

RESERVE CAPACITY INFORMATION PACK

Each year the Independent Market Operator (IMO) is required to publish the Reserve Capacity Information Pack. This is an obligation established under Clause 4.7 of the Wholesale Electricity Market Rules (Market Rules).

This Reserve Capacity Information Pack sets out the Reserve Capacity Requirement for the Capacity Year that runs from 1 October 2015 to 1 October 2016. It provides information on the Expression of Interest process that was conducted between January and May 2013 and information in respect to the amount of capacity that can be provided by facilities, such as Demand Side Management (DSM) that are only available for limited periods.

A more detailed discussion of the information provided below is included in the 2013 Statement of Opportunities Report available at <http://www.imowa.com.au/soo>.

Should you have any questions in respect to the information provided here, please contact the IMO on (08) 9254 4300 or at imo@imowa.com.au.

Reserve Capacity Requirement

The Reserve Capacity Requirement for the 2015/16 Reserve Capacity Cycle is **5,119 MW**.

Availability Curve

The Market Rules include the concept of Availability Classes. This approach recognises the value of DSM, but ensures that the time limitations of DSM are properly considered when assessing system reliability.

Four Availability Classes are defined under the Market Rules:

- Class 1 relates to generation capacity;
- Class 2 relates to capacity from DSM¹ that is available for at least 72 hours every year;
- Class 3 relates to capacity from DSM that is available for at least 48, but less than 72, hours every year; and
- Class 4 relates to capacity from DSM that is available for at least 24, but less than 48, hours every year.

The Market Rules do not limit the amount of Capacity Credits assigned to any Availability Class where there is intent to bilaterally trade.

The Availability Curve information for 2014/15, 2015/16 and 2016/17 is shown in Table 1.

¹ May be provided by Demand Side Programmes, Interruptible Loads or Dispatchable Loads

Table 1 – Availability Curve data

	2014/15 (MW)	2015/16 (MW)	2016/17 (MW)
Market Rule 4.5.12(a):			
Capacity required for more than 24 Hours	4,358	4,453	4,574
Capacity required for more than 48 Hours	4,214	4,305	4,422
Capacity required for more than 72 Hours	4,111	4,198	4,313
Market Rule 4.5.12(b):			
Minimum Generation Required	4,275	4,394	4,578
Market Rule 4.5.12(c):			
Capacity associated with Availability Class 1	4,275	4,394	4,578
Capacity associated with Availability Class 2	0	0	0
Capacity associated with Availability Class 3	83	59	0
Capacity associated with Availability Class 4	642	666	685

Note that capacity that meets the requirement of any particular Availability Class can also cover the requirements of a higher Availability Class. Therefore:

- Facilities that are in Availability Class 1 can cover the requirements of Availability Classes 2, 3 or 4.
- Facilities that are in Availability Class 2 can cover the requirements of Availability Classes 3 or 4.
- Facilities that are in Availability Class 3 can cover the requirement of Availability Class 4.

Expressions of Interest Process

The 2013 Request for Expressions of Interest and the 2013 Summary of Expressions of Interest are available on the IMO website at <http://www.imowa.com.au/eoi>.