



Notice

6 November 2020

Market procedure review – Benchmark reserve capacity price

Publication of amended market procedure

The Wholesale Electricity Market Rules require the ERA to review the market procedure used by the Australian Energy Market Operator (AEMO) to calculate the Benchmark Reserve Capacity Price (BRCP). This review must occur at least once every five years.

AEMO uses the BRCP to determine the price of capacity credits to compensate facilities for providing capacity resources to the South West Interconnected System.

As the ERA has proposed changes to the market procedure, the market rules require the ERA to initiate a procedure change process to implement those changes. On 15 September 2020, the ERA published a Procedure Change Proposal and invited stakeholders to provide feedback on the proposed amendments. The ERA received one submission.

The ERA has now published a Procedure Change Report outlining the reasons for the amendments to the market procedure, a summary of stakeholder feedback and the ERA's response to the feedback. The amendments will improve the calculation of the weighted average cost of capital that is used to calculate the BRCP.

The Procedure Change Report and the amended market procedure are available on the [ERA website](#).

The ERA has now completed its review of the market procedure. The amended market procedure will commence from 9 November 2020.

Further information

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