



2018 Reserve Capacity Information Pack

June 2018

A report for the Wholesale Electricity Market

Important notice

PURPOSE

AEMO publishes the Reserve Capacity Information Pack under clause 4.7.2 of the Wholesale Electricity Market Rules. This publication has been prepared by AEMO using information available at 15 June 2018.

DISCLAIMER

This document or the information in it may be subsequently updated or amended. This document does not constitute legal or business advice, and should not be relied on as a substitute for obtaining detailed advice about the Wholesale Electricity Market Rules, or any other applicable laws, procedures or policies. AEMO has made every effort to ensure the quality of the information in this document but cannot guarantee its accuracy or completeness.

Accordingly, to the maximum extent permitted by law, AEMO and its officers, employees and consultants involved in the preparation of this document:

- make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this document; and
- are not liable (whether by reason of negligence or otherwise) for any statements or representations in this document, or any omissions from it, or for any use or reliance on the information in it.

VERSION CONTROL

Version	Release date	Changes
1	15/6/2018	

Background

Each year, AEMO must publish the Reserve Capacity Information Pack under clause 4.7.2 of the Wholesale Electricity Market (WEM) Rules.

This Reserve Capacity Information Pack relates to the 2018 Reserve Capacity Cycle and sets the Reserve Capacity Requirement (RCR)¹ for the 2020-21 Capacity Year, as published in the 2018 WEM Electricity Statement of Opportunities (ESOO). It provides information on the Request for Expressions of Interest (REOI) process completed in May 2018 and the Availability Curves developed for the 2019-20 and 2020-21 Capacity Years.

A more detailed discussion of the information presented in this document can be found in the 2018 WEM ESOO².

Please direct any questions about this to AEMO's Reserve Capacity team on (08) 9469 9800 or wa.capacity@aemo.com.au.

Reserve Capacity Requirement

The RCR for the 2020-21 Capacity Year is **4,581 MW**.

Availability Curve

Under the WEM Rules, two Availability Classes are defined as follows³:

1. Availability Class 1 – generation capacity, and any other capacity⁴ that is expected to be available to be dispatched for all trading intervals in a Capacity Year (allowing for outages and other specified availability restrictions).
2. Availability Class 2 – capacity that is not expected to be available to be dispatched for all trading intervals in a Capacity Year.

Capacity from Availability Class 1 can be used to meet the requirement for Availability Class 2.

Assuming the RCR is just met, the Availability Curve indicates the minimum amount of capacity that must be provided by generation and other capacity that is expected to be available for dispatch to ensure that the energy requirements of users are met. The Availability Curves for the 2019-20 and 2020-21 Capacity Years are shown in Table 1.

Table 1 Availability Curves

	2019-20 (MW)	2020-21 (MW)
Capacity associated with Availability Class 1	3,919 ^A	3,946
Capacity associated with Availability Class 2	640 ^A	635

A. Figures have been updated to reflect the current forecasts. However, the 2019-20 Availability Curve set in the 2017 WEM ESOO for the 2017 Reserve Capacity Cycle has not changed.

Source: Robinson Bowmaker Paul.

Expressions of Interest process

The 2018 REOI and the corresponding summary reports are available on AEMO's website⁵.

¹ The Reserve Capacity Requirement for the 2020-21 Capacity Year is the Reserve Capacity Target published in the ESOO for the 2018 Reserve Capacity Cycle (clause 4.6.1 of the WEM Rules).

² Available at: <https://www.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Planning-and-forecasting/WEM-Electricity-Statement-of-Opportunities>.

³ See clause 4.11.4 and the definitions of "Availability Class 1" and "Availability Class 2" in Chapter 11 of the WEM Rules.

⁴ Examples are Interruptible Loads, Demand Side Programmes, and Dispatchable Loads.

⁵ Available at: <https://www.aemo.com.au/Electricity/Wholesale-Electricity-Market-WEM/Reserve-capacity-mechanism/Expressions-of-interest>.