

Electricity Industry (Wholesale Electricity Market) Regulations 2004

Wholesale Electricity Market Amendment (Supplementary Capacity No. 2) Rules 2023

Commencement

- The amending rules set out in Schedule A come into operation at 8:00 AM (WST) on 22 July 2023.
- The amending rules set out in Schedule B come into operation at 8:00 AM (WST) on 1 April 2024.

Where there are market rules made by the Minister for Energy in accordance with regulation 7(5) of the *Electricity Industry (Wholesale Electricity Market) Regulations 2004* prior to the date this Instrument is made which are specified to come into operation on the same day as the amending rules set out in this Instrument, the amending rules set out in this Instrument come into operation immediately after the commencement of those market rules.

Schedule A

1. Section 4.24 amended

- 1.2. Clause 4.24.1 is amended by inserting a comma immediately after the words 'Capacity Year'.
- 1.3. Clause 4.24.1A is amended by inserting a comma immediately after the words 'Capacity Year'.
- 1.4. Insert the following new clause 4.24.1B(gA):
 - (gA) a statement that a respondent must provide evidence that it has access to a network, or has taken steps to obtain access to a network, where applicable;
- 1.5. Clause 4.24.1C(b) is amended by deleting the full stop immediately after the word 'clause' and replacing it with a space.
- 1.6. Clause 4.24.1C(c) is deleted and replaced with the following:
 - (c) must, for each response assessed by it, provide feedback to each respondent on whether AEMO or Western Power, as applicable, considers the Eligible Services the respondent proposes to provide would be likely to be capable of meeting the requirements outlined in the call for expressions of interest and contained in the standard Supplementary Capacity Contract.

- 1.7. Clause 4.24.3(a) is amended by deleting the words 'a previous' immediately after the words 'current Capacity Year or' and replacing them with the words 'did not satisfy its Reserve Capacity Obligations during the immediately preceding'.
- 1.8. Clause 4.24.3(c) is deleted and replaced with the following:
- (c) the production of electricity by Energy Producing Systems that are Registered Facilities, or load reductions provided by loads, but only to the extent that the electricity is generated, or the load reduction is provided, by capacity for which the relevant Market Participant:
 - i. does not hold Capacity Credits in the current Capacity Year or has not held Capacity Credits in the current Capacity Year or the immediately preceding Capacity Year; or
 - ii. provides evidence satisfactory to AEMO, prior to a Supplementary Capacity Contract taking effect, that:
 - 1. costs have been incurred to enable the provision of the capacity through the installation of physical equipment; and
 - 2. the capacity is in addition to the sent out capacity of the Energy Producing Systems, or the maximum amount of load that can be curtailed, that existed prior to the installation of the physical equipment.
- 1.9. Clause 4.24.7 is amended by deleting the words 'specification of' and replacing them with the words 'provision of the following information'.
- 1.10. Clause 4.24.7(j) is amended by deleting the word 'and' immediately after the words 'clause 4.24.6(g);'.
- 1.11. Clause 4.24.7(k) is amended by deleting the full stop at the end of the clause and replacing it with the words 'and any associated NMI, where applicable;'.
- 1.12. Insert the following new clauses 4.24.7(l) and 4.24.7(m):
- (l) evidence that the Eligible Service will have access to a network for the contract period, where applicable; and
 - (m) the applicant's consent for Western Power to provide AEMO with relevant information, including information related to meters, meter readings and status of access arrangements, where applicable.
- 1.13. Clause 4.24.8(c) is amended by deleting the words 'subject to the preceding paragraphs and clause 4.24.9,' and replacing them with the words 'subject to clauses 4.24.8(a), 4.24.8(b) and 4.24.9,'.
- 1.14. Clause 4.24.8(c)(ii) is amended by inserting the word 'the' immediately after the word 'meet'.

- 1.15. Clause 4.24.10(c)(vi) is amended by inserting the words 'and any associated NMI, where applicable' immediately after the word 'Identifier'.
- 1.16. Clause 4.24.11 is amended by deleting the word '4.24.11A' and replacing it with the word '4.24.11B'.
- 1.17. Insert the following new clause 4.24.11B:
- 4.24.11B. Following the completion of a tender process called under clauses 4.24.2(a) or 4.24.2(b)(i) and any negotiations in accordance with clause 4.24.2(b)(ii), as applicable, AEMO must publish on the WEM Website the following information for each Supplementary Capacity Contract:
- (a) the name of the service provider that has been contracted to provide supplementary capacity;
 - (b) the quantity contracted under the Supplementary Capacity Contract;
 - (c) whether the contract was entered in through a tender process or direct negotiation; and
 - (d) the type of the Eligible Service contracted.
- 1.18. Clause 4.24.14 is amended by deleting the word 'then' immediately after the word 'appropriate,'.
- 1.19. Clause 4.24.16 is deleted and replaced with the following:
- 4.24.16. AEMO must verify the ability of each contracted Eligible Service to provide the maximum quantity contracted under the Supplementary Capacity Contract.
- 1.20. Clause 4.24.18(c) is amended by deleting the words 'applying to provide Eligible Services' and replacing them with the words 'intending to respond to a call for expressions of interest under clause 4.24.1A, or intending to provide supplementary capacity in response to a call for tenders or direct negotiation under clause 4.24.2'.
- 1.21. Clause 4.24.18B is amended by deleting the words 'applying to provide Eligible Services' and replacing them with the words 'intending to respond to a call for expressions of interest under clause 4.24.1A, or intending to provide supplementary capacity in response to a call for tenders or direct negotiation under clause 4.24.2'.

2. Chapter 11 (Glossary) amended

- 2.2. Insert the following new definitions in Chapter 11 (Glossary) in the appropriate alphabetical order:

National Metering Identifier: The unique identifier for a connection point.

NMI: See National Metering Identifier.

Schedule B

1. Section 4.24 amended

1.1. Clause 4.24.18(a) is deleted and replaced with the following:

- (a) the process it follows in:
 - i. acquiring Eligible Services;
 - ii. entering into Supplementary Capacity Contracts;
 - iii. determining the maximum contract value per hour of availability for any Supplementary Capacity Contract;
 - iv. determining how a payment in relation to a Supplementary Capacity Contract is to be made to the party identified in clause 4.29.3(e)(ii) if that party is not a Market Participant; and
 - v. determining under clause 4.24.8(d) that a provider of an Eligible Service has access to the network;

1.2. Clause 4.24.18(b) is deleted and replaced with the following:

- (b) requirements regarding the information and assistance AEMO may require from Western Power to support:
 - i. an expression of interest process or a procurement process for supplementary capacity under this section 4.24; and
 - ii. measuring the performance of activated Eligible Services subject to a Supplementary Capacity Contract;