

Capacity for Intermittent Generators - Method Review: Progress update

Updated status report as of Friday, 08 June 2018

This update provides a progress summary of the project; showing outstanding tasks, tasks completed since the last update and tasks due for completion before the next progress update.

Project details

The ERA is required to review the method used to certify capacity for Intermittent Generators (also called the relevant level methodology) by 1 April 2019. Unlike scheduled generators (coal and gas plants), Intermittent Generators, such as solar and wind farms, have less control over their generation output and so a different method is required to certify capacity credits to reflect their contribution to the reliability of supply in the South West Interconnected System.

In conducting its review the ERA must:

- examine the effectiveness of the method in meeting the wholesale market objectives;
- determine parameter values (K and U) where required for future capacity cycles; and
- examine any other matters the ERA considers relevant.

Initial findings are to be published in a draft report and stakeholders invited to make submissions. At the conclusion of its review, the ERA's findings and recommendations are to be published in a final report, along with any recommendations to change the method that the ERA intends to progress as a rule change.

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Summary of progress

We're here:

Explore	Select	Design	Implement	Go-Live	Review
April, May and June 2018	July and August 2018	September to December 2018	January to March 2019	TBA	TBA

Tasks completed in the last two months

- The market regulations team has been exploring issues associated with certifying capacity for intermittent generators, including the:
 - current method;
 - history of the method review process in the WEM;
 - approaches in other jurisdictions; and
 - academic literature on capacity certification.
- 8 May 2018 – Informal meeting with the Governing Body to discuss potential issues to help determine the scope for the method review.

- 25 May 2018 – First meeting of the Stakeholder Working Group established for the method review. Notes and slides discussed at the first meeting are available [here](#).

Upcoming events and milestones in the next month

- Identification of key questions associated with the review, arguments identified so far and potential data collection, research and analysis to help answer each question.
- Progress update at the June 2018 MAC meeting.

Points to note:

- The market rules require the method used to certify capacity for Intermittent Generators to be reviewed every three years.
- The last method review was conducted by the Independent Market Operator in 2014. Information from this review can be found [here](#).
- Responsibility for conducting the method review passed to the ERA in 2016. Transitional arrangements enabled the ERA to delay completing its first review until April 2019
- The current method for certifying capacity for intermittent generators has been utilized for the past six years and was relatively unchanged at the last review.
- Collgar Wind Farm submitted a proposed rule change on a related issue in advance of the ERA beginning its review. Details on the proposed rule change can be found on the Rule Change Panel [webpage](#).