



Wholesale Electricity Market Rule Change Proposal Submission

RC_2025_01

Supplementary Reserve Capacity Amendments

Submitted by:

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Submissions on Rule Change Proposals can be sent by:

Email to: energymarkets@deed.wa.gov.au

Post to: Energy Policy WA
Attn: Director, Wholesale Markets
Level 1, 66 St Georges Terrace Perth, WA, 6000
Locked Bag 100
East Perth WA 6892

1. Please provide your views on the proposal, including any support, objections, or suggested revisions.

Enel X notes in its current form the Bluewaters Rule Change Proposal if implemented would offer benefits to Energy Producing Systems that are unavailable to Demand Side Programmes (DSP) facing similar changes in circumstances.

Enel X acknowledge that information relevant to the award of Peak Capacity Credits in Year 1 of the Capacity Cycle may materially change over time. This is relevant to both Energy Producing Systems and DSP resources.

Demand Side Programmes are uniquely adaptable over short timeframes as aggregators can reconfigure programme incentives, implement process improvements, and recruit alternative flexible load resources in short timeframes. In the same way Bluewater's proposed Rule changes support Supplementary Reserve Capacity (SRC) procurement process participation for an EPS if there was a material change in circumstances, Enel X propose that DSP resources that have previously failed to meet Reserve Capacity Obligations but have undergone demonstrable material changes to address the causes of prior unsatisfactory performance should similarly be allowed to participate SRC procurement processes.

Enel X recommend a revised Rule amendment that facilitates supplementary capacity eligibility where either:

- A Demand Side Programme that did not satisfy its Reserve Capacity Obligations during the current Capacity Year or did not satisfy its Reserve Capacity Obligations during the immediately preceding Capacity Year but has otherwise provided evidence satisfactory to AEMO the DSP has undergone demonstrable and material changes to address the causes of failure to satisfy its Reserve Capacity Obligations, or
- An Energy Producing System does not hold Peak Capacity Credits in the current Capacity Year and had applied for Certification of Reserve Capacity in year 1 of the current Reserve Capacity Cycle if the Energy Producing System was a Registered Facility in that year and has provided evidence satisfactory to AEMO of demonstrable material changes that address the reasons for AEMO to not award Peak Capacity Credits

There are many reasons why a DSP may not have satisfied its Reserve Capacity Obligations which may not be a limiting factor under the SRC due to its shorter duration and more targeted nature, and since the SRC is a price competitive process the more capacity offering and competing in the SRC the higher likelihood it is to result in more efficient outcomes.

2. Please provide an assessment of whether the change will better facilitate the achievement of the State Electricity Objective.

The Bluewater Rule change proposal in its current form doesn't adequately address the security and reliability of supply of electricity limb of the State Electricity Objective (SEO) due to the absence of the requirement to demonstrate satisfactory changes that address the reasons for AEMO's decision to not award Peak Capacity Credits.

Expanding the change in circumstance reopener to both DSP and EPS resources and including requirements to address unsatisfactory actual or expected performance addresses both the security and reliability of supply, and price of electricity limbs of the SEO.

3. Please indicate if the proposed change will have any implications for your organisation (for example changes to your IT or business systems/processes) and any costs involved in implementing the changes.

The current Bluewater proposal may result in flexible demand resources competing against potentially lesser quality EPS resources. Requiring AEMO to specifically consider the change in circumstance of the EPS ensures all potential SRC resources are of good quality and investments to support SRC can be made with the knowledge that only quality resources are eligible.

4. Please indicate the time required for your organisation to implement the change, should it be accepted as proposed.

Enel X have not identified any material implementation time considerations.
