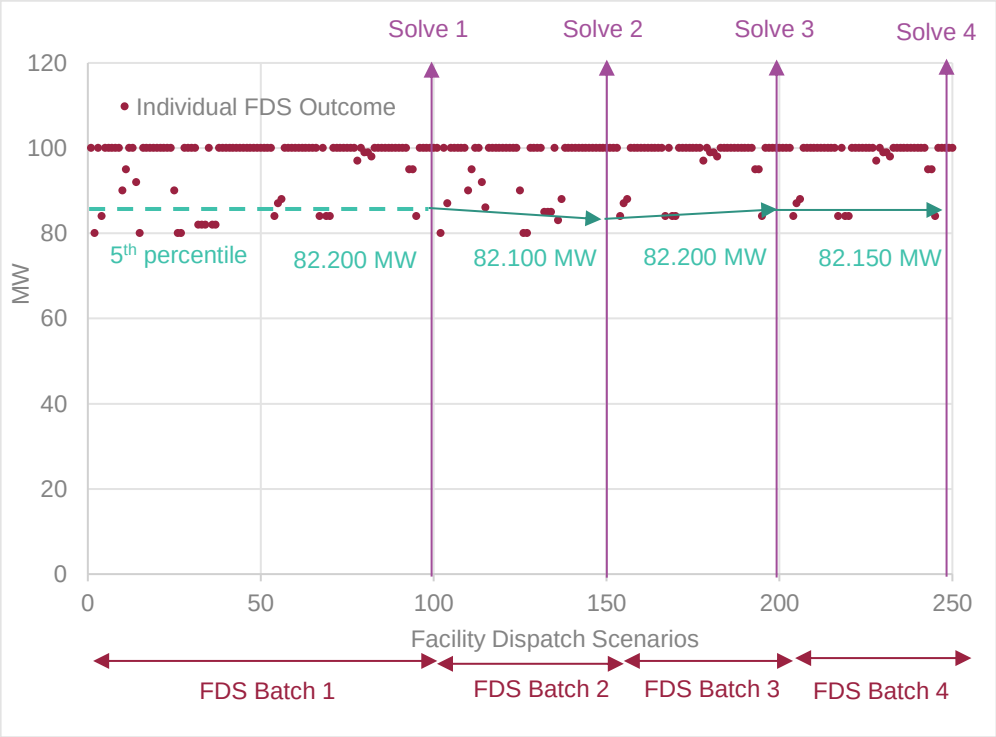
The process of determining whether convergence has been met is detailed below:

1. the Network Access Quantity Model will solve the first FDS Batch;
2. NAQ Result will be calculated based on all Facility Dispatch Scenarios solved;
3. the Network Access Quantity Model will solve the second FDS Batch;

4. NAQ Result will be calculated based on all Facility Dispatch Scenarios solved (FDS Batch 1 + FDS Batch 2); and
5. The initial NAQ Result (calculated under 2.) is compared to the latest NAQ Result (calculated under 4.). If that NAQ Result does not change by equal to or more than 0.1 MW, the NAQ Result has converged.

An example is provided in Figure 5. The Network Access Quantity Model solves the first FDS Batch, comprised of 100 Facility Dispatch Scenarios. The NAQ Result equals 82.200 MW. The second FDS Batch is solved, comprised of 50 Facility Dispatch Scenarios, the NAQ Result is recalculated and equals 82.100 MW. Given the NAQ Result has changed by 0.1 MW, the NAQ Result has not converged. It is not until the fourth FDS Batch that the NAQ Result changes by less than 0.1 MW. The NAQ Result determined for this NAQ Entity for this Prioritisation Step equals 82.150 MW.

Figure 5 How convergence is calculated



6. Determining Network Access Quantities if the sum of NAQ Entities' NAQ Ceilings is less than or equal to Peak Demand

6.1.1. When prioritising and determining Network Access Quantities under clause 4.15 and Appendix 3 of the WEM Rules, for each Prioritisation Step, if the sum of the NAQ Ceilings associated with NAQ Entities' assessed under the relevant Prioritisation Step is less than or equal to Peak Demand (a shortfall), AEMO will:

(a) determine a Facility Dispatch Scenario for the Prioritisation Step in accordance with paragraph 6.2; and

(b) determine Network Access Quantities for the Prioritisation Step in accordance with paragraph 6.3.

6.2. Facility Dispatch Scenarios

6.2.1. AEMO will create one Facility Dispatch Scenario for each Prioritisation Step, which includes all NAQ Entities assessed under the relevant Prioritisation Step.

6.2.2. The Initial Dispatch Value for each NAQ Entity must equal the NAQ Ceiling.

6.2.3. AEMO will create a unique identifier for the Facility Dispatch Scenario created under paragraph 6.2.1, in accordance with paragraph 5.2.3.

6.3. Network Access Quantity Model

6.3.1. The Network Access Quantity Model must consider:

(a) the relevant NAQ Entity Parameters for that Prioritisation Step;

(b) the relevant Facility Dispatch Scenario for that Prioritisation Step; and

(c) relevant RCM Constraint Equations.

6.3.2. In accordance with the principles in clause 4.15.9(a), the objective of a solve by the Network Access Quantity Model is to minimise the total change between the NAQ Entities' Initial Dispatch Value and Final Dispatch Value.

6.3.3. The Network Access Quantity Model will solve the Facility Dispatch Scenario under paragraph 6.3.1(b), subject to the inputs under paragraph 6.3.1(a) and 6.3.1(c) for each required Prioritisation Step, adjusting the NAQ Entities' values (subject to the conditions in paragraph 6.3.4 and 6.3.5), to determine a Final Dispatch Value for each NAQ Entity.

6.3.4. During the solve of the Facility Dispatch Scenario:

(a) all RCM Constraint Equations must be satisfied;

(b) if a NAQ Entity's Initial Dispatch Value is above the NAQ Floor, the NAQ Entity's Final Dispatch Value cannot be dispatched below the NAQ Floor;

(c) if the NAQ Entity's Initial Dispatch Value is below the NAQ Floor, the NAQ Entity's Final Dispatch Value cannot be dispatched below the Initial Dispatch Value;

(d) the Final Dispatch Value must be within the NAQ Entity's Possible Dispatch Range; and

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(e) the Final Dispatch Value of a Non-Scheduled Facility must equal the NAQ Ceiling.

6.3.5. Subject to the conditions in paragraph 6.3.4, the Network Access Quantity Model will adjust the Final Dispatch Values in proportion to the Initial Dispatch Values of all NAQ Entities with the same coefficient ('tie-break logic'), where:

(a) two or more NAQ Entities have the same coefficient (measure of relative impact) in a RCM Constraint Equation; and

(b) the Network Access Quantity Model is required to adjust the Final Dispatch Values to solve the Facility Dispatch Scenario.

6.3.6. AEMO will determine an Individual FDS Outcome for each NAQ Entity for the Facility Dispatch Scenario solved by the Network Access Quantity Model. Where the Final Dispatch Value:

(a) equals the Initial Dispatch Value, the Individual FDS Outcome is the NAQ Ceiling;

(b) is less than the Initial Dispatch Value and the NAQ Entity's total Network cost contribution is negative, the Individual FDS Outcome is the Final Dispatch Value;

(c) is less than the Initial Dispatch Value and the NAQ Entity's total Network cost contribution is either positive or neutral, the Individual FDS Outcome is the NAQ Ceiling; and

(d) is greater than the Initial Dispatch Value, the Individual FDS Outcome is the NAQ Ceiling.

6.3.7. The Individual FDS Outcome sets the NAQ Result for each NAQ Entity for the Prioritisation Step.

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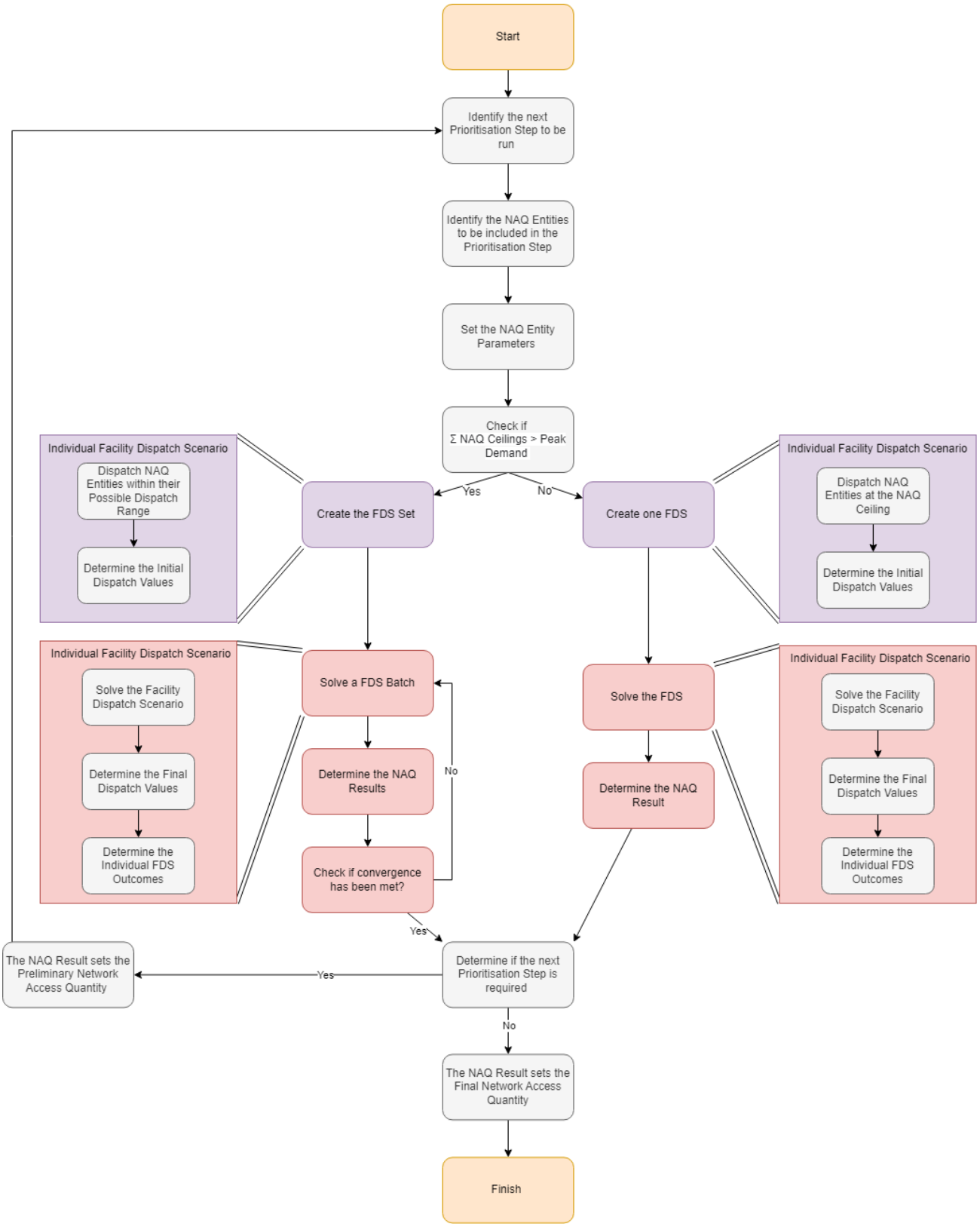
Figure 6 Network Access Quantity process flowchart[5]



[5] Excludes additional processes relating to Early Certified Reserve Capacity.

7. Information requests

7.1.1. In accordance with clause 4.15.17(e), Market Participants and Network Operators must provide all information required under AEMO's WEM Procedures and in the format specified under those WEM Procedures for the purposes of operating the Network Access Quantity Model and determining Network Access Quantities to Facilities under Appendix 3 of the WEM Rules.

8. Assignment of Network Access Quantities

8.1.1. Excluding Early CRC Facilities, the NAQ Result sets the:

(a) Preliminary Network Access Quantity of a NAQ Entity for all Prioritisation Steps which are not the final Prioritisation Step; and

(b) Final Network Access Quantity of a NAQ Entity for the final Prioritisation Step required.

9. Notifications regarding Network Access Quantities

9.1.1. In accordance with clause 4.15.11, AEMO will notify Market Participants of the Network Access Quantity determined for each Facility by the date and time specified in clause 4.1.16A. The notification to Market Participants may be provided through WEMS or by another means determined by AEMO.

10. Publication of information

10.1.1. In accordance with clauses 4.15.16 and 4.28C.7D, AEMO must publish the following information on the WEM Website by the date and time specified in clause 4.1.16A(d) for the relevant Reserve Capacity Cycle:

(a) the Network Access Quantity Model Inputs;

(b) the Network Access Quantity determined for each Facility under paragraph 8.1.1(b) or 11.2.3(b); and

(c) the Indicative Network Access Quantity or revised Indicative Network Access Quantity determined for each Facility under paragraph 11.2.1.

10.1.2. AEMO uses the following assumptions and parameters in the Network Access Quantity Model, which must be published in accordance with paragraph 10.1.1:

(a) Capacity requirement of Availability Class 1 and Availability Class 2.

(b) List of NAQ Entities included in each required Prioritisation Step.

(c) For each NAQ Entity:

(i) the Facility Class and Facility Technology Type

(ii) Availability Class

(iii) Minimum Capacity Credits Quantity of a Proposed Status NAQ Entity

(iv) Reserve Capacity Status

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(v) for each Prioritisation Step, the NAQ Entity Parameters

(d) Whether a NAQ Entity is a Candidate Fixed Price Facility.

(e) Whether a NAQ Entity is a Network Augmentation Funding Facility.

(f) Whether a NAQ Entity is a GIA Facility (for the 2022 Reserve Capacity Cycle only).

10.1.3. AEMO must publish the information listed under paragraph 10.1.1, excluding information mentioned in paragraphs 10.1.5 and 10.1.6, on the WEM Website in the format of a csv file or spreadsheet.

10.1.4. AEMO may publish the Network Access Quantity Model outcomes on the WEM Website by the date and time specified in clause 4.1.16A(d) for the relevant Reserve Capacity Cycle, which may include, for each NAQ Entity for each Prioritisation Step the:

(a) Initial Dispatch Value;

(b) Final Dispatch Value; and

(c) Individual FDS Outcome.

10.1.5. AEMO will publish RCM Limit Advice in accordance with the WEM Procedure: RCM Limit Advice Requirements.

10.1.6. AEMO will publish the RCM Constraint Equations in accordance with the WEM Procedure: RCM Constraint Formulation.

11. Early Certified Reserve Capacity

11.1. NAQ Floor and NAQ Ceiling

11.1.1. The NAQ Floor of a NAQ Entity that is a new Early CRC Facility, which has not been assigned either a Preliminary Network Access Quantity or an Indicative Network Access Quantity in a previous Reserve Capacity Cycle, equals:

(a) the Preliminary Network Access Quantity determined in the previous Prioritisation Step; or

(b) zero, if:

(i) the NAQ Entity was not included in the previous Prioritisation Step; or

(ii) the NAQ Entity was assigned an Indicative Network Access Quantity in the previous Prioritisation Step.

11.1.2. The NAQ Ceiling of a NAQ Entity that is a new Early CRC Facility, which has not been assigned either a Preliminary Network Access Quantity or an Indicative Network Access Quantity in a previous Reserve Capacity Cycle, for each Prioritisation Step is the quantity of Early Certified Reserve Capacity assigned.

11.1.3. The NAQ Floor of an Indicative NAQ Facility, for each Prioritisation Step is zero.

11.1.4. The NAQ Ceiling of an Indicative NAQ Facility equals:

(a) the minimum of the Indicative Network Access Quantity and the Early Certified Reserve Capacity, for the first Prioritisation Step of Part A or Part B Appendix 3 of the WEM Rules for the Reserve Capacity Cycle; or

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(b) the assigned quantity of Early Certified Reserve Capacity for all subsequent Prioritisation Steps.

11.1.5. The NAQ Floor of a NAQ Entity, which is both a Early CRC Facility and a NAQ Facility, equals:

(a) zero, if it is the first Prioritisation Step of Part A or Part B of Appendix 3 of the WEM Rules for the Reserve Capacity Cycle; or

(b) the Preliminary Network Access Quantity determined in the previous Prioritisation Step.

11.1.6. The NAQ Ceiling of a NAQ Entity, which is both an Early CRC Facility and a NAQ Facility, equals:

(a) the minimum of the Indicative Network Access Quantity and the Early Certified Reserve Capacity, for the first Prioritisation Step of Part A or Part B of Appendix 3 of the WEM Rules for the Reserve Capacity Cycle; or

(b) the assigned quantity of Early Certified Reserve Capacity for all subsequent Prioritisation Steps.

11.1.7. The NAQ Ceiling of a NAQ Entity, which is both an Early CRC Facility, a NAQ Facility and a Network Augmentation Funding Facility, equals:

(a) the minimum of the Preliminary Network Access Quantity determined in a previous Reserve Capacity Cycle and the Early Certified Reserve Capacity, for the first Prioritisation Step of Part A or Part B of Appendix 3 of the WEM Rules for the Reserve Capacity Cycle; or

(b) the assigned quantity of Early Certified Reserve Capacity for all subsequent Prioritisation Steps.

11.2. Assignment and notification of Network Access Quantities

11.2.1. In accordance with clause 4.28C.7A, clause 4.28C.7AA and Appendix 3 of the WEM Rules, the NAQ Result of an Early CRC Facility, which is not a NAQ Facility or a Network Augmentation Funding Facility, sets the Indicative Network Access Quantity.

11.2.2. The NAQ Result for an Early CRC Facility, which is also a Network Augmentation Funding Facility, but not a NAQ Facility, sets the Preliminary Network Access Quantity.

11.2.3. The NAQ Result for an Early CRC Facility, which is also a NAQ Facility, sets the:

(a) Preliminary Network Access Quantity for all Prioritisation Steps, excluding the final Prioritisation Step in Part A or Part B of Appendix 3 of the WEM Rules; and

(b) Final Network Access Quantity for the final Prioritisation Step required.

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11.2.4. AEMO will provide the notification required under clauses 4.28C.7B and 4.28C.7C with respect to the Indicative Network Access Quantity or revised Indicative Network Access Quantity, as applicable, determined for each Early CRC Facility, through WEMS or by another means determined by AEMO.

11.2.5. In accordance with clause 4.28C.8A, if a Market Participant does not comply with clause 4.28C.8, the Indicative Network Access Quantity will lapse, and the Facility will not be considered an Early CRC Facility or an Indicative NAQ Facility for the purposes of Appendix 3 of the WEM Rules in any subsequent Reserve Capacity Cycles.

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E[G2] Early Certified Reserve Capacity and Indicative NAQ Facility example

Below is an example of an Early CRC Facility, which is not a Network Augmentation Funding Facility. Note: the scenario below assumes the normal timeframes from clause 4.1 and assumes Part A of Appendix 3 of the WEM Rules is followed.

Scenario

A Market Participant applies for Early Certified Reserve Capacity for a Facility in January 2023 for the 2025 Reserve Capacity Cycle (2027-28 Capacity Year). The Facility is assigned Early Certified Reserve Capacity in August 2023 as part of the 2023 Certified Reserve Capacity assignment process (see clause 4.28C.7).

Network Access Quantity Model (2023 Reserve Capacity Cycle)

The Facility is included in the Network Access Quantity determination process for the 2023 Reserve Capacity Cycle (which assigns Capacity Credits for the 2025-26 Capacity Year) and is included in the following Prioritisation Step.

Prioritisation Step	NAQ Ceiling	NAQ Floor
13(b) (2027-28 Capacity Year)	Early Certified Reserve Capacity	Zero

The Facility is assigned an Indicative Network Access Quantity in September 2023.

Network Access Quantity Model (2024 Reserve Capacity Cycle)

The Indicative NAQ Facility is included in the Network Access Quantity determination process for the 2024 Reserve Capacity Cycle (which assigns Capacity Credits for the 2026-27 Capacity Year) and is included in the following Prioritisation Steps (assume Part A Appendix 3 of the WEM Rules).

Prioritisation Step	NAQ Ceiling	NAQ Floor
3A	Minimum (Indicative Network Access Quantity, Early Certified Reserve Capacity)	Zero
3B	Early Certified Reserve Capacity	Zero
3C	Early Certified Reserve Capacity	Zero
4	Early Certified Reserve Capacity	Zero
5*	Early Certified Reserve Capacity	Zero
6*	Early Certified Reserve Capacity	Zero
9*	Early Certified Reserve Capacity	Zero
13(a) (2027-28 Capacity Year)^	Early Certified Reserve Capacity	Zero
13(b) (2027-28 Capacity Year)^	Early Certified Reserve Capacity	Zero
13(a) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Zero
13(b) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Zero

* These steps are only run if required to meet the capacity requirement (as described in Appendix 3 of the WEM Rules)
^These steps are only run if additional Early CRC Facilities apply for either the 2027-28 or 2028-29 Capacity Years.

The Indicative Network Access Quantity may be adjusted in each Prioritisation Step. The previous Indicative Network Access Quantity will be revised to the adjusted

Indicative Network Access Quantity determined in the final Prioritisation Step. AEMO will advise the Market Participant of the revised Indicative Network Access Quantity in October 2024. Given an Indicative NAQ Facility is not protected by a NAQ Floor, the adjusted Indicative Network Access Quantity may be lower than what was assigned in the 2023 Reserve Capacity Cycle.

Network Access Quantity Model (2025 Reserve Capacity Cycle)

The Early CRC Facility is now considered a NAQ Facility, as this is the Reserve Capacity Cycle in which the Facility will first deliver Reserve Capacity (no longer referred to as an Indicative NAQ Facility). The Facility is included in the Network Access Quantity determination process for the 2025 Reserve Capacity Cycle (which assigns Capacity Credits for the 2027-28 Capacity Year) and is included in the following Prioritisation Steps (assume Part A Appendix 3 of the WEM Rules).

Prioritisation Step	NAQ Ceiling	NAQ Floor
3A	Minimum (Indicative Network Access Quantity, Early Certified Reserve Capacity)	Zero
3B	Early Certified Reserve Capacity	Preliminary NAQ
3C	Early Certified Reserve Capacity	Preliminary NAQ
4	Early Certified Reserve Capacity	Preliminary NAQ
5*	Early Certified Reserve Capacity	Preliminary NAQ
6*	Early Certified Reserve Capacity	Preliminary NAQ
9*	Early Certified Reserve Capacity	Preliminary NAQ
13(a) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ
13(b) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ
13(a) (2029-30 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ
13(b) (2029-30 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ

* These steps are only run if required to meet the capacity requirement (as described in Appendix 3 of the WEM Rules).
^These steps are only run if additional Early CRC Facilities apply for either the 2028-29 or 2029-30 Capacity Years.

The Preliminary Network Access Quantity is determined in the first Prioritisation Step and may be adjusted but cannot be reduced in subsequent Prioritisation Steps. The Facility is assigned a Final Network Access Quantity based on the Preliminary Network Access Quantity achieved in the final Prioritisation Step. The Facility is assigned Capacity Credits based on the Final Network Access Quantity. AEMO will advise the Market Participant of the assignment of Capacity Credits in September 2025.

E[G3] Early Certified Reserve Capacity and Network Augmentation Funding Facility example

Below is an example of an Early CRC Facility, which is also a Network Augmentation Funding Facility. Note: the scenario below assumes the normal timeframes from clause 4.1 and assumes Part A of Appendix 3 of the WEM Rules is followed.

Scenario

A Market Participant applies for Early Certified Reserve Capacity for a Facility in January 2023 for the 2025 Reserve Capacity Cycle (2027-28 Capacity Year). The Facility meets the requirements of a Network Augmentation Funding Facility. The Facility is assigned Early Certified Reserve Capacity in August 2023 as part of the 2023 Certified Reserve Capacity assignment process (see clause 4.28C.7).

Network Access Quantity Model (2023 Reserve Capacity Cycle)

The Facility is included in the Network Access Quantity determination process for the 2023 Reserve Capacity Cycle (which assigns Capacity Credits for the 2025-26 Capacity Year) and is included in the following Prioritisation Steps with the applicable Constraint Set, which reflects the Network Augmentation Works.

Prioritisation Step	NAQ Ceiling	NAQ Floor
13(a) (2027-28 Capacity Year)	Early Certified Reserve Capacity	Zero
13(b) (2027-28 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ

^This step is only run if an additional Early CRC Facility, which is not a Network Augmentation Funding Facility, applies for the 2027-28 Capacity Year.

The Facility is assigned a Preliminary Network Access Quantity in September 2023.

Network Access Quantity Model (2024 Reserve Capacity Cycle)

The Facility is not included in the Network Access Quantity determination process for the 2024 Reserve Capacity Cycle.

Network Access Quantity Model (2025 Reserve Capacity Cycle)

The Early CRC Facility is now considered a NAQ Facility, as this is the Reserve Capacity Cycle in which the Facility will first deliver Reserve Capacity. The Facility is included in the Network Access Quantity determination process for the 2025 Reserve Capacity Cycle (which assigns Capacity Credits for the 2027-28 Capacity Year) and is included in the following Prioritisation Steps (assume Part A Appendix 3 of the WEM Rules).

Prioritisation Step	NAQ Ceiling	NAQ Floor
3A	Minimum (Preliminary NAQ, Early Certified Reserve Capacity)	Zero
3B	Early Certified Reserve Capacity	Preliminary NAQ
3C	Early Certified Reserve Capacity	Preliminary NAQ
4	Early Certified Reserve Capacity	Preliminary NAQ
5*	Early Certified Reserve Capacity	Preliminary NAQ
6*	Early Certified Reserve Capacity	Preliminary NAQ
9*	Early Certified Reserve Capacity	Preliminary NAQ
13(a) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ
13(b) (2028-29 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ
13(a) (2029-30 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ

13(b) (2029-30 Capacity Year)^	Early Certified Reserve Capacity	Preliminary NAQ

* These steps are only run if required to meet the capacity requirement (as described in Appendix 3 of the WEM Rules).
^These steps are only run if additional Early CRC Facilities apply for either the 2028-29 or 2029-30 Capacity Years.

The Preliminary Network Access Quantity is determined in the first Prioritisation Step and may be adjusted, but cannot be reduced, in subsequent Prioritisation Steps. The Facility is assigned a Final Network Access Quantity based on the Preliminary Network Access Quantity achieved in the final Prioritisation Step. The Facility is assigned Capacity Credits based on the Final Network Access Quantity. AEMO will advise the Market Participant of the assignment of Capacity Credits in September 2025.

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Appendix A. Relevant clauses of the WEM Rules

Table 15 details:

(a) the head of power clauses in the WEM Rules under which the Procedure has been developed; and

(b) each clause in the WEM Rules requiring an obligation, process or requirement be documented in a WEM Procedure, where the obligation, process or requirement has been documented in this Procedure.

Table 15 Relevant clauses of the WEM Rules

Clause
4.15.17(a)
4.15.17(b)
4.15.17(c)
4.15.17(d)
4.15.17(e)
4.15.17(f)
4.28C.15

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