

EXECUTIVE SUMMARY

Synergy welcomes the opportunity to provide a submission on Energy Policy WA’s (EPWA’s) Reserve Capacity Mechanism Review – WEM Amending Rules Exposure Draft (**RCMR Draft Rules**) regarding the implementation of the outcomes of the Reserve Capacity Mechanism (**RCM**) Review in the Wholesale Electricity Market Rules (**WEM Rules**). Synergy’s detailed comments on the RCMR Draft Rules are provided below in the table. Synergy thanks EPWA for their work to date on the WEM reform programs and looks forward to EPWA’s continued consultation on market reform matters.

DETAILED COMMENTS ON PROPOSED DRAFTING

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation				
#	Rule ref.	Classification	Issue	Suggestion
1	General	Moderate	With the market now operating on the basis of daily IRCR and weekly settlements, Synergy considers that the conversion of the Facility Monthly Reserve Capacity Price to individual intervals should be revised. Currently, with the Facility Monthly Reserve Capacity Price being converted into an interval level price, the value varies depending on the number of days in the month. This has the unintended consequence of valuing capacity more in shorter months when compared to longer months.	Suggest the use of the Facility Monthly Reserve Capacity Price is removed, and that the differential Capacity Prices (based on the Transitional cap and floor prices, or Fixed Price Facilities) are determined on an annual basis. The annual Facility Reserve Capacity Prices are then used within the formulas (instead of the Facility Monthly Reserve Capacity Prices) and divided by the number of intervals within the year to determine interval level Capacity Price for each of the Facilities
2	Section 3.11A and clause 4.5.10(c)	Moderate	<p>Synergy notes the proposed drafting does not appear to require any action to be taken by AEMO to seek to remedy a potential shortfall identified under clause 4.5.10(c). Synergy suggests that the WEM rules should require AEMO to action the shortfalls being addressed, if AEMO does not consider that the potential shortfalls will be remedied within the normal Reserve Capacity Cycle Process.</p> <p>To address this concern, a potential option is to add a new subclause item into clause 3.11A.2 which links to any potential shortfalls identified in clause 4.5.10, or alternatively add a new clause within Section 3.11A..</p>	<p>3.11A.2: If AEMO or a Network Operator reasonably considers that one or more of the following events has occurred or applies:</p> <p>...</p> <p>(d) a modification to an existing Power System Security or Power System Reliability standard or the introduction of a new Power System Security or Power System Reliability standard within a network planning cycle may trigger the need to procure a NCESS; or</p> <p>(dA) AEMO has identified a potential capacity shortfall under clause 4.5.10(c) and considers that a potential shortfall will remain after the Capacity Cycle process has been completed; or</p> <p>(e) AEMO considers, in the course of its normal power system operations, that a significant threat to Power System Security or Power System Reliability exists or is emerging, and the existing mechanisms under these WEM Rules may not be sufficient to address the threat,</p> <p>....</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
3	4.1.16A(b)	Typographical	Note that there are currently two subitems numbered as 4.1.6A(b). Suggest the second one is numbered (bA)	<p><u>4.1.16A:</u></p> <p>...</p> <p>(b) determine in accordance with clause 4.20.5A(aA) whether the Peak Reserve Capacity Requirement has been met or exceeded with the Capacity Credits assigned for Year 3 of the Reserve Capacity Cycle:</p> <p>...</p> <p>(bA) determine in accordance with clause 4.20.5A(aB) whether the Flexible Reserve Capacity Requirement has been met or exceeded with the Flexible Capacity Credits assigned for Year 3 of the Reserve Capacity Cycle:</p> <p>...</p>
4	4.1.23BA	Typographical	Suggest that AEMO should also be required to publish the Trading Intervals that relate to the 3 High-Ramp Trading Days	<p><u>4.1.23BA:</u></p> <p>For each Trading Month, AEMO must determine and publish the 3 High-Ramp Trading Days and the four Trading Intervals for each of the Trading Days selected, within five Business Days after the Interval Meter Deadline for the Trading Week containing the last Trading Day of the relevant Trading Month. For the avoidance of doubt, AEMO must not revise the 3 High-Ramp Trading Days after their publication.</p>
5	4.1.23C and 4.1.23D	Typographical	Suggest the two clauses are merged into one for ease of reading.	<p><u>4.1.23C:</u></p> <p>AEMO must determine and provide to each Market Participant:</p> <p>(a) that Market Participant’s Indicative Peak Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.6; and</p> <p>(b) that Market Participant’s Indicative Flexible Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.6A</p> <p>by 5:00 PM on the Business Day that is 10 Business Days prior to the start of the Trading Week containing that the relevant Trading Day.</p> <p><u>4.1.23D:</u></p> <p>[Blank] AEMO must determine and provide to each Market Participant that Market Participant’s Indicative Flexible Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.6A by 5:00 PM on the Business Day that is 10 Business Days prior to the start of the Trading Week containing that Trading Day.</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
6	4.1.24 and 4.1.25	Typographical	Suggest the two clauses are merged into one for ease of reading.	<p>4.1.24: AEMO must determine and provide to each Market Participant: (a) that Market Participant’s Peak Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.7; and (b) that Market Participant’s Flexible Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.7A by 5:00 PM on the Settlement Statement Date for the Trading Week containing that the relevant Trading Day.</p> <p>4.1.25: [Blank] AEMO must determine and provide to each Market Participant that Market Participant’s Flexible Individual Reserve Capacity Requirement for each Trading Day in accordance with clause 4.28.7A by 5:00 PM on the Settlement Statement Date for the Trading Week containing that Trading Day.</p>
7	4.1.26(b)	Typographical	Suggest that the references to the 16 September 2019 within subclause items (b)iii and (b)iv are removed and are instead replaced with “16 September of Year 2 of the Reserve Capacity Cycle”.	<p>4.1.26(b): ... iii. on 1 October of Year 3 of the Reserve Capacity Cycle, for Facilities that were commissioned as at 16 September 2019of Year 2 of the Reserve Capacity Cycle or for Facilities which have provided Capacity Credits in one or both of the two previous Reserve Capacity Cycles; iv. on 1 June of Year 3 of the Reserve Capacity Cycle, for Facilities commissioned between 16 September 2019of Year 2 of the Reserve Capacity Cycle and 1 June of Year 3 of the Reserve Capacity Cycle; v.</p>
8	4.4A.1	Minor	Suggests that the clause is amended so all registered Facilities will be required to provide notification of operational cessation. Synergy considers, with a constrained network, cessation of small Facilities may also pose reliability concerns in particular locations.	<p>4.4A.1: If a Facility, other than a Demand Side Programme with less than 10 MW of Capacity Credits or a Non-Scheduled Facility, is to cease operation permanently, the Market Participant to whom that Facility is registered must:</p>
9	4.5.9(a)i	Typographical	Suggest the clause referred to should instead be clause 4.11.1A rather than 4.11.1(hA) Note, Synergy has concerns with clause 4.11.1A which are raised below in item 18	<p>4.5.9(a): i. the forecast peak demand (including transmission losses and allowing for Intermittent Loads) multiplied by the proportion of capacity expected to be unavailable at the time of peak demand due to Forced Outages excluding Forced Outages of Facilities to which clause 4.11.1(hA)4.11.1A applies; and</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
10	4.5.12(c) and (d)	Clarity	<p>Synergy seeks clarity as to how the calculation of the Availability Duration Gap accounts for a change solely in the timing of the Peak Electric Storage Resource Obligation Intervals, which may not necessarily mean that the Availability Duration Gap has increased, more that the time of the Peak has changed.'</p>	
11	4.5.12(f)	Major	<p>Synergy does not support the proposed changes to DSP dispatch requirements and considers the proposed changes introduce system security risks. Further the significant reduction in the DSP dispatch requirement does not represent good value to customers that are paying the equivalent amount to other technology types that can be dispatched in excess of what is being proposed for DSPs.</p> <p>Synergy, as a Market Participant who represents a significant proportion of SWIS customers, suggests dispatch requirements for DSPs are increased to a more reasonable level. Setting such low dispatch requirements for DSPs provides extremely limited energy security if actual demand differs to forecasts, or in more likelihood that actual supply is below forecast due to network failures, generator outages or fuel supply disruptions.</p> <p>Synergy suggests further investigation is undertaken to determine the most suitable treatment and financial incentives for DSP that will ensure customers receive a reasonable level of service in return for DSP capacity payments. Synergy continues to support the replacement of the DSP product with a scheme that provides a reasonable “availability payment” and a high “scarcity dispatch payment” to DSPs. This approach more strongly aligns to the cost structure that DSPs incur and ensures that dispatch incentives in system stress events are above any potential business operational impacts that the load may incur.</p> <p>Synergy also notes that there appears to be inconsistencies in ensuring customers receive a reasonable level of reliability and security for the costs they incur when comparing proposed approaches between DSPs and for Capability Class 2 Facilities. Item 19 below raises additional concerns in relation to the treatment of Capability Class 2 Facilities.</p>	
12	4.5.13(cA)	Typographical	<p>Suggest that the clause should specify that the assessment is only in relation to the Energy Producing System capacity <i>that is certified</i> to be capable of meeting the requirements of Flexible Capacity</p> <p>Note item 13 below provides additional considerations in relation to the capability of a Demand Side Programme in meeting the requirements of Flexible Capacity.</p>	<p>4.5.13: (cA) the amount by which the installed Energy Producing System capacity plus the Demand Side Programme capability certified for Flexible Capacity to available exceeds or falls short of the Flexible Reserve Capacity Target for each Capacity Year; ...</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
13	4.10.1(f)iB, 4.10.1(f)iC, 4.10.1(f)ii, 4.10.1(f)iii, 4.12.7	Major	<p>Synergy considers the Demand Side Program (DSP) Facility Class as is currently structured under the WEM Rules and proposed to be redesigned in the RCMR Draft Rules should not be eligible for Flexible Capacity Credits. Synergy is supportive of loads (such as DSP and aggregated DER) being able to participate in the WEM, however when there is significant difference in the capability and obligations of provision of the market service, caution needs to be used to ensure that loads can meet the level of security and reliability that is required for the service.</p> <p>The RCMR Draft Rules propose significant reductions in the DSP dispatch requirements for Peak Capacity (discussed further above in item 11), which Synergy considers, excludes DSP from being able to provide the service required for Flexible Capacity. Synergy expects that the occurrence of system events which require Flexible Capacity for ramping will significantly exceed the occurrence of system peak demand events. Thus, with the proposal for DSP to have minimal dispatch obligations and possible long notice periods prior to DSP dispatch, Synergy considers that DSP is unlikely to be able to provide the level of certainty and reliability to deliver Flexible Capacity when the system needs it.</p> <p>Further, the Flexible Capacity product is newly introduced under the RCMR Draft Rules, and Synergy suggests additional caution is used to ensure that the product and the Facilities certified for Flexible Capacity meet the expectations and requirements of customers that pay for the service.</p> <p>If loads are to participate in the Flexible Capacity product, particularly in the initial years of the product, the capacity of a Facility (including energy producing systems) should be required to be at least 10MW to ensure that it can provide a meaningful impact in the meeting the flexible requirements. In addition, dispatch requirements should be set to ensure a Facility can reasonably be relied upon to provide the service every day (with allowances for outages) outside of the Hot Season (i.e. the four hour ramp period every day for 9 months) and criteria should be added with respect to maximum notice periods for DSP dispatch.</p>	
14	4.10.1(fE)	Clarity	<p>Synergy seeks clarity as to what requirements and obligations will be applied to Flexible Capacity and the notification requirements that will be applied. The RCMR Draft Rules currently do not provide any certainty to Market Participants on the expected requirements for Flexible Capacity.</p>	

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
15	4.10.1A	Moderate	<p>Synergy considers the WEM Rules should provide some level of guidance as to what the capability requirements should be for Flexible Capacity, rather than being implemented via an AEMO publication.</p> <p>Synergy expects the requirements of Flexible Capacity to be consistent from year to year, and if any changes in requirements are needed, the change should be minimal. Synergy notes the current proposed approach creates an increased level of uncertainty for Market Participants as the requirements will be reissued every year.</p> <p>In addition, Synergy provides the following comments in relation to the following listed subitems of the clause.</p> <ul style="list-style-type: none"> • i - Synergy considers the minimum stable generation load level should not be an important consideration for Flexible Capacity. Synergy is of the understanding and expectation that Facilities providing Flexible Capacity are not expected to be running during the midday trough, and therefore will be turning on (noting that the Facility should be fast start) at the start of the ramp. In addition, Market Participants manage their ramping and minimum generation levels within their market offers. • ii. and iii - Synergy does not consider the values being a percentage of nameplate capacity provide a useful metric, and instead should solely be the ramp rate, in MW per minute. By expressing the value in terms of nameplate capacity a smaller metric may be a result of a low ramp rate on a small Facility or a high ramp rate on a large Facility. <p>Synergy seeks clarity as to how overlapping obligations for the different market products (ESS, Flexible Capacity, NCESS) are expected to be managed within the WEM Rules and ERA Offer Construction Guidelines. Synergy also requests guidance on the proposed approach to the prioritisation of different market requirements.</p>	

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

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16	4.10.5 to 4.10.8, and 4.11.7 to 4.11.9	Moderate	<p>Synergy notes that Market Participants with intermittent generation systems are currently required under the WEM Rules to engage an AEMO approved expert to undertake the analysis and reporting required for capacity certification. In addition, the expert report on expected generation profiles provides critical information in the development of renewable projects, and as such, Market Participants already have significant obligations to ensure that analysis and reports on new projects are reliable and accurate. Synergy does not consider that additional oversight by AEMO on expert reports is warranted and adds unnecessary costs to Market Participants.</p> <p>Synergy notes that the use of LSG intervals in the current relevant level methodology (which is being addressed in the RCMR Draft Rules) is likely to be a key driver of differences in the forecast dispatch due to the LSG approach which by virtue selects high demand intervals with low intermittent generation.</p> <p>Synergy suggests that proposed clauses 4.11.7 to 4.11.9 are removed from the RCMR Draft Rules, or at a minimum the proposed drafting is amended such that AEMO is not obligated to investigate the accuracy of every Facility, and instead, “may” undertake an assessment, if AEMO considers that the Facility’s performance unreasonably differs to that forecasted within the expert reports. .</p>	<p>Preferred Solution <u>4.11.7:</u> [Blank] <u>4.11.8:</u> [Blank] <u>4.11.9:</u> [Blank]</p> <p>Alternate Solution <u>4.11.7:</u> When a Market Participant provides a report under clause 4.10.3, if AEMO considers that the performance of the Facility of the component of the Facility differs unreasonably to that estimates provided in the report, AEMO may must conduct a review to compare: (a) the estimates of expected sent out energy in historical Trading Intervals; and (b) the actual energy sent out by the Facility or the component of the Facility, and if relevant, AEMO may must compare performance under similar operating conditions, including temperature, insolation, and wind speed.</p> <p><u>4.11.8:</u> (deleted) [Blank] AEMO must conduct at least two reviews under clause 4.11.7 for each report provided under clause 4.10.3, including: (a) one review one year after AEMO determines that the Facility is in Commercial Operation; and (b) one review four years after AEMO determines that the Facility is in Commercial Operation.</p> <p><u>4.11.9:</u> (unchanged). If a review under clause 4.11.7 determines that, based on the performance of the relevant Facility since it has been in Commercial Operation, the estimates in the report provided under clause 4.10.3 were unreasonably high, AEMO may remove accreditation of the relevant expert under clause 4.11.6(c).</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
17	4.11.1(j), 4.11.1(jA) and 4.26.1A(a)ii5	Moderate	<p>Synergy seeks clarity as to how RCMR Draft Rules ensure the DSP capacity nominated under clause 4.11.1 can be reasonably achieved by the DSP load for the 14 hour offer obligation and how refunds are affectively applied if the capacity is not provided.</p> <p>Synergy notes the level of MWs being consumed (and therefore available for “dispatch” via DSP) is likely to vary for most loads across the duration of the day, and different times of the year. With the change in energy mix and volatility in the WEM from the transition to lower emissions energy system, there is increasing likelihood of system stress events occurring outside of the highest demand intervals. Synergy is concerned that during these intervals a DSP may not have enough underlying consumption to be able to provide the MW reduction that aligns with their Capacity Credits. Synergy considers, that in this situation, where the DSP is not able to provide the full MW reduction that it is certified for, refunds should be applied to unavailable/undelivered capacity.</p> <p>If DSPs have a maximum service obligation of 20 hours, refunds for non-delivery should be at least proportionate to the percentage of called but not delivered capacity relative to the 20 hour obligation.</p>	

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
18	4.11.1A, 4.11.1B and 4.11.1C	Major	<p>Synergy considers the implementation of the proposed amendments may not be in the best interest of the WEM as whole in the current circumstances and creates additional risks that may disincentivise new investments at a time when it is most needed.</p> <p>Synergy understands there are currently insufficient capacity margins to allow for Market Participants to undertake their prudent and reasonable maintenance outages as planned outages. This outcome essentially drives increases in forced outages, either due to Market Participant still undertaking the maintenance but as Forced Outage, or resulting in a higher expectation of Facility failures due to maintenance not being undertaken. Under these extenuating circumstances, additional considerations are required.</p> <p>Synergy suggests the implementation of these amendments should be delayed until Market Participants are able to reasonably undertake their required and prudent maintenance outages.</p> <p>Synergy considers that clause 4.11.1A, should be amended so any reduction in capacity credits is only undertaken on the basis of the Forced Outage rate <u>above</u> the acceptable level (being 10%). This would mean that a Facility with a 15% Forced outage rate would be subjected to a 5% Capacity Credit Reduction, which reflects the forced outages above the threshold.</p> <p>Finally, AEMO should be obligated to inform itself of the causation of the higher forced rates and any strategies undertaken to mitigate against the outages in the future under clauses 4.11.1B and 4.11.1C</p>	<p>4.11.1A: ...AEMO must assign a quantity of Peak Certified Reserve Capacity no greater than: (a) the quantity of Peak Certified Reserve Capacity that AEMO would otherwise have assigned to the Facility under this clause 4.11.1; multiplied by (b) 1 minus the amount by which the Hot Season Forced Outage rate of the Facility exceeds the Forced Outage Rate Threshold, where the Forced Outage rate for a Facility for a period is calculated</p> <p>4.11.1B: In making a decision under clause 4.11.1A 4.11.1(h) or 4.11.1(j), and without limiting the ways in which AEMO must may inform itself in either case, AEMO may: (a) seek such additional information from the Market Participant that AEMO considers is relevant to the exercise of its discretion;</p> <p>4.11.1C: In making a decision under clause 4.11.1A 4.11.1(h), AEMO: (a) must be satisfied that its decision under clause 4.11.1A 4.11.1(h) would not, on balance, be contrary to the Wholesale Market Objectives; and (b) must may assess the effectiveness of strategies undertaken by the applicant in the previous three years to reduce outages, and consider the likelihood that strategies proposed by the applicant to maximise the availability of the Facility in the relevant Reserve Capacity Cycle will be effective. iii. assess the effectiveness of strategies undertaken by the applicant in the previous three years to reduce outages, and consider the likelihood that strategies proposed by the applicant to maximise the availability of the Facility in the relevant Reserve Capacity Cycle will be effective.;</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
19	4.11.2B	Major	<p>Synergy suggests further consideration is undertaken in the certification for Capability Class 2 Facilities and considers the proposed treatment may not align with WEM objectives (c) and (d); the approach is not technology agnostic and is unlikely to minimise long-term costs to customers.</p> <p>Synergy understands the RCMR Draft Rules in completeness, effectively mean only thermal generation with lower dispatch capability (due to fuel) will be subject to lower capacity certification under the WEM Rules for Capability Class 2. Considering the proposed changes to DSP certification where DSP will have significantly lower dispatch obligations (refer to item XXX above) and continue to receive full certification and Capacity Revenue, the value proposition to customers does not appear to align with the level of service and reliability that each product provides.</p> <p>Synergy understands that thermal generation with lower fuel availability, will still have obligations to be available and dispatch when in merit for the whole year. In comparison DSPs, although it will be required to be “available” for 14 hours, it has extremely limited dispatch obligations¹ which, Synergy considers does not provide reasonable value to customers above that of a thermal Capability Class 2 Facility, however the RCMR Draft Rules provides more financial rewards (at the cost of customers) to a DSP Facility.</p> <p>Synergy suggests further consideration is needed for the treatment and financial compensation for thermal generators with lower fuel availability and ensuring that customers are being provided with a reasonable value from all technology types for security and reliability that it provides.</p>	

¹ EPWA’s Reserve Capacity Mechanism Review Information Paper Stage 2, shows that the obligation could have been between four to 20 hours for the 2023 Capacity Year, (refer Section 2.2.2, link: [reserve_capacity_mechanism_review - information_paper_stage_2.pdf \(www.wa.gov.au\)](http://www.wa.gov.au)).

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

#	Rule ref.	Classification	Issue	Suggestion
20	4.11.3A and Section 6.3	Moderate	<p>Synergy suggests clause 4.11.3A and section 6.3 are revised so that selection of intervals that are determined to be Peak Electric Storage Obligation Intervals (PESROI) is done on the basis of centring the interval that is expected to be the highest demand interval within the middle of the PESROIs for each ESR. This would mean that the ESRs are obligated to offer in a manner that provides a level of forecast error in the timing of the Peak (as half of the ESR offer duration will be prior to expected peak interval and half of it afterwards).</p> <p>In addition, Synergy notes that as more ESR capacity enters the market, the proposed approach may have the unintended outcome of creating a potential shortage of capacity prior to the PESROIs. This is due to obligations for ESRs all occurring at the same time at the First Peak Electric Storage Resource Obligation Intervals, which may also result in large swings in the dispatch merit order and the dispatch of Facilities prior to the PESROIs and in the PESROIs.</p> <p>If the differing duration obligations for ESR are instead “shaped” around the expected peak interval, the obligations for ESRs will be staggered.</p>	
21	4.11.3A(aC)	Moderate	<p>Synergy notes that the RCMR Draft Rules do not specify that the Capacity Class 1 Availability Assessment Intervals are required to be contiguous. Synergy suggests the drafting is amended to ensure interval selection is done on a contiguous basis.</p> <p>If instead the policy intention is that the hours may not be contiguous, Synergy strongly considers the need for further consultation and discussions with Market Participants. To ensure a fullsome understanding as to how investigate how this obligation differs to current requirements and any operational limitations or impacts that may be relevant for Facilities.</p>	
22	4.11.4(c) Glossary	Clarity	<p>Synergy notes that the definition of the term Capability Class 3 in the glossary does not appear to align with 4.11.4(c)i, in addition Synergy seeks clarity as how any capacity that falls under 4.11.4(c)i is intended to be treated in terms of capacity obligations and the determination of capacity credits</p>	
23	4.16.1	Typographical	<p>Typographical error, the clause should state “Flexible” BRCP and “Peak” BRCP</p>	<p>4.16.1: For all Reserve Capacity Cycles, the Economic Regulation Authority must publish a PeakFlexible Benchmark Reserve Capacity Price and a Peak Benchmark Reserve Capacity Price as determined in accordance with this section 4.16 prior to the time specified in section 4.1.4.</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

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24	4.20.5AA(b)	Clarity	<p>Synergy seeks clarity on the treatment of Transitional Facilities and the ability for these Facilities to seek certification for Flexible Capacity. The current drafting of the clause seems to imply that the Reserve Capacity Price for Flexible Capacity provided by a Transitional Facility may differ to the price that applies to other Facilities providing Flexible Capacity, which differs to Synergy’s understanding of the policy intention.</p>	
25	4.24.1AA to 4.24.1AD	Minor	<p>Synergy suggests that the RCMR Draft Rules should, allow for possibility for AEMO to seek to procure Supplementary Flexible Capacity (SFC) for both periods (1 October to 30 November, and 1 April to 30 September) at the same time if AEMO deems that it will be needed.</p> <p>Synergy considers that, if SFC is required for both periods, there is the potential that Market Participants that can service both SFC periods, may be able to offer prices on a combined basis, lower than that which would be offered for each period individually, and may allow for SFC to be procured at a lower cost to customers.</p> <p>Depending on the different requirements for any potential SFC, and also any Supplementary Peak Capacity, there may also be benefits in allowing AEMO to allow for procurement for all Supplementary Requirements within one tender process.</p> <p>Synergy suggests that the clauses are redrafted to allow for AEMO to consider multiple Supplementary Capacity requirements and time periods within one tender process if AEMO deems that it may be desirable.</p>	
26	4.25.4CD	Typographical	Suggested edits to align with the defined term	<p>4.25.4CD: If AEMO reduces Peak Capacity Credits for a Demand Side Programme, the relevant Market Participant must pay to AEMO an amount equal to the sum of the Peak Capacity Reduction Payment and the Peak Capacity Additional Reduction Payment Amount for that Demand Side Programme on that Trading Day.</p>

Market Power Mitigation Framework – Draft Amending WEM Rules for Consultation

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27	4.28.1A	Typographical	Suggest the references to clause 4.28.1 should instead be to 4.28.1A within the last paragraph of the clause.	<p>4.28.1A:</p> <p>...</p> <p>(b) the Flexible Targeted Reserve Capacity Cost, calculated in accordance with clause 4.28.4A, which is the cost of other Flexible Capacity Credits acquired but not allocated to the set referred to in clause 4.28.1A(a),</p> <p>determined on the basis that the Flexible Capacity Credits acquired by AEMO are allocated to the set referred to in clause 4.28.1(a) in order of decreasing cost per Flexible Capacity Credit until the capacity requirements referred to in clause 4.28.1A(a) are met, with the remaining Flexible Capacity Credits acquired by AEMO being allocated to the set referred to in clause 4.28.1A(b).</p>
28	4.29.1	Typographical	Suggest that the formula terms BRCP Cap Factor, EZ BRCP Factor, EZ and AZ that are defined under 4.29.1(a) are also defined under 4.29.1(b) as they are used again within this clause item for a different formula.	
29	Section 9.8	Typographical	<p>Suggest that the clause layout and numbering of the subclause items for the clauses containing a formula within this section are reviewed and revised.</p> <p>For some of the clauses with formulas, the terms used within the formula are being defined under their own subclause item, rather than within the same subclause as the formula.</p> <p>For example, at the end of the subclause 9.8.3(b), the “where” should be reinstated, and the clauses 9.8.3(bA),to 9.8.3(bJ) should instead be numbered 9.8.3(b)i to 9.8.3(bx).</p>	
30	Glossary	Moderate	Suggests that the definition of Flexible Capacity should not include a “ <u>requirement</u> ” to respond to variations in Intermittent Generating System output. Synergy notes that although a Facility that provides Flexible Capacity is likely to be capable of providing ESS to assist managing the variability in intermittent generation, it should not be a stated “requirement” of the Facility to be able to do this. The assessment of a Flexible Capacity Facility to meet ESS requirements should be undertaken within the ESS accreditation process.	<p>Flexible Capacity: Reserve Capacity that meets the requirements determined under clause 4.10.1A for the relevant Reserve Capacity Cycle, such that it is able to respond at very short notice to manage variations in load and Intermittent Generating System output during high ramp periods.</p>