



## Meeting Agenda

<b>Meeting Title:</b>	Capability Class 2 Technologies (CC2T) Review Working Group
<b>Date:</b>	Thursday 2 April 2026
<b>Time:</b>	9:30 AM – 10:30 AM
<b>Location:</b>	Online

Item	Item	Responsibility	Type	Duration
1	Welcome and Agenda <ul style="list-style-type: none"><li>• Competition Law</li></ul>	Chair	Noting	1 min
2	Meeting Apologies/Attendance	Chair	Noting	1 min
3	Mechanisms to improve resilience of DSPs	Alister Alford	Discussion	25 min
4	DSP availability option	RBP/EPWA	Discussion	25 min
5	General Business	Chair	Discussion	8 min

Please note, this meeting will be recorded.

## Competition and Consumer Law Obligations

Members of the Working Group (**Members**) note their obligations under the *Competition and Consumer Act 2010 (CCA)*.

If a Member has a concern regarding the competition law implications of any issue being discussed at any meeting, please bring the matter to the immediate attention of the Chairperson.

Part IV of the CCA (titled "Restrictive Trade Practices") contains several prohibitions (rules) targeting anti-competitive conduct. These include:

- (a) **cartel conduct**: cartel conduct is an arrangement or understanding between competitors to fix prices; restrict the supply or acquisition of goods or services by parties to the arrangement; allocate customers or territories; and or rig bids.
- (b) **concerted practices**: a concerted practice can be conceived of as involving cooperation between competitors which has the purpose, effect or likely effect of substantially lessening competition, in particular, sharing Competitively Sensitive Information with competitors such as future pricing intentions and this end:
  - a concerted practice, according to the ACCC, involves a lower threshold between parties than a contract arrangement or understanding; and accordingly; and
  - a forum like the MAC is capable being a place where such cooperation could occur.
- (c) **anti-competitive contracts, arrangements understandings**: any contract, arrangement or understanding which has the purpose, effect or likely effect of substantially lessening competition.
- (d) **anti-competitive conduct (market power)**: any conduct by a company with market power which has the purpose, effect or likely effect of substantially lessening competition.
- (e) **collective boycotts**: where a group of competitors agree not to acquire goods or services from, or not to supply goods or services to, a business with whom the group is negotiating, unless the business accepts the terms and conditions offered by the group.

A contravention of the CCA could result in a significant fine (up to \$500,000 for individuals and more than \$10 million for companies). Cartel conduct may also result in criminal sanctions, including gaol terms for individuals.

**Sensitive Information** means and includes:

- (a) commercially sensitive information belonging to a Member's organisation or business (in this document such bodies are referred to as an Industry Stakeholder); and
- (b) information which, if disclosed, would breach an Industry Stakeholder's obligations of confidence to third parties, be against laws or regulations (including competition laws), would waive legal professional privilege, or cause unreasonable prejudice to the Coordinator of Energy or the State of Western Australia).

### Guiding Principle – what not to discuss

In any circumstance in which Industry Stakeholders are or are likely to be in competition with one another a Member must not discuss or exchange with any of the other Members information that is not otherwise in the public domain about commercially sensitive matters, including without limitation the following:

- (a) the rates or prices (including any discounts or rebates) for the goods produced or the services produced by the Industry Stakeholders that are paid by or offered to third parties;
- (b) the confidential details regarding a customer or supplier of an Industry Stakeholder;
- (c) any strategies employed by an Industry Stakeholder to further any business that is or is likely to be in competition with a business of another Industry Stakeholder, (including, without limitation, any strategy related to an Industry Stakeholder's approach to bilateral contracting or bidding in the energy or ancillary/essential system services markets);
- (d) the prices paid or offered to be paid (including any aspects of a transaction) by an Industry Stakeholder to acquire goods or services from third parties; and
- (e) the confidential particulars of a third party supplier of goods or services to an Industry Stakeholder, including any circumstances in which an Industry Stakeholder has refused to or would refuse to acquire goods or services from a third party supplier or class of third party supplier.

### Compliance Procedures for Meetings

If any of the matters listed above is raised for discussion, or information is sought to be exchanged in relation to the matter, the relevant Member must object to the matter being discussed. If, despite the objection, discussion of the relevant matter continues, then the relevant Member should advise the Chairperson and cease participation in the meeting/discussion and the relevant events must be recorded in the minutes for the meeting, including the time at which the relevant Member ceased to participate.

# DSP Option 1 has two availability periods

## Potential variant is to allow DSPs to be available only for one of these periods

Some MAC members were concerned that, with the two availability periods, industrial loads would have to be available for 16 hours, if activated for the morning window. An alternative is to reduce DSP availability to 4 hours from 6am – 10am or to 8 hours from 2pm – 10pm. This would:

- Reduce existing availability obligations and require some form of derating to reflect the reduced availability requirements\*  
*\*Alternative is to amend the Peak DSP Dispatch Requirement to increase the annual availability requirements; but DSP Dispatch Requirement extensively consulted during the RCM review, so recommend leaving as is.*
- Finding alternative (likely costlier) options (NCESS or SC) to meet capacity requirements during morning window – if a morning requirement emerges

### To implement the above:

- Reserve Capacity Price assigned to DSPs would need to be derated by 4/12 or 8/12 (to reflect they are not available for both availability periods)
- RCOQ would remain at 100% of assigned Capacity Credits for all Trading Intervals in the relevant availability period.

# Variant 1 (Example) – DSPs available from 2pm – 10pm only

**Example: DSP to provide 100MW from 2pm – 10pm.**

**Assume RCP = \$360K/MW/Year**

Required Level is still Relevant Demand minus 100MW for Reserve Capacity Testing and performance verification under 4.13A.15

## **At time of certification (Year 1):**

- DSP wants to provide 100MW of response from 2pm – 10pm
- DSP is assigned 100MW of Capacity Credits
- DSP receives annual RCP of  $\$360K \times 8/12 = \$240K/MW/Year$
- DSP's Reserve Capacity Security is set based on  $25\% \text{ of BRCP} \times 100MW \times 8/12$ .

## **Three months prior to 1 Oct Year 3:**

- Compliance with ESMR 2.29.5AB (associating sufficient loads with effective date no later than 1 Dec Year 3) assessed based on Capacity Credits assigned (100MW)

# Variant 1 (Example) – DSPs available from 2pm – 10pm only

Example: DSP to provide 100MW from 2pm – 10pm.

Assume RCP = \$360K/MW/Year

Oct Year 3 to 30 Sep Year 4

- RCOQ equals 100MW for all Trading Intervals from 2pm to 10pm on Business Days (otherwise zero).
  - Need DSP to provide 100MW during DSP Dispatch Events.
  - No changes needed
- During settlement:
  - DSP's Capacity Purchaser Payment will reflect the derated Reserve Capacity Price – no changes needed
  - No changes needed to refunds as the  $Y(f, t)$  component of ESMR 4.26.1 is linked to the derated Reserve Capacity Price

After 30 Sep, Year 4:

- DSP's Required Level is set by 100MW for the purposes of assessing compliance with ESMR 4.13A.15 – no changes needed
- Subsequent Reserve Capacity Security drawdown (ESMR 4.13A.16) linked to derated RCS requirement from Year 1.

# Variant 1 (Example) – DSPs available from 2pm – 10pm only

## ESM Rule changes needed

4.10 – new clauses introducing ability to choose split block, 6am-10am window only or 2pm-10pm window only.

4.13A – amendment to Reserve Capacity Security rules to derate reduced DSP's security by 4/12 or 8/12 as relevant

# Policy Implication

## DSP Availability Windows

**AEMO has advised that there are settlement issues arising from the morning window spanning two Trading Days.**

To address this, it is proposed that the morning window be moved to 8:00am–12:00pm.

**Currently, the evening period currently presents a greater system challenge.**

It is proposed that participants can only choose the evening window.

Does the CC2TRWG have any comments on these proposals?