
2020 Expressions of Interest summary report

15 May 2020

A report for the Wholesale Electricity Market

Important notice

PURPOSE

AEMO has prepared this document to provide information about the Western Australia Wholesale Electricity Market, as at the date of publication.

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VERSION CONTROL

Version	Release date	Changes
1	15/05/2020	

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1. Background

Each year, the Australian Energy Market Operator (AEMO) requests expressions of interest (EOI) from existing and potential new Market Participants to provide Reserve Capacity¹. The EOI indicates the amount of new generation and Demand Side Management (DSM) capacity that may be offered into the South West interconnected system (SWIS) for a Reserve Capacity Cycle².

On 31 January 2020, AEMO requested EOIs for the 2020 Reserve Capacity Cycle, covering the 2022-23 Capacity Year³. EOI submissions closed on 1 May 2020. AEMO must publish an EOI summary by 15 May 2020 in accordance with the Wholesale Electricity Market (WEM) Rules.

This report provides a summary of EOIs submitted to AEMO for the 2022-23 Capacity Year. In accordance with clause 4.2.7 of the WEM Rules, the report must outline the following information:

- The number of EOIs received.
- Based on the EOIs, the additional Reserve Capacity potentially available (which must be categorised).
- AEMO's estimate of the existing capacity eligible to be assigned Certified Reserve Capacity (CRC)⁴ in the SWIS.
- The preliminary Reserve Capacity Requirement (RCR)⁵.

¹ Reserve Capacity may be provided by generation or DSM Facilities.

² A Reserve Capacity Cycle is a cycle of events (covering a four-year period) described in clause 4.1 of the WEM Rules.

³ A Capacity Year is defined in Chapter 11 (Glossary) of the WEM Rules as a period of 12 months commencing on the start of the Trading Day on 1 October and ending on the Trading Day ending on 1 October of the following calendar year.

⁴ Certified Reserve Capacity is a quantity of Reserve Capacity that AEMO has assigned to a Facility for a Reserve Capacity Cycle in accordance with the WEM Rules.

⁵ The preliminary Reserve Capacity Requirement is AEMO's estimates of the total amount of generation or DSM capacity required in the SWIS to satisfy the Planning Criterion for a Capacity Year in accordance with the WEM Rules.

2. Summary

AEMO received three EOIs for the 2022-23 Capacity Year.

- A proposed non-intermittent generator (not serving an intermittent load) with a nameplate capacity of 29 MW.
- Proposal for a new intermittent generator with a nameplate capacity assignment of 95 MW.
- The third EOI is for a proposed intermittent generator with a nameplate capacity of 70 MW.

With the retirement of Muja G5 (195 MW) from 1 October 2022, approximately 4,792 MW of capacity is expected to be in service for the 2022-23 Capacity Year. It is estimated that there will be 310 MW of excess capacity for the 2022-23 Capacity Year.

The potential supply-demand balance for capacity for the 2022-23 Capacity Year is outlined in Table 1.

Table 1 Preliminary supply-demand balance for the 2022-23 Capacity Year

Capacity Credits assigned for the 2021-22 Capacity Year	4,924.847
Potential capacity provided by 2020 EOIs^A	61.960
Estimate of the existing capacity eligible to be assigned CRC for the 2022-23 Capacity Year	4,791.807
Preliminary RCR for the 2022-23 Capacity Year	4,481.000
Estimated excess capacity for the 2022-23 Capacity Year	310 (6.5%)

A. This figure has been adjusted from the nameplate capacity figures provided by the project proponents as outlined in Table 2 to account for an estimate of the Relevant Level for intermittent generators.

2.1 Categories of EOI submissions

The EOI submissions for the 2019 Reserve Capacity Cycle are summarised in Table 2 (in accordance with clauses 4.2.7(a), (b), (c) and (d) of the WEM Rules).

Table 2 Summary of EOI for the 2020 Reserve Capacity Cycle^A

Summary of Expressions of Interest	2022-23 Capacity Year (MW)
Committed Facilities (in place or under construction)	28.960
Facilities that are not yet committed	165.000
Total	193.960
For Facilities that are not yet committed	
Facilities for which an Access Proposal has been made and all necessary Environmental Approvals granted	0.000
Facilities for which applications for both Access Proposals and Environmental Approvals have been made and one or both are being processed	0.000
Facilities for which no Access Proposal has been applied for or some or all Environmental Approvals have not been applied for	165.000
Total	165.000
Categorisation based on plant type	
Intermittent generators	165.000
Non-intermittent generators	28.960
Demand side management	0.000
Total	193.960
Categorisation based on primary fuel type	
Diesel	0.000
Natural gas	0.000
Renewable energy	193.960
Total	193.960
Categorisation based on backup/alternative fuel option	
Gas	00.000
None or not applicable	193.960
Total	193.960

A. Figures in this table represent nameplate capacity. See Table 1 for estimated Capacity Credits.