

## Questions & Answers

### 1. Does the Independent Expert Report (IER) need to include the existing component as well as the upgrade component?

Yes. If the Certified Reserve Capacity (CRC) application includes an upgrade component, the IER would need to include both existing and the upgrade components.

For more information on IERs and Accredited Experts, please visit AEMO's [Certified Reserve Capacity](#) page and navigate to the "Relevant Level Methodology" section.

### 2. Regarding Dispatch Instruction evidence for new Facilities, what forms of evidence other than a Project Erection Authority (PEA) document would be acceptable?

If the PEA is yet to be issued, documentation that allows AEMO to understand where you are in this process with Western Power should be provided. AEMO needs to be satisfied that your project can receive and respond to dispatch, with the aim of being ready by the Reserve Capacity Obligation commencement date on October 1 of Year 3. Note there is no requirement to provide this evidence for Non-Scheduled Facilities.

### 3. Can you elaborate on the requirement for the quantity of fuel to be provided in MWh? Given standard fuel supply arrangements are on a GJ/TJ basis, not MWh.

AEMO is required to determine the ability of Non-Intermittent Generating System components to meet the 14-hour Capability Class 1 Availability Intervals, as such a conversion from GJ to MW for fuel is required.

### 4. Do Facilities have to meet the Minimum Eligibility Requirements (MER) at the time of applying for Flexible Capacity or by 1 October 2027?

All CRC applications are assessed based on the ability of the Facility to provide the Flexible Capacity by the commencement time and date of the relevant Capacity Year. If you expect any changes in your Facility's ability to meet MER, please flag this with AEMO in your CRC application.

### 5. Are only Non-Intermittent Generating System Facilities eligible to apply for Flexible CRC?

Facility components with the technology type of Non-Intermittent Generating System must meet the Fast Start Facility requirements. However, all technology types are potentially eligible for Flexible Capacity, with different [Minimum Eligibility Requirements](#) for each technology type.

Please note that Non-Scheduled Facilities are not eligible to apply for Flexible CRC under Clause 4.11.1(bH) of the Wholesale Electricity Market (WEM) Rules.

**6. Does the Minimum Stable Loading Level that we submitted in the CRC have to match the Standing Data? As a new facility, we were told to put 0 in our Standing data, as we are not operating.**

If there is a discrepancy between the numbers in Standing Data and the CRC application, AEMO will ask for confirmation of the discrepancy. If the Facility is not in operation yet, this number can be 0 in your Standing data and can be updated later.

**7. Assuming a Facility has multiple components, such as an Intermittent Generating System (IGS) and an Electric Storage Resources (ESR), would the facility need to submit information on both components?**

During the Indicative Facility Class (IFC), you would need to indicate the configuration of your Facility. The Facility would then be assigned an IFC and Indicative Facility Technology Type (IFTT) based on that configuration. Depending on this configuration these components may be considered as separately certified components. If these are separately certified components you would need to submit information on each component.

When assessing an ESR, AEMO considers if the Facility's configuration allows the battery to be charged by the network or other behind-the-meter sources which may include IGS components.

**8. Are Trade Declarations mandatory? Does the quantity of CRC nominated in a Bilateral Trade Declaration affect the obligation to provide Reserve Capacity Security (RCS)?**

Yes, Trade Declarations are a mandatory requirement of the WEM Rules (Section 4.14). If your Facility has been assigned CRC, you must submit your available CRC, whether this is intended to be the full amount, a reduced amount or making the whole amount unavailable. Failure to submit a Trade Declaration would result in AEMO reporting a potential breach to the Economic Regulation Authority (ERA).

If you are assigned CRC, you have an obligation to provide RCS based on 25% of the Peak Benchmark Reserve Capacity Price (BRCP) x assigned CRC quantity, regardless of your trade amounts. The Peak BRCP for the 2025 Reserve Capacity Cycle (2027-28 Capacity Year) has been determined by the ERA to be \$360,700 per MW per year.

Clause 4.13.2B allows for a recalculation of the RCS based on any changes in either the traded quantity or the Network Access Quantity (NAQ)/Capacity Credit assignment.

**9. Is there any update on the potential rules change to correct the Reserve Capacity Price (RCP) for a Transitional Facility from prior CPI forecast to actual data?**

Under the new WEM Rules, the RCP for a Transitional Facility has been updated to include a look-back adjustment to account for the difference between forecast and actual inflation. The

RBA based forecast is for two years into the future. The look-back step in the formula adjusts the calculated prices so they reflect the actual rather than the forecast figures. Additional detail can be found in clause 4.29.1B(b) of the WEM Rules.

## **10. Is it possible to explore some hypothetical scenarios or example applications of Flexible Capacity?**

AEMO is organising a series of information sessions to assist Market Participants in preparing for and understanding the 2025 CRC process. This includes a deeper dive session into walk-through of the CRC application portal in the WEMS, a session on the NAQ and the new Flexible Capacity product.

Invitations will be sent out in advance. If you do not receive an invitation and wish to attend or stay informed about future information sessions, please contact the WA Capacity Investment and Assessment team at [wa.capacity@aemo.com.au](mailto:wa.capacity@aemo.com.au).

## **11. Is it mandatory to apply for Frequency Co-optimised Essential System Service (FCESS) to be eligible to apply for Flexible Capacity? How do we apply for FCESS accreditation?**

Yes, it is mandatory. Under clause 4.12.2(d) of the WEM Rules, a Market Participant must, at least three months before the start of the first Capacity Year for which it holds Flexible Capacity Credits in relation to a Facility, apply for FCESS accreditation under clause 2.34A.2 for that Facility for any FCESS the Facility is capable of providing in a Capacity Year. You can visit [here](#) for seeking accreditation for FCESS.

If the Facility is not capable of providing FCESS, then there is no obligation under clause 4.12.2(d) of the WEM Rules to apply for FCESS accreditation.

## **12. Are distribution-connected Facilities eligible to apply for Flexible Capacity?**

Yes, Facilities that can meet MER are eligible to apply for Flexible CRC regardless of connection through the distribution or transmission network. Many Demand Side Programmes (DSP) consist (in part or fully) of distribution connected Non-Dispatchable Loads.

## **13. What happens in the Network Access Quantities (NAQ) order if there is a fixed price facility application?**

If there is a Candidate Fixed Price Facility or Facility Upgrade, AEMO will use Part B of Appendix 3 of the WEM Rules to determine the NAQ. Note that Facilities or Facility Upgrades with Fixed Price are given lower priority than non-Fixed Price Facilities or Facility Upgrades in the NAQ model.

## **14. Regarding Peak vs. Flexible CRC, I understand the NAQ process is based solely on a facility's Peak CRC, but is there any impact to priority order within the NAQ process for facilities opting to be considered for providing Flexible Capacity?**

The NAQ process is used to determine Peak Capacity and there is no impact from applying for Flexible Capacity. Note that if a Facility's Peak Capacity is reduced due to NAQ, Flexible Capacity continues to be capped at the level of Peak Capacity.

## Note

This Q&A summary is based on the Information Session held by AEMO on 19 March 2025.

All rule references in this document refer to the WEM Rules as at 10 March 2025. Terms that are capitalised, but not defined in this document, have the meaning given in the WEM Rules.

AEMO has taken all due care in preparing this material however, accepts no liability for any errors it may contain.

For any further queries, please contact the WA Capacity Investment & Assessment team at [wa.capacity@aemo.com.au](mailto:wa.capacity@aemo.com.au).