

Summary of Submissions

11 July 2023

WEM Procedure: Certification of Reserve Capacity for the 2023 Reserve Capacity Cycle





Important notice

Purpose

AEMO must publish, together with a final WEM Procedure, a summary of submissions received and the response of AEMO to issues raised in those submissions, with respect to amendments to Procedures required to be developed under:

- For clause 1.36.7(b) – Wholesale Electricity Market Amendment (Tranche 1 Amendments) Rules 2020.
- For clause 1.43.7(b) – Wholesale Electricity Market Amendment (Tranche 2 and 3 Amendments) Rules 2020.
- For clause 1.43A.6 – Wholesale Electricity Market Amendment (Tranche 5 Amendments) Rules 2021.
- For clause 1.43B.1 – Wholesale Electricity Market Amendment (Tranche 6 Amendments) Rules 2022 and Wholesale Electricity Market Amendment (Tranche 6A Amendments) Rules 2023.

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Submissions and AEMO's Response

The following written submissions were received as part of AEMO's stakeholder consultation.

Relevant Procedure Paragraph(s)	Submission	AEMO's Response
3.1.9, 3.3.2, 4.2.4	The reference to 4.10 appears to be a typo. Should this be corrected to 4.10.1 instead?	AEMO intentionally updated these paragraphs to refer to clause 4.10 where they previously referred to clause 4.10.1. This is to capture the requirements of 4.10.3 and 4.10.3A relating to the provision of independent expert reports as part of a Certified Reserve Capacity application.
4.4.1	The calculation for Forced Outage rate appears to have incorrect formula. It is suggested that: <ol style="list-style-type: none"> The Period Hours (PH) on the summation needs to be multiplied by 2. PH should be instead defined as Period Intervals – as it reflects the total number of trading intervals for the previous 36-month period. 	AEMO has corrected the Forced Outage rate calculation, including using Period Intervals instead of Period Hours.
4.4.2	Similarly to comments relating to 4.4.1, the calculation for Planned Outage rate appears incorrect. It is suggested that: <ol style="list-style-type: none"> The Period Hours (PH) on the summation needs to be multiplied by 2. PH should be instead defined as Period Intervals – as it reflects the total number of trading intervals for the previous 36-month period. <p>There is a typo in the formula. "FO" should be "PO".</p>	AEMO has corrected the Planned Outage rate calculations, including using Period Intervals instead of Period Hours. The typo in the formula has also been corrected.
5.2.7	The Market Participant should have opportunity for a discussion with AEMO to understand AEMO's reasoning for determining a different CRC value. It is suggested that AEMO should be required to consult the Market Participant regarding the capability, and the words "sole discretion" be removed and "in consultation with Market Participant" be inserted.	AEMO has amended the paragraph to reflect its application in exceptional circumstances, such as where a Component has been on a long-term Outage and is scheduled to return to service. In the absence of paragraph 5.2.7, Components facing the issue explained above may be assigned capacity lower than its capability. AEMO does not consider it to be practical to consult with a Market Participant during the assessment period, given the significant number of applications AEMO is required to assess in a short timeframe. AEMO encourages applicants facing this issue to engage with AEMO early in the application period.

Relevant Procedure Paragraph(s)	Submission	AEMO's Response
		AEMO also notes that the calculations on which its determination are based may be requested by a Market Participant under clause 4.9.9(e).