

Rule Change Extension Notice: Capacity Credit Allocation Methodology for Intermittent Generators (RC_2018_03)

Submitter: Fan Zhang, Collgar Wind Farm (**Collgar**)

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This notice of extension is given under clause 2.5.12 of the Wholesale Electricity Market Rules (Market Rules).

Date of extension: 26 April 2018

In accordance with clause 2.5.10 of the Market Rules, the Rule Change Panel has extended the timeframe for the publication of the Draft Rule Change Report for the Rule Change Proposal titled “Capacity Credit Allocation Methodology for Intermittent Generators” (RC_2018_03) until **Wednesday 24 April 2019**.

Dates for subsequent steps of the rule change process have been adjusted accordingly.

Reason for the Extension

The Market Rules require the Economic Regulation Authority (**ERA**) to undertake three-yearly reviews of the Relevant Level Methodology (**Methodology**), with the next review due for completion by 1 April 2019. The ERA has advised that it intends to commence this review in May 2018.

The Rule Change Panel has decided to delay its assessment of RC_2018_03 until after the ERA has completed its review of the Methodology. The reason for this decision is that a change to the use of Load for Scheduled Generation (**LSG**) in the Methodology cannot be adequately assessed in isolation, because other features of the Methodology have been developed assuming the use of LSG to select peak Trading Intervals. This means that assessment of the proposal will require a broad review of the Methodology, to ensure that all the relevant interdependencies are taken into account.

The ERA’s review of the Methodology is expected to include an assessment of the use of LSG, and may also result in more material changes to the Methodology than those proposed by Collgar. The Rule Change Panel considers it would be inefficient and potentially counter-productive to conduct an overlapping review of the Methodology while the ERA’s review is in progress.

Further details relating to the Rule Change Proposal are available at https://www.erawa.com.au/rule-change-panel/market-rule-changes/rule-change-rc_2018_03.

Proposed Work Program

- The ERA completes its review of the Methodology as required under the Market Rules.
- The Rule Change Panel completes its analysis, taking the outcomes of the ERA's review into account, and presents its draft decision in the Draft Rule Change Report.
- The second submission period is held.
- The Rule Change Panel presents its final decision in the Final Rule Change Report.
- If approved, the Amending Rules commence.

Extended Timeline

The projected timeline for processing this proposal, including the extension, is:

