



Capability Class 2 Technologies (CC2T) Review Working Group - Minutes

Date:	2 April 2026
Time:	9:30 AM – 10:24 AM
Location:	Microsoft Teams online

Attendees	Representing	Comment
Dora Guzeleva	Chair	
Natalia Kostecki	Australian Energy Market Operator (AEMO)	
Rebecca Pedlow-Collins	AEMO	
Francis Ip	BLT Energy	
Jake Flynn	Collgar Renewables	
Alister Alford	Enel X	
Richard Cheng	Economic Regulation Authority (ERA)	
Noel Schubert	Expert Consumer Panel	
Bobby Ditric	NewGen Power Kwinana	
Tessa Liddelow	Shell	Proxy for Sumeet Kaur
Graeme Ross	Simcoa	Invited by the Chair
Katherine Lau	Synergy	Proxy for Rhiannon Bedola
Darren Gladman	SMA	
Peter Huxtable	Water Corporation	
Paul Jones	Western Power	
Other attendees	From	Comment
Richard Bowmaker	Robinson Bowmaker and Paul (RBP)	Consultant appointed to assist with this review
Eija Samson	RBP	
Sean McAvoy	Energy Policy WA (EPWA)	Secretariat
Luke Commins	EPWA	Secretariat
Apologies		
Oscar Carlberg	Alinta	
Warren King	Frontier Energy	



Clement Ng	IGO	
Dale Waterson	Merredin Energy	
Max Collins	Neoen	
Patrick Peake	Perth Energy	
Sumeet Kaur	Shell	
Rhiannon Beola	Synergy	
Kaavya Jha	Tesla Motors	

1. WELCOME

The Chair opened the meeting with an Acknowledgement of Country.

The Chair noted the Competition and Consumer Law Obligations of the Working Group members.

The Chair apologised for sending incorrect slides in the lead up to the meeting, noting that the aim of this meeting is to finalise the Demand Side Programme (DSP) issues.

2. MEETING APOLOGIES AND ATTENDANCE

The Chair noted the attendance as listed above.

3. DSP AVAILABILITY OPTION

The Chair explained that during discussion on the DSP availability options at the 19 March 2026 Market Advisory Committee (MAC) meeting, the issue that large industrial loads would need to be offline for 16 hours to achieve the split window due to restart limitations was raised.

The Chair noted that:

- AEMO procured supplementary capacity (SC) for the 2025/26 Hot Season because modelling showed Unserved Energy after 8:00 pm once DSPs' availability obligation intervals end;
- an Electricity System and Market (ESM) Rule change to split the DSP window has already been made to cover both morning and evening peaks, yet to commence;
- current analysis shows that while the morning is less critical, allowing providers to choose only one window erodes DSPs reliability contribution; and
- it is infeasible to derate Capacity Credits.

The Chair presented Slides 1 to 4.

In response to Mr Schubert, the Chair noted that the time on Slide 1 was incorrect and it should read 2:00pm to 10:00pm rather than 2:00pm to 6:00 pm. She advised that this will be corrected and the CC2TRWG meeting papers will be republished.

In response to Mr Ditric, the Chair confirmed that DSP availability remains at 12 hours. However, some MAC members pointed out that due to restart limitations, some large loads must stay offline for 16 hours, if activated for the morning window, to ensure that they are available for both windows.



The Chair presented Slide 5 and clarified that, although shifting the morning window would leave only a two-hour gap between the morning and evening windows, the proposal is still expected to deliver benefits, due to:

- DSP participants' ability to associate different loads to the morning and the evening windows;
- the analysis indicating a low likelihood of a DSP being called between 6:00 am and 8:00 am;
- extending the evening window reduces costs for consumers by avoiding future procurement of SC; and
- lower implementation costs for AEMO.

In response to Ms Pedlow-Collins, the Chair clarified that the proposed DSP options available to Market Participants are:

- 8:00am to 12:00pm and 2:00pm to 10:00 pm; or
- 2:00pm to 10:00pm only.
- Mr Ross supported the proposal as it addresses the issue that industrial large loads cannot restart in the hours between the end of the morning window and start of the evening window, if they have been activated in the morning.
- Mr Huxtable supported the proposal.
- Mr Alford supported the shifting of the morning window and sought clarity on whether DSPs at the same Transmission Node Identifier (TNI) would be treated as different facilities if they were certified for different windows, e.g., both the morning and the evening window versus only the evening window.

The Chair responded that the DSPs will be treated as separate facilities because each one would receive a different Reserve Capacity Price under the proposal.

- Mr Ditric supported the proposal and asked whether anything has been implemented to rotate DSP activation to prevent the same DSP facility from being called consistently.

The Chair responded that:

- a DSP rotation order was implemented into the ESM Rules following the Demand Side Response Review;
- currently, two DSPs also serve as Interruptible Loads for Contingency Reserve Raise Services and, therefore, the third DSP is called upon more frequently; and
- until the morning period becomes more of an issue this does not warrant a rule change. However, working group members are encouraged to reach out with alternative suggestions.
- Mr Schubert noted that it was a pragmatic solution but questioned:
 - how 14 hours was preferable to 16 hours for large industrial loads; and
 - whether there was any benefit in adjusting the window, for example, extending the evening period to 11:00 pm given that the morning is less critical.
- Mr Ross responded to Mr Shubert and clarified that the issue was not the total number of hours, but rather the need to give large industrial loads flexibility in choosing their DSP windows.

The Chair clarified that the total 12-hour availability requirement for DSPs would remain unchanged, as altering it would be detrimental to incentivising the participation of DSPs. However, the Chair noted that the ongoing energy transition is causing many changes across the system and that reasonable changes to the DSP availability windows are welcomed.

- Ms Lau asked whether there would be a different trading mechanism for the DSPs that choose only the evening window.
- Mr Ditric noted that, under the previous arrangement when DSP had a separate Reserve Capacity Price, Market Participants were unable to allocate that capacity toward their Individual Reserve Capacity Requirement (IRCR). He asked whether the same limitation would apply under the current proposal.

The Chair noted that:

- the Capacity Credits are unchanged and only the Reserve Capacity Price is being derated; and
- a Transitional Peak Reserve Capacity Price mechanism already allows for the trading Capacity Credits with different RCP and it is expected that this DSP proposal would operate in a similar manner.

4. MECHANISM TO IMPROVE THE RESILIENCE OF DSP

Mr Alford noted that:

- the Reserve Capacity Mechanism (RCM) is the efficient method to bring flexible demand into the system;
- SC is a backstop mechanism, used when other mechanisms are not delivering what the system needs;
- an issue in the current DSP framework is that there is limited flexibility to find a replacement load when the one set up as a DSP closes due to external economic conditions, such as a mine going into care and maintenance; and
- the inflexibility leads to the DSP paying refunds to the WEM and is likely to lead to AEMO procuring SC.

Mr Alford proposed that when a DSP fails, the responsible Market Participant should be permitted to replace it with another DSP located on an unconstrained section of the network before the start of the relevant capacity year. He sought feedback on this proposal from the members.

The Chair noted that:

- this applies to a single load above five megawatts (MW) that has already completed the Reserve Capacity Certification process, and would only occur after the publication of unconstrained TNIs in January; and
- if this were to happen, the Market Participant should be required to notify AEMO before the WEM Electricity Statement of Opportunities (ESOO) is released, to ensure that the load is not included in the Reserve Capacity Target.

Mr Alford responded that Enel X already provides AEMO with ongoing commentary on its DSPs, so any new obligation would be consistent with current practice.



- Mr Schubert supported the proposal, noting that it gives DSPs the flexibility to substitute loads to meet their capacity obligations, which will provide a benefit to the overall system reliability.

The Chair clarified that this proposal does not affect the aggregated DSPs, which already provides the flexibility needed to align the association of loads to the DSP's Capacity Credits close to the start of the Capacity Year.

- Ms Pedlow-Collins noted that AEMO determines Network Access Quantities (NAQ) based on the National Metering Identifier (NMI) of the single load DSPs. Therefore, if the DSP's location changes, this can affect the NAQ and, in turn, have broader implications for the constraint equations derived from it.

The Chair noted that the exit of the load that the DSP intended to use would also affect the NAQ process to determine the constrained TNIs. The Chair noted that NAQ processes must be considered and asked Mr Alford to comment on his discussions with AEMO regarding the proposal.

Mr Alford explained that the proposal aims to follow the same process AEMO uses for SC, where AEMO intends to rely on unconstrained sections of the network in the future. He noted that discussions with AEMO are still ongoing and that opportunities to improve transparency around these unconstrained network sections could be included.

- Mr Huxtable questioned the need for an additional 5 MW capacity when a 5 MW load is exiting the system.
- Mr Schubert agreed with Mr Huxtable as exiting load above 5 MW would permanently lower system demand.

The Chair noted that only a significant load exiting the system would have a material impact on the overall system peak demand.

The Chair asked whether there would be any issue with returning the Security Deposit to a DSP when such a load leaves the system, provided the DSP has notified AEMO before the ES00.

Mr Alford stated that:

- Enel X would be willing to receive back the Security Deposit in this scenario;
- doing so would reduce the risk Enel X considers when deciding which electricity market to participate in; and
- but if demand growth is underestimated, it is preferable to have the capacity available on the system.

The Chair noted that, given the dynamic nature of the WEM, it must be recognised that some loads intending to participate two years in advance may ultimately not be operational when that time arrives.

5. GENERAL BUSINESS

The Chair thanked members for their contributions and closed the meeting.

The meeting closed at 10:24am.