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Version Release History

| Version | Effective Date | Summary of Changes |
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| 1.0 | 1 July 2021 | New WEM Procedure |
| 2.0 | 11 July 2023 | Updated to reflect changes to clause 4.11.3A of the WEM Rules on 17 April 2023- |
| <u>2.1</u> | XX XX 2024 | Updated to reflect changes to clause 4.11.3A and Chapter 11 (Glossary) of the WEM Rules on 13 December 2023 |

IMPORTANT NOTICE – EXPLANATORY NOTES

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1. Introduction

1.1. Purpose and scope

- 1.1.1. This WEM Procedure: Mid Peak Electric Storage Resource Obligation Intervals (Procedure) is made in accordance with AEMO's functions under clause 2.1A.2(h) of the Wholesale Electricity Market Rules (WEM Rules).
- 1.1.2. The *Electricity Industry Act 2004* (WA), the WEM Regulations and the WEM Rules prevail over this Procedure to the extent of any inconsistency.
- 1.1.3. In this Procedure, where obligations are conferred on a Rule Participant, that Rule Participant must comply with the relevant obligations in accordance with clause 2.9.7A, 2.9.7D or 2.9.8 of the WEM Rules, as applicable.
- 1.1.4. The purpose of this Procedure is to document:
 - (a) the processes to be followed by AEMO for determining changes to the Trading Intervals that will be classified as Mid Peak Electric Storage Resource Obligation Intervals under clause 4.11.3A(a) and 4.11.3A(b) [Clause 4.11.3A(c)(i)] including the processes to be followed by AEMO to comply with its obligation to consult with Market Participants;
 - (b) the processes to be followed by AEMO for publishing the Trading Intervals classified as <u>Mid Peak</u>
 Electric Storage Resource Obligation Intervals in accordance with clauses 4.11.3A(a) and
 4.11.3A(b) on the WEM Website [Clause 4.11.3A(c)(ii)]; and
 - the circumstances, if any, that allow AEMO to determine, in accordance with clause 6.3.1 and without consultation with Market Participants, that the Trading Intervals classified as Mid Peak Electric Storage Resource Obligation Interval for a specific Trading Day isare not the Mid Peak Electric Storage Resource Obligation Interval published by AEMO under clause 4.11.3A(a) or 4.11.3A(b) [Clause 4.11.3A(c)(ii)].
- 1.1.5. Appendix A of this Procedure outlines the head of power clauses that this Procedure is made under, as well as other obligations in the WEM Rules covered by this Procedure.

1.2. Definitions

- 1.2.1. Terms defined in the *Electricity Industry Act 2004* (WA), the WEM Regulations and the WEM Rules have the same meanings in this Procedure unless the context requires otherwise.
- 1.2.2. The following definitions apply in this Procedure unless the context requires otherwise.

Table 1 Definitions

| Term | Definition |
|--------------------|--|
| Peak Demand Period | A set of contiguous Trading Intervals on a Trading Day when peak demand is forecast to occur using the peak demand forecasts developed as part of the Long Term PASA, based on the scenarios specified in clause 4.5.10(a)(iii) or 4.5.10(a)(iv) with the number of Trading Intervals equal to the ESR Duration Requirement as follows: a) for the purposes of clause 4.11.3A(a), the ESR Duration Requirement for the previous Reserve Capacity Cycle; and |



| Term | Definition |
|------|--|
| | b) for the purposes of clause 4.11.3A(b), the ESR Duration Requirement for the |
| | relevant Reserve Capacity Cycle. |

1.3. Interpretation

- 1.3.1. The following principles of interpretation apply in this Procedure unless the context requires otherwise.
 - (a) Clauses 1.3 to 1.5 of the WEM Rules apply in this Procedure.
 - (b) References to time are references to Australian Western Standard Time.
 - (c) Terms that are capitalised, but not defined in this Procedure, have the meaning given in the WEM Rules.
 - (d) A reference to the WEM Rules or WEM Procedures includes any associated forms required or contemplated by the WEM Rules or WEM Procedures.
 - (e) Words expressed in the singular include the plural and vice versa.
 - (f) A reference to a paragraph refers to a paragraph of this Procedure.
 - (g) A reference to an appendix refers to an appendix of this Procedure.
 - (f)(h) A reference to a clause refers to a clause or section of the WEM Rules.
 - (g)(i) References to WEM Rules in this Procedure in bold and square brackets [Clause XXX] are included for convenience only, and do not form part of this Procedure.
 - (h)(j) Text located in boxes and headed as **E**[xplanatory Note-X] in this Procedure is included by way of explanation only and does not form part of this Procedure. The Procedure prevails to the extent of any inconsistency with the explanatory notes contained within it.
 - (i)(k) The body of this Procedure prevails to the extent of any inconsistency with the figures, diagrams, appendices, schedules, annexures or attachments contained within this document.

1.4. Related documents

1.4.1. The<u>re are no</u> documents <u>directly in Table 2 are</u> associated with this Procedure.

Table 2 Related documents

| Reference | Title | Location |
|---------------|--|-------------|
| WEM Procedure | WEM Procedure: Notices and Communications | WEM Website |
| WEM Procedure | WEM Procedure: Certification of Reserve Capacity | WEM Website |
| WEM Procedure | WEM Procedure: Reserve Capacity Testing | WEM Website |
| WEM Procedure | WEM Procedure: Undertaking the Long Term PASA | WEM Website |
| WEM Procedure | WEM Procedure: Outages | WEM Website |



Determining <u>changes to</u> the <u>Mid Peak</u> Electric Storage Resource Obligation Intervals

- 2.1.1. For the purposes of 4.11.3A(b), where AEMO has not previously determined the Mid Peak Electric
 Storage Resource Obligation Intervals but has determined the Peak Electric Storage Resource Obligation
 Duration for the relevant Capacity Year:
 - the Mid Peak Electric Storage Resource Obligation Interval for each Trading Days is determined
 to be the Trading Interval identified in the definition of Peak Electric Storage Resource Obligation
 Duration in Chapter 11 of the WEM Rules; and
 - (b) for the purposes of paragraph 2.1.1(a), Mid Peak Electric Storage Resource Obligation Intervals
 will be determined using the Peak Electric Storage Resource Obligation Duration published in or
 with the previous Statement of Opportunities Report for the relevant Reserve Capacity Cycle.
- 2.1.2. Eeach year, when preparing the Statement of Opportunities Report, AEMO must will review the Mid Peak Electric Storage Resource Obligation Intervals that were last published under clause 4.11.3A(a) and clause 4.11.3A(b) to determine whether these Mid Peak Electric Storage Resource Obligation Intervals are still appropriate for the relevant Capacity Year or are required to be reviseddetermined when preparing the Statement of Opportunities Report.
- 2.1.3. As part of its review inunder paragraph 2.1.12, AEMO must will identify the Trading Intervals when peak demand is most likely to occur for each of the scenarios developed in accordance with clauses
 4.5.10(a)(iii) and 4.5.10(a)(iv) for the Capacity Year commencing on 1 October of Year 3 of the relevant Reserve Capacity Cycle determine one or more Peak Demand Periods for the relevant Capacity Year.
- 2.1.1. AEMO must determine the Peak Demand Period as a set of Trading Intervals that includes the Trading Intervals identified in paragraph 2.1.2.
- 2.1.4. A Peak Demand Period determined in paragraph 2.1.3 may be applied to a single Trading Day or to each Trading Day over another period determined by AEMO.
- 2.1.2.2.1.5. The indicative Mid Peak Storage Resource Obligation Interval will be determined as the midpoint of the Peak Demand Period for every Trading Day. If the number of Trading Intervals in a Peak Demand Period is an even number, then the indicative Mid Peak Electric Storage Resource Obligation Interval is the last Trading Interval in the first half of the Peak Demand Period.
- 2.1.6. AEMO may, in its sole discretion, proposes a change determine to revise the Mid Point Electric Storage

 Resource Obligation Intervals that were determined under clause 4.11.3A and last published under clause 4.11.3A(a), and to apply from 1 October of Year 3 of the Reserve Capacity Cycle, where: in the

 Statement of Opportunities Report to another Trading Interval, having taken in to account the following considerations:
 - (a) AEMO's operational experience, including considerations of Power System Security and Power System Reliability as an indication of whether:



- (i) the Trading Intervals classified as the Mid Peak Electric Storage Resource Obligation

 Interval in accordance with clause 4.11.3A(a) or clause 4.11.3A(b) for the Trading Days in the relevant Capacity Year remain appropriate; or
- (ii) the indicative Mid Peak Electric Storage Resource Obligation Intervals determined in paragraph 2.1.5 are appropriate; or
- (iii) alternative Mid Peak Electric Storage Resource Obligation Intervals to the indicative Mid

 Peak Electric Storage Resource Obligation Intervals determined in paragraph 2.1.5 are

 appropriate; and
- (b) operational experience indicates that the Electric Storage Resource Obligation Intervals should be changed; orany other matters AEMO considers relevant in making the determination.
- (a) any other circumstances that AEMO considers relevant to the Electric Stirage Resource Obligation Intervals.
- 2.1.3. If AEMO proposes a change to the Electric Storage Resource Obligation Intervals under paragraph 2.1.4, it must consult with Market Participants on the proposed changes in accordance with paragraph 3.
- 2.1.4. AEMO must determine the proposed Electric Storage Resource Obligation Intervals to be eight contiguous Trading Intervals that correspond to the Peak Demand Period determined in paragraph 2.1.3.
- 2.1.5. AEMO must publish the Electric Storage Resource Obligation Intervals in accordance with paragraph 4.1.1 and, where applicable, paragraph 4.1.2.
- 2.1.7. AEMO may, following its determination to change the Mid Peak Electric Storage Resource Obligation
 Intervals in accordance with paragraph 2.1.6, revise the Mid Peak Electric Storage Resource Obligation
 Intervals to the indicative Mid Peak Electric Storage Resource Obligation Intervals determined in
 paragraph 2.1.5 or to alternative Mid Peak Electric Storage Resource Obligation Intervals as determined
 appropriate by AEMO.
- 2.1.8. For the purposes of clause 6.3.1(a) or 6.3.1(b), AEMO may determine to amend the Mid Peak Electric

 Storage Resource Obligation Interval for a specific Trading Day determined under clause 4.11.3A, where there are circumstances that have arisen or are likely to arise:
 - (a) based on AEMO's operational experience; or
 - (b) as part of AEMO undertaking its Short Term PASA or Medium Term PASA obligations; and AEMO reasonably considers that, in order to mitigate or minimise risk to Power System Security or Power System Reliability, the Mid Peak Electric Storage Resource Obligation Interval for the Trading Day should be amended.
- 2.1.9. AEMO may, following its determination to amend the Mid Peak Electric Storage Resource Obligation

 Intervals in accordance with paragraph 2.1.8, amend the Mid Peak Electric Storage Resource Obligation

 Interval to apply on the relevant Trading Day based on AEMO's consideration of the circumstances

 identified in paragraph 2.1.8.

E[A] Note on the use of Electric Storage Resource Obligation Intervals in clause 6.3.1 of the WEM Rules



3. Consultation

- 3.1.1. AEMO (when consulting with Market Participants for the purposes of paragraph 2.1.5) must publish on the WEM Website:
- (a) the proposed Electric Storage Resource Obligation Intervals;
- (b) an invitation for written submissions on the proposed Electric Storage Resource Obligation Intervals;
- (c) the closing date for consultation, which must be at least 10 Business Days after the date of publishing the proposed Electric Storage Resource Obligation Intervals on the WEM Website;

any supporting analysis conducted in determining the Peak Demand Period; and

- (d) the method by which submissions should be provided.
 - 3.1.2. Market Participants may provide a submission in response to AEMO's invitation under paragraph 3.1.1(b) by the closing date published on the WEM Website under paragraph 3.1.1(c).
 - 3.1.3. In determining whether to change the Electric Storage Resource Obligation Intervals,
 AEMO must consider any submissions received in accordance with paragraph 3.1.2
 and may, at its discretion, consider any submissions received after the closing date
 published on the WEM Website under paragraph 3.1.4(c).
 - 3.1.4. AEMO may contact Market Participants who provide a submission under paragraph
 3.1.2 to request clarification or further information in relation to their submissions
 by email, specifying a due date for this request.
 - 3.1.5. A Market Participant may, but is not obliged to, provide a response to a request by AEMO under paragraph 3.1.4.
 - 3.1.6. If a Market Participant does not provide a response to AEMO's request under paragraph 3.1.4, AEMO will consider the original submission for the purposes of paragraph 3.1.3.
- 3.1.7 If AEMO, in its sole discretion, and after considering all submissions received under paragraph 3.1.2, decides to change the Electric Storage Resource Obligation Intervals, it must publish a notice on the WEM Website by 31 July of Year 1 of the Reserve Capacity Cycle.



4.3. Publishing the <u>Mid Peak</u> Electric Storage Resource Obligation Intervals

- 4.1.1.3.1.1. AEMO must will publish details, on the WEM Website, of the Trading Intervals in each Trading

 Day that are is classified as the Mid Peak Electric Storage Resource Obligation Intervals for each Trading

 Day in the relevant Capacity Year on the WEM Website by the date and time specified in clause 4.1.8

 [clause 4.11.3A(a)] and clause 4.11.3A(b)].
- 4.1.2.3.1.2. AEMO may publish the following information in the Statement of Opportunities Report or in a separate document, published with the Statement of Opportunities Reportat AEMO's sole discretion:
 - (a) the outcome of AEMO's review under paragraph 2.1.2;
 - (b) any redetermined Mid Peak Electric Storage Resource Obligation Intervals, as identified in paragraph 2.1.7 for the purposes of clause 4.11.3A(b);
 - (a)(c) the Peak Demand Periods used to determine the Mid Peak Electric Storage Resource Obligation Intervals, as identified in paragraph 2.1.3;
 - (b)(d) any supporting analysis that AEMO conducted in determining the Peak Demand Periods in paragraph 2.1.3; and
 - (e) any supporting analysis that AEMO conducted as part of its considerations in paragraph 2.1.6 to determine whether the Mid Peak Electric Storage Resource Obligation Intervals remain appropriate, and if not, to change the Mid Peak Electric Storage Resource Obligation Intervals; and
 - (f) <u>details of</u> any other information used to determine the <u>Mid Peak</u> Electric Storage Resource Obligation Intervals <u>and the Peak Demand Periods-that AEMO considers relevant</u>.
- 3.1.3. AEMO will record the information required by clause 6.3.1 by 6:50 AM on each Scheduling Day and any alternative information determined under paragraph 2.1.9 and will publish the information on the WEM Website.

WEM Procedure: Mid Peak Electric Storage Resource Obligation Intervals





Appendix A. Relevant clauses of the WEM Rules

Table 23 details:

- (a) the head of power clauses in the WEM Rules under which the Procedure has been developed; and
- (b) each clause in the WEM Rules requiring an obligation, process or requirement be documented in a WEM Procedure, where the obligation, process or requirement has been documented in this Procedure.

Table 3Table 2

Relevant clauses of the WEM Rules

| Clause |
|--|
| 4.11.3A(a) |
| 4.11.3A(b) |
| 4.11.3A(c) |
| <u>6.3.1</u> |
| Chapter 11 definition: Electric Storage Resource Obligation Duration |