

# Estimates for GIA Facilities Rule Change Proposal

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alintaenergy



**Principle:**

A Facility's Capacity Credits should not be impacted by a Network Planned Outage.

The **RLM** accredits intermittent generators based on their output during previous peak LSG periods. The lower an intermittent generator's output during peak LSG periods, the lower their CRC (and Capacity Credits).

The WEM Rules prevent network outages from impacting non-GIA generators' Capacity Credits, by requiring AEMO to estimate their output where:



AEMO issues a Dispatch Instruction, reducing the generator's output.



AEMO approves a Consequential Outage.

## WEM rules prevent GIA generators from receiving estimates

However, GIA Generators receive Operating Instructions instead of Dispatch Instructions; and clause **3.21.2A** prevents GIA Generators from being eligible for Consequential Outages.

3.21.2A. An outage does not occur in respect of a Constrained Access Facility for the purposes of these Market Rules where the Constrained Access Facility is dispatched in accordance with a Network Control Service Contract and these Market Rules.



Unlike other generators, GIA facilities do not receive estimates when they are impacted by a network outage. Network outages can decrease their Capacity Credits.

Alinta Energy considers this was not the intent of GIA Amending Rules.



Not estimating a facility's output during a network outage assumes the outage will affect the facility's availability in 2 years' time.

The RLM is not designed to incorporate constraints, this is the purpose of the CAE.



Constrained Access Facilities accepted a lower level of firm access due to there being insufficient network capacity for all generators to have unconstrained access.

They did not accept a lower level of access due to network outages.



All facilities are impacted by planned network outages. And there is nothing they can do to manage this risk.

We would penalise GIA generators for something that is outside their control and that affects all generators.

## The solution



### Principle:

A Facility's Capacity Credits should not be impacted by a Network Planned Outage.

Amend the Relevant Level Determination of the market rules (Appendix 9) to include a requirement for AEMO to estimate a facility's output under the RLM for intervals where an Operating Instruction to reduce output has been issued in accordance with a Network Control Service Contract.



Assumed low implementation cost



Short Term

## Urgency and potential perverse consequences



The error must be corrected before the 2020 Reserve Capacity Cycle accreditation to avoid GIA facilities data being irreversibly altered.



Under-allocating CRC to Constrained Access Facilities will cause the Reserve Capacity Price to be higher than it should be. This could perversely incentivise excess investment in reserve capacity.