

2011 Call for Expressions of Interest for New Capacity

Summary of Results

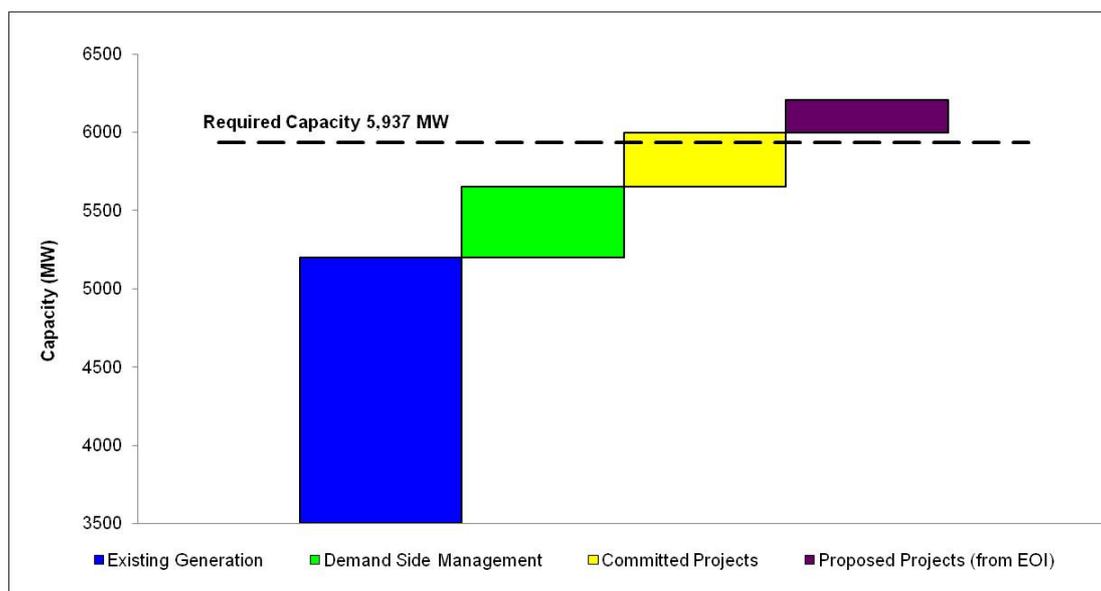
The IMO operates a Reserve Capacity Mechanism to ensure that an appropriate level of capacity is maintained within the South West Interconnected System.

On 28 January 2011, the IMO issued a Request for Expressions of Interest for new generation and demand side management capacity to be available for service during the period October 2013 through to October 2014. The preliminary estimate for the Reserve Capacity Requirement in the 2013/14 Capacity Year is 5,937 MW. The IMO estimates that approximately 5,996 MW of Capacity Credits will be assigned to existing or committed facilities for 2013/14, based on the number of Capacity Credits assigned for the 2012/13 Reserve Capacity Year, as no plant closures are expected.

A total of eight Expressions of Interest were received for the 2013/14 Reserve Capacity Year, totalling 337.25 MW of new capacity potential. This indicates strong, continuing interest in the provision of capacity to the Wholesale Electricity Market. This includes 100.6 MW of proposed new Demand Side Management capacity.

The diagram below shows how these facilities will contribute towards meeting the forecast system reliability target. It should be noted that the forecast is based on figures provided in the 2010 Statement of Opportunities Report. The 2011 Statement of Opportunities Report, which is scheduled to be published on 1 July 2011, will update the demand forecasts for the 2013/14 Reserve Capacity Year and set the Reserve Capacity Requirement. The level of Capacity Credits assigned to both new and existing facilities may also alter the preliminary supply/demand balance for this Reserve Capacity Cycle.

Figure 1 Preliminary Capacity Outlook 2013/14



Details of the capacity offered through the Expressions of Interest are set out below in accordance with Market Rule 4.2.7.

2011 Summary of Expressions of Interest	2013/14
Number of EOI's Received	8
Committed Facilities (in place or under construction)	0.00
Facilities that are not yet committed	337.25
Total	337.25
Approvals for Facilities that are not yet committed	
Environmental Approvals	
Facilities with environmental approval	0.65
Facilities with approval underway (environmental)	56.00
Facilities yet to commence environmental approval process or do not require environmental approvals	280.60
Total	337.25
Access offers	
Facilities with approval (network access)	0.00
Facilities with approval underway (network access)	236.65
Facilities yet to commence approval process or do not require a network access offer	100.60
Total	337.25
Clause 4.2.7 (b) (ii) Requirements	
Facilities with environmental approval and network access offer	0.00
Facilities with both applications lodged, one or both pending approval	56.65
Facilities with one approval underway	180.00
Facilities yet to commence approval process or do not require approvals	100.60
Total	337.25
Categorisation in Terms of Plant Type	
Intermittent generators	56.65
Non-intermittent generators	180.00
Demand side management	100.60
Total	337.25
Categorisation in Terms of Primary Fuel Source	
Diesel	180.00
Renewable Energy	56.65
Demand Management	100.60
Total	337.25
Categorisation in Terms of Backup Fuel Source	
None or Not Applicable	337.25
Total	337.25
Reserve Capacity Potential	
Capacity offered through EOIs	337.25
Estimate of existing capacity eligible to be assigned Certified Reserve Capacity	5,996.00
Preliminary estimate of Reserve Capacity Requirement	5,937.00