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EPWA CONSULTATION: EXPOSURE DRAFT: WEM INVESTMENT CERTAINTY AND RCM REVIEW AMENDING RULES

Synergy welcomes the opportunity to provide feedback on Energy Policy WA's (**EPWA's**) *Exposure Draft: WEM Investment Certainty and RCM Review Amending Rules Proposed Wholesale Electricity Market Amending Rules (WIC and RCM Draft Rules)* released on 13 November 2024.

Synergy is of the understanding that Part 1 of the WIC and RCM Draft Rules set out proposed amendments to the Wholesale Electricity Market Rules (**WEM Rules**) to implement the outcomes from the review of Initiatives 1 and 2 of the Wholesale Electricity Market Investment Certainty Review (**WIC Review**).

Synergy also understands that Part 2 of the WIC and RCM Draft Rules is to consult on changes that will enable the re-sequencing of Schedules 2, 3 and 4 of the *WEM Amendment (Reserve Capacity Reform) Rules 2023 (RCM Reform Rules)*, and resolve various issues identified during the re-sequencing and subsequent to consultation on the *Miscellaneous Amendments No. 3: Exposure Draft Proposed Wholesale Electricity Market (WEM) Amending Rules (Misc 3 Draft Rules)*.

Synergy supports the high-level policy intent of the proposed WIC and RCM Draft Rules, however, considers that parts of the detailed implementation of the proposed rules may require further refinements and consideration. Synergy's high-level concerns on the WIC and RCM Draft Rules are outlined below, with Synergy's detailed comments provided in Annexure A and Annexure B.

a) Wholesale Electricity Market Investment Certainty Review Initiative 2

Synergy considers that the detailed design and implementation of Initiative 2 of the WIC Review, being "a 10-year RCP (**Reserve Capacity Price**) guarantee for new technologies, such as long-duration storage" needs further review and consideration to ensure that the eligibility obligations and requirements of the regime does not hinder the ability for investors to utilise this 10-year RCP guarantee. At a high-level, Synergy considers that some of the requirements (such as the renewable fuel requirements and the duration requirements for Electric Storage Resources) present increased (and unnecessary) obligations on new Facilities, which may act as a barrier to entry and could inhibit the use of this regime. Without addressing these concerns, Synergy considers that there is a risk the regime could result in Market Participants being exposed to increase costs (e.g. system implementation costs etc.) without commensurate benefits to the market.

b) Participation of Distributed Energy Resources in the Wholesale Electricity Market

Synergy is of the understanding that a selection of the proposed amendments outlined in the WIC and RCM Draft Rules are intended to allow for the aggregation of Distributed Energy Resources (**DER**) to participate in the WEM under the Demand Side Program (**DSP**) Facility Class. Synergy also understands that this approach is intended to be an interim approach to allow DER to participate in the shorter term while EPWA continues its work on the Distributed Energy Resources Roadmap (**DER Roadmap**). Synergy supports EPWA in allowing for early participation of DER in the WEM while it continues with determining the best approach for DER implementation, which Synergy acknowledges is a complex task. However, Synergy considers that caution is needed to ensure that the on-going reform to the WEM does not unintentionally create barriers to DER participation in the future, or lock in a particular Facility Type for DER aggregation that could limit benefits that could be realised in the WEM from DER aggregation.

Synergy thanks EPWA for their work to date on the WEM reform programs and looks forward to EPWA's continued consultation on market reform matters.

Yours sincerely



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Annexure A – Synergy’s detailed comments on the WIC and RCM Draft Rules – Part 1

Synergy’s Detailed Comments on the WIC and RCM Draft Rules – Part 1				
#	Clause Ref.	Classification	Issue	Suggestion
1	4.29.1.	Moderate	<p>Synergy notes that for the 2025 Capacity Cycle the Benchmark Reserve Capacity Price (BRCP) for both Flexible Reserve Capacity and Peak Reserve Capacity are proposed to be set at the same value¹.</p> <p>In the WIC and RCM Draft Rules, the minimum Flexible Reserve Capacity Price (RCP) is hardcoded at 0.4 times the BRCP while the minimum Peak RCP is hardcoded at 0.5 times the BRCP, this results in the calculated Flexible RCP being lower than the Peak RCP.</p> <p>Synergy understands that in this circumstance, Flexible RCP will be set at zero and Market Participants will receive no addition payment for the provision of Flexible Capacity. Therefore, there is likely to be little incentive for Market Participants to maintain their Facilities’ capability to provide Flexible Capacity, as the refunds for Flexible Capacity will be zero.</p> <p>To mitigate against this lower incentive, Synergy proposes that the minimum Flexible RCP should be set at a value that is higher than the minimum Peak RCP to address this concern. Synergy does not currently have a position on what that value should be set at and suggest that this decision is best made by EPWA at this time point.</p>	<p>4.29.1</p> <p>(b) The Flexible Reserve Capacity Price is:</p> <p>FRCP =</p> $\begin{cases} \text{if } FRatio \leq 0.85, & (FBRCP \times 1.6) \\ \text{if } 0.85 < FRatio < 1.15, & (FBRCP \times (1 + (1 - FRatio) \times FRCPSlope)) \\ \text{if } FRatio > 1.15, & (FBRCP \times 0.4[\text{to be inserted by EPWA}]) \end{cases}$ <p>where:</p> <p>...</p> <p>v. FRCPSlope is $\frac{1.6 - 0.4[\text{to be inserted by EPWA}]}{1.15 - 0.85}$.</p>
2	1.XX.X(a)	Typographical	<p>Synergy suggests that the definition of the term ActualCPI should be clarified to reference only the 2025 Reserve Capacity Cycle.</p>	<p>1.XX.X(a).</p> <p>(a) the value of ActualCPI_{cy-2} in clause 4.29.1C(g) is to be determined as:</p> $ActualCPI_{cy-2} = 1.167 \times (1 + ActualCPI_{[2025]}) - 1$ <p>Where ActualCPI_[year 2025] is the latest published value of the Reserve Bank of Australia’s Consumer Price Index for all groups, not seasonally adjusted, for June of that year; and</p> <p>.....</p>

¹ Refer to ERA’s [2025 Benchmark Reserve Capacity Price for the 2027/28 capacity year](#).

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 1

#	Clause Ref.	Classification	Issue	Suggestion
3	4.9.9., 4.9.10.	Major	<p>Synergy disagrees with the requirement for Energy Storage Resources (ESRs) to demonstrate that they are fuelled by renewable sources as an eligibility condition to receive the ten-year fixed RCP.</p> <p>The effect of this eligibility condition is to require ESRs to be backed by Power Purchase Agreements (PPAs) to secure this ten-year fixed price guarantee, which, Synergy considers will create a barrier to entry for new ESR Facilities.</p> <p>Synergy is of the opinion that this condition then renders the intended incentive ineffective as it results in ESR developers having to take on additional risks (via their renewable source PPAs) when wanting to secure the ten-year fixed RCP.</p> <p>Additionally, unlike for Facilities fuelled by non-renewable sources, such as coal or gas, there is no recourse (i.e., no spot market) for ESRs should there be shortfalls in renewable energy delivered under their linked PPAs. Existing renewable energy Facilities in the WEM are likely to already be fully contracted, therefore this will create a requirement for investors to also bring online new renewable generation with their ESR projects. Synergy considers that this requirement impedes on the security and reliability of the WEM, as the additional reliability benefits of the new ESRs are countered by the increase in volatility from the new renewables that it also brings on-line.</p> <p>Synergy notes that the Commonwealth's Capacity Investment Scheme² (CIS) does not require ESRs to have contracted renewable energy supplies to be eligible to participate in the CIS tender and considers these to be clean energy resources. Synergy considers that the policy position on ESRs within the WEM Rules should have a consistent view as the CIS and consider ESRs to be "clean energy".</p>	<p>4.9.9 AEMO must decide whether or not to ... (b) whether AEMO considers that each Energy Producing System for which evidence has been provided in accordance with clause 4.10.1(e)(v)(3)(i), clause 4.10.1(e)(v)(3)(ii), clause 4.10.1(fA)(vi)(1) or clause 4.10.1(fA)(vi)(2) has only been fuelled by Eligible Renewable Energy Sources, and will only be fuelled by Eligible Renewable Energy Sources in the relevant Capacity Year;[Blank];</p> <p>...</p> <p>4.9.10. AEMO must document the following in a WEM Procedure: ... (c) the procedure AEMO must follow when processing applications for Certified Reserve Capacity, including: ... iii. how AEMO will assess whether a Facility Technology Type within a Facility is fuelled by Eligible Renewable Energy Sources. based on:</p> <ul style="list-style-type: none"> 1. fuel supply contracts, if the Market Participant proposes to purchase renewable fuel for use in a Non-Intermittent Generator; 2. historical Intermittent Generator Output, if the Market Participant proposes to store renewable electricity generated by a Facility it owns in an Electric Storage Resource that it also owns; 3. energy supply contracts, if the Market Participant proposes to purchase renewable electricity from another Market Participant for use in an Electric Storage Resource; 4. energy supply contracts, if the Market Participant is selling renewable energy to another Market Participant, so that it is not available for storage in an Electric Storage Resource that it owns; and 5. historical dispatch levels for Energy Producing Systems.

² Refer to the [CIS Tender 2 – WEM Dispatchable](#)

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 1

#	Clause Ref.	Classification	Issue	Suggestion
4	4.14.1CB	Moderate	<p>Synergy questions the requirement for new ESRs that are charged from non-renewable energy sources, and seeking the ten-year fixed RCP, to have demonstrated that they are able to maintain output at the level of the longest expected ESR Duration Requirement in the most recent WEM Electricity Statement of Opportunity (ESOO) published at the time of nomination for the ten-year fixed price guarantee.</p> <p>Based on the example provided in the explanatory note for this proposed amendment, Synergy considers that the BRCP for an ESR that can maintain output at eight hours would be higher than the BRCP for an ESR with a four-hour output duration. In such circumstances, it is unlikely that an eight-hour ESR would want to nominate for a ten-year fixed RCP based on a BRCP referenced to a four-hour output duration ESR, when it would expect that the RCP would increase in the future due to a change in the BRCP Reference Technology (from a four-hour ESR to an eight-hour ESR). If Facility's are unlikely to utilise the ten-year lock-in (due to added obligations that come with the lock-in), the proposed RCM and WIC Draft Rules are likely to increase complexity of the WEM Rules (and potentially implementation costs) without adding any realised benefits to the WEM.</p> <p>Synergy considers that the ten-year price lock-in should be able to be applied to all new clean technologies that at least meet the minimum ESR Duration Requirement of the most recent published ES00.</p>	
5	4.29.1(b)	Moderate	<p>As submitted under item 1 above, Synergy proposes that the minimum Flexible RCP be set to always be higher than the minimum Peak RCP to properly incentivise Market Participants that provide Flexible Capacity.</p>	

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 1

#	Clause Ref.	Classification	Issue	Suggestion
6	Appendix 3	Major	<p>Synergy's understanding is that any new Facility that has been successful at securing a contract to provide Non-Co-optimised Essential System Services (NCESS) will be prioritised for Network Access Quantities (NAQs) alongside existing Facilities, i.e., top priority.</p> <p>Should additional NAQs become available, a new Facility, that has not previously been assigned NAQs, but has been contracted to provide NCESS is then on par with existing NAQ Facilities to be assigned the additional NAQs.</p> <p>Synergy is of the understanding that the policy intent of the NAQ regime was to provide a level of investment certainty to existing Facilities for Capacity Credits in a constrained network. Synergy considers that the current prioritisation order, of providing new NCESS Facilities with the same level of priority as existing Facilities does not align with this intent, and considers that new NCESS Facilities should be behind existing NAQ Facilities in the prioritisation order for NAQs.</p> <p>To address this concern Synergy considers that NCESS Facilities should be added into the NAQ model after existing facilities and prior to Network Augmentation Funding Facilities (i.e. between the current Step 3C and Step 4 of Appendix 3). This will ensure that the NAQ model prioritises NCESS after existing Facilities, but above all other new entrant Facilities.</p>	

Annexure B – Synergy’s detailed comments on the WIC and RCM Draft Rules – Part 2

Synergy’s Detailed Comments on the WIC and RCM Draft Rules – Part 2				
#	Clause Ref.	Classification	Issue	Suggestion
1	1.XX.D.	Moderate	<p>Synergy considers that clause 1.XX.D inadvertently imposes review obligations on AEMO for Facilities that were first assigned Capacity Credits in the 2023 or the 2024 Reserve Capacity Cycles, which occurred prior to this clause being implemented in the WEM Rules.</p> <p>Synergy considers that the review obligations should only be applied to Facilities that committed to providing capacity (and energy) to the WEM after the clause is implemented within the WEM Rules (i.e., for Facilities that will be assigned Capacity Credits for the first time in the 2025 Reserve Capacity Cycle).</p>	<p>1.XX.D. AEMO is not required to carry out reviews under: (a) clause 4.11.8(a) for Facilities that commenced operations before 1 October 2024; or (a1) clause 4.11.8(a) for Facilities that were first assigned Capacity Credits in either the 2023 or the 2024 Reserve Capacity Cycle; or (b) clause 4.11.8(b) for Facilities that entered Commercial Operation before 1 October 2020.</p>
2	1.XX.E.	Moderate	<p>Synergy suggests that the WEM Rules should also restrict AEMO from procuring NCESS to meet requirements consistent with Flexible Capacity if there is over supply of Flexible Capacity in the 2025 Reserve Capacity Cycle.</p> <p>Synergy’s proposed amendments to clause 1.XX.E account for Synergy’s proposed amendments to clause 4.29.1 (as outlined in item 1 of the table in Annexure A covering Part 1 of the WIC and RCM Draft Rules.</p>	<p>1.XX.E. In the 2025 Reserve Capacity Cycle, if the a surplus of 15 percent or more Flexible Reserve Capacity is achieved Flexible Reserve Capacity Price is less than or equal to the Peak Reserve Capacity Price: (a) Market Participants are not required to fulfil any further obligations relating to Flexible Capacity Credits assigned for the 2027 Capacity Year; ... (c) AEMO must not procure NCESS for Flexible Capacity for the 2027 Capacity Year; ...</p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
3	2.29.5AH, 2.29.5AI.	Moderate	<p>Synergy disagrees with the allowance for Market Participants with DSPs to change their nominated Relevant Demand method once a year.</p> <p>Synergy would like to understand what the rationale is behind this additional flexibility that is being specifically afforded to DSPs. Synergy notes that the amendments from the RCM Reform Rules reduced the dispatch obligation of DSPs from 200 hours (400 Trading Intervals) to the “Demand Side Programme Dispatch Requirement”. For the 2024 Capacity Cycle, this value is set at 50 hours (100 Trading Intervals), and will be determined by AEMO for future Capacity Years. This change means that DSPs obligation for DSPs has reduced to one quarter of the previous obligation. Implementation of this proposed clause will likely provide minimal benefit to market as a whole (noting the limited dispatch obligations of DSPs), Synergy queries if the cost and benefit of implementing this provision has been thoroughly considered.</p>	<p><u>2.29.5AH</u> A Market Participant responsible for a Demand Side Programme may, no more than once during a Capacity Year, apply to AEMO to change the method previously nominated for the determination of the Relevant Demand of the Demand Side Programme to either the Adjusted Baseline Method or the Unadjusted Baseline Method [Blank].</p> <p><u>2.29.5AI</u> If a Market Participant applies to AEMO to change the Relevant Demand method for their Demand Side Programme(s) under clause 2.29.5AH, AEMO must apply the new Relevant Demand method from the start of the first Trading Day commencing 5 Business Days after AEMO receives the application [Blank].</p>
4	2.29.5B(c)	Typographical	Synergy notes a typographical error in clause 2.29.5B(c).	<p><u>2.29.5B</u> (c) if the Demand Side Programme contains a Single Associated Load, the expected Minimum Consumption of the Non-Dispatchable Load in units of MW†</p>
5	2.29.5B(f)	Moderate	Synergy considers that DSPs with only one Associated Load should also be subject to the requirement to provide information on whether its Associated Load will be subject to a contract or arrangement to reduce consumption for the purpose of reducing Capacity Purchaser Payments.	<p><u>2.29.5B</u> (f) if the relevant Demand Side Programme has, or is expected to have, one or more than one Associated Load, whether any of the Associated Loads will be subject to a contract or arrangement to reduce consumption during one or more Trading Intervals in Year 3 of the relevant Reserve Capacity Cycle for the purpose of reducing Capacity Purchaser Payments.</p>
6	4.11.1(bl)	Moderate	Synergy considers that clause 4.11.1(bl) should be amended to account for the period between certification for capacity and operational commencement of a Facility. That is Facilities that have been assigned Flexible Certified Reserve Capacity in a previous Reserve Capacity Cycle but have not yet commenced Commercial Operations (as the Facility is still in construction and therefore has not yet complied with clause 4.12.2) should be able to be assigned Flexible Capacity Credits in the intervening years between certification and delivery.	<p><u>4.11.1</u> (bl) AEMO must not assign Flexible Certified Reserve Capacity to a Facility that was assigned Flexible Certified Reserve Capacity in a previous Reserve Capacity Cycle and has entered Commercial Operation, but has not yet complied with clause 4.12.2;</p> <p><i>[Synergy notes that further drafting consideration may be required to ensure that Facilities that did not commence operation within the relevant Capacity Year are captured under this clause]</i></p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
7	4.13A.16	Moderate	<p>Synergy considers that the payment obligation to Market Participants referred to in clause 4.13A.16 should also account for the proportion of Flexible Capacity that were held by the Facility for which the DSP Reserve Security is being drawn upon.</p> <p>Synergy considers that the rebate payment to Market Participants should be weighted according to the relevant Flexible and Peak Reserve Capacity Price before further apportionment based on a Market Participant's Peak and Flexible Individual Reserve Capacity Requirements during the relevant Trading Day.</p> <p>Synergy additionally notes a typographical error in subclause item (d) that incorrectly references the clause 4.13A.16(a), and Synergy considers that it should reference 4.13A.16(c).</p>	<p>4.13A.16</p> <p>The payment obligation under clause 4.13A.15 or clause 4.13A.15A may be satisfied by AEMO drawing upon:</p> <p>(a)...</p> <p>..</p> <p>(d) secondly, once all costs to which clause 4.13A.16(a)(c) refers are covered, make a rebate payment to Market Participants in proportion to their Peak Individual Reserve Capacity Requirements during the relevant Trading Day in accordance with Chapter 9 apportion the remaining balance based on the weighting of:</p> <ul style="list-style-type: none"> i. the Floating Daily Flexible Reserve Capacity Price against the sum of both the Floating Daily Flexible Reserve Capacity Price and the Floating Daily Peak Reserve Capacity Price; and ii. the Floating Daily Peak Reserve Capacity Price against the sum of both the Floating Daily Flexible Reserve Capacity Price and the Floating Daily Peak Reserve Capacity Price; <p>(e) make a rebate payment of the value determined in clause 4.13A.16(d)(i) to Market Participants in proportion to their Flexible Individual Reserve Capacity Requirements during the relevant Trading Day in accordance with Chapter 9, and</p> <p>(f) make a rebate payment of the value determined in clause 4.13A.16(d)(ii) to Market Participants in proportion to their Peak Individual Reserve Capacity Requirements during the relevant Trading Day in accordance with Chapter 9.</p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
8	4.20.16A(d)	Moderate	<p>Synergy notes that the WIC and RCM Draft Rules undertake the assignment of Capacity Credits for DSPs in Year 1 of a Reserve Capacity Cycle, and do not require a DSP until 3 months prior to the start of the Capacity Year to apportion the Capacity Credits across its registered DSPs (if there are multiple registered DSPs).</p> <p>In relation to the Flexible Capacity Credits that have been apportioned and allocated, Synergy would like to understand how the verification of the DSPs capability to provide this product will be undertaken? Synergy notes that other Facility Technology Types are required to provide evidence of its capability in Year 1 of certification, and considers a similar obligation should be applied to DSPs at time of certification.</p>	
9	4.25.1B(a)(ii)	Typographical	<p>Due to the variety of Facility Technology Types that a DER may be comprised of, Synergy proposes that clause 4.25.1B(a)(ii) be changed to reflect that rather than requiring that Injection be ramped down to zero, Facilities holding Flexible Capacity Credits should instead amend their level of withdrawal from the grid to zero.</p> <p>In particular, Synergy's proposed amendment will allow for aggregations of DER to reduce the overall withdrawal to meet the requirements.</p>	<p>4.25.1B (a)(ii) start from a level a level of Injection at a MW quantity matching the number of Flexible Capacity Credits currently held (converted to a sent out basis at 41 degrees Celsius using temperature dependence information submitted to AEMO under clause 4.10.1(e)(i) or provided in Standing Data (if available)) and ramp to zero amend withdrawal to zero;</p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
10	4.28.5B, Glossary – 4 Peak SWIS Trading Intervals	Major	<p>Synergy disagrees with the tie break amendment being proposed to clause 4.28.5B(d)(iv) and to the definition of “4 Peak SWIS Trading Intervals”.</p> <p>By introducing this tie break method which selects a later Trading Interval over earlier Trading Intervals in the event where there are two or more Trading Intervals with the same Total Sent Out Generation, this creates undue selection bias for Trading Intervals in which the consumption share from certain customer types (such as residential customers) is likely to be higher as the later Trading Interval may be outside of the general business hours of customers. Synergy considers that the current design of the WEM may have some inadvertent (although unintended) bias that favours certain customer types over others, and this further increases that unintended bias.</p> <p>Synergy would appreciate clarification on the rational and policy intent for this proposed amendment.</p>	<p><u>4.28.5B</u></p> <p>To determine the Peak IRCR Intervals AEMO must:</p> <p>(a) ...</p> <p>...</p> <p>For the purposes of sub-clauses (a), (c) and (d)(i), when ordering Trading Intervals from those with highest to lowest Total Sent Out Generation, if AEMO identifies two or more Trading Intervals that have the same Total Sent Out Generation value, then AEMO must order them by time, with the later earlier Trading Interval above a an earlier later Trading Interval.</p> <p><u>Glossary</u></p> <p>4 Peak SWIS Trading Intervals: Means, for a Trading Month, the 4 Trading Intervals in the relevant Trading Month with the highest Total Sent Out Generation, as published by AEMO in accordance with clause 4.1.23B. For the purposes of calculating the 4 Peak SWIS Trading Intervals, when ordering Trading Intervals from the highest to the lowest Total Sent Out Generation, if there are two or more Trading Intervals with the same Total Sent Out Generation, AEMO must select the latest earliest Trading Interval.</p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
11	7.10.6B	Major	<p>Synergy is of the understanding that the underlying policy intent of clause 7.10.6B is to ensure that Market Participants do not use the same ESR asset to create dual benefits from the WEM by receiving Capacity Credits for the ESRs, while also receiving an IRCR reduction for the same ESR.</p> <p>Although well intended, the proposed drafting creates barriers for ESR and DER participation in the WEM. Synergy considers that test for “dual benefits” should be assessed based on the total capability of the ESR at the asset level and how the asset level capability is being utilised for Capacity Credits and IRCR reduction in totality. The aggregation and orchestration of DER is intended to utilise the individual DER assets to deliver a more optimal outcome for market as a whole, rather than serving individual loads. A DER aggregation consisting of 50 MW of ESR, may be certified for 30 MW of Capacity Credits with the remaining 20 MW to be utilised for IRCR reduction.</p> <p>As DER aggregators are unlikely to be able to have “full control” of the underlying load of each of the customers that participate in the aggregation, the Aggregator is likely to over procure ESR asset capacity to ensure that when it is dispatch that the aggregated facility is able to meet the dispatch requirement as measured at the TNI. Under this proposed rule the “over-procured” ESR capability is unable to be utilised for IRCR and is essentially wasted capability as it will have sit idle during IRCR intervals. This creates a barrier for entry for DER aggregations in the WEM and discourages Market Participants to seek to use BTM assets to deliver benefits for the market as a whole rather than self-serving interests.</p> <p>Synergy proposed that the assessment should be done on the total MW capability of the aggregated ESR at the asset level, and ensure that this is greater than the total of the Capacity Credits and the IRCR reduction.</p>	
12	7.13.5	Typographical	<p>Given that the term DSP Energy Level in the WEM Rules encompasses both ‘withdrawal’ and ‘injection’ made by a Demand Side Program, Synergy proposes that it is more appropriate to describe that Dispatch Instructions instruct DSPs to ‘amend’ rather than ‘restrict’ their DSP Energy Level in clause 7.13.5.</p>	<p><u>7.13.5.</u> AEMO must, for the purposes of clauses 7.13.1E(d) and 4.26.2D, calculate, for each Demand Side Programme for each Trading Interval, the quantity, in MW, by which the Facility was instructed by the applicable Dispatch Instruction to restrict amend its DSP Energy Level during that Trading Interval, where the quantity: </p>

Synergy's Detailed Comments on the WIC and RCM Draft Rules – Part 2

#	Clause Ref.	Classification	Issue	Suggestion
13	Appendix 10	Moderate	<p>Synergy notes that DER aggregations may contain a mixture of various customer profiles and assets, that differ to the “usual” loads that are expected to operate as DSPs.</p> <p>Synergy considers that the simplified baselining assessment based on Business Days and Non-Business Days is not likely to be appropriate for DER Aggregations and the approach needs to be expanded to consider the unique attributes of different customer types. For example, a DER aggregation that consists of schools with PV will have a very different consumption pattern on a school day versus in the school holidays. This presents a significant baselining risk for DER aggregation and therefore, may be a barrier to entry for DER participation.</p> <p>Synergy considers that to best enable DER aggregation to participate meaningfully in the WEM, the unique attribute and capabilities of DER need to be considered in the design and implementation of amending WEM Rules to ensure that the full benefits that DER aggregations can offer are able to be realised in the WEM.</p>	