

# MARKET PROCEDURE: RESERVE CAPACITY TESTING

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# **VERSION RELEASE HISTORY**

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#### MARKET PROCEDURE: RESERVE CAPACITY TESTING



# CONTENTS

1.	INTRODUCTION	4
1.1.	Purpose and scope	4
1.2.	Definitions and interpretation	4
1.3.	Related documents	5
2.	TIMING AND GENERAL REQUIREMENTS	5
3.	PREPARATORY STEPS	6
3.1.	Temperature Dependence Curves	6
3.2.	Temperature measurement sources	7
3.3.	Required Level calculation	8
4.	OBSERVATION TESTS	9
4.1.	General requirements	9
4.2.	Specific requirements for generation systems	9
4.3.	Specific requirements for Demand Side Programmes	9
5.	RESERVE CAPACITY TESTS	10
5.1.	Conducting Reserve Capacity Tests	10
5.2.	Assessing the results of Reserve Capacity Tests	11
5.3.	Capacity Credit reductions after failing the second Reserve Capacity Test	12
5.4.	Reserve Capacity re-test under clause 4.25.5 of the WEM Rules	13
5.5.	Recording and publishing Reserve Capacity Test results	13
6.	VERIFICATION TESTS FOR DEMAND SIDE PROGRAMMES	14
7.	REVIEWING RESULTS	15



#### 1. INTRODUCTION

# 1.1. Purpose and scope

- 1.1.1. This Market Procedure: Reserve Capacity Testing (**Procedure**) is made in accordance with AEMO's functions under clause 2.1A.2(h) of the Wholesale Electricity Market Rules (**WEM Rules**). This Procedure is also made under clause 4.25.14 of the WEM Rules.
- 1.1.2. The purpose of this Procedure is to describe the processes that:
  - (a) AEMO must follow in:
    - (i) conducting Reserve Capacity Tests and Verification Tests;
    - (ii) determining the results of Reserve Capacity Tests and Verification Tests; and
    - (iii) publishing information about Reserve Capacity Tests; and
  - (b) Market Participants must follow in complying with instructions for Reserve Capacity Tests and Verification Tests.
- 1.1.3. In this Procedure, where obligations are conferred on a Rule Participant, that Rule Participant must comply with the relevant obligations in accordance with clauses 2.9.7, 2.9.7A, and 2.9.8 of the WEM Rules, as applicable.
- 1.1.4. Reference to particular WEM Rules within this Procedure in bold and square brackets [clause XX] are included for convenience only, and are not part of this Procedure.

# 1.2. Definitions and interpretation

1.2.1. Terms defined in the WEM Rules have the same meanings in this Procedure unless otherwise specified in this clause. The words, phrases, and abbreviations in the table below have the meanings set out opposite them in the table when used in this Procedure.

Term	Definition
Invalid Test	A test that is disregarded for Reserve Capacity Test purposes, but treated as a Reserve Capacity Test for settlement purposes.
Observation Test	A Facility that is operating at a level equivalent to its Required Level, adjusted to the level of Capacity Credits currently held, for at least one Trading Interval as follows:  a) for a generation system, as part of normal market operations as determined from Meter Data Submissions [clause 4.25.2(a)(i)]; or  b) for a Demand Side Programme, in response to an activation of the Facility by the relevant Market Customer as measured in metered consumption [clause 4.25.2(b)(i)].
Temperature Measurement Consultant	A consultant or organisation appointed by AEMO to calibrate Temperature Measurement Systems.



Term	Definition
Temperature Measurement Systems	The sensors, systems and data used to measure ambient temperature at a Facility where the information is provided to AEMO through the SCADA system.
Temperature Dependence Curve	A dataset showing how a generation system's (other than an Intermittent Generator) sent out output in MW varies with temperature, measured in increments of 0.1 degrees Celsius, and provided for temperatures between 0 and 45 degrees Celsius. The data must be accompanied by a report from the original equipment manufacturer or independent engineering firm.
Wholesale Electricity Market System or WEMS	An interface software system that AEMO uses to administer and operate the Wholesale Electricity Market.

- 1.2.2. The following principles of interpretation apply to this Procedure, unless otherwise expressly indicated:
  - (a) references to time are references to Australian Western Standard Time;
  - (b) terms that are capitalised, but not defined in this Procedure, have the meaning given in the WEM Rules;
  - (c) to the extent that this Procedure is inconsistent with the WEM Rules, the WEM Rules prevail to the extent of the inconsistency;
  - (d) a reference to the WEM Rules or Market Procedures includes any associated forms required or contemplated by the WEM Rules or Market Procedures;
  - (e) words expressed in the singular include the plural or vice versa; and
  - (f) conventions specified in clauses 1.3 to 1.5 of the WEM Rules apply.

#### 1.3. Related documents

- 1.3.1. The following Market Procedures and Power System Operation Procedures (**PSOPs**) are associated with this Procedure:
  - (a) Market Procedure: Capacity Credit Allocation;
  - (b) Market Procedure: Certification of Reserve Capacity;
  - (c) Market Procedure: Reserve Capacity Security;
  - (d) Market Procedure: Reserve Capacity Performance Monitoring;
  - (e) Market Procedure: Notices and Communications;
  - (f) PSOP: Commissioning and Testing; and
  - (g) PSOP: Facility Outages.

#### 2. TIMING AND GENERAL REQUIREMENTS

- 2.1.1. AEMO must take steps to verify, in accordance with clause 4.25.2 of the WEM Rules, that each Facility providing Capacity Credits can [clause 4.25.1]:
  - (i) in the case of a generation system, during the term the Reserve Capacity Obligations apply, operate at a level equivalent to its Required Level, adjusted to the level of Capacity Credits



currently held, at least once during each of the following periods and such level of operation during those periods must be achieved on each type of fuel notified under clause 4.10.1(e)(v) of the WEM Rules:

- (A) 1 October to 31 March; and
- (B) 1 April to 30 September; and
- (ii) in the case of a Demand Side Programme, during the term the Reserve Capacity Obligations apply, and in the case of a Demand Side Programme during the period specified in clause 4.10.1(f)(vi) of the WEM Rules, decrease its consumption to operate at a level equivalent to its Required Level, adjusted to the level of Capacity Credits currently held, at least once during the period between 1 October to 31 March.
- 2.1.2. Within 10 Business Days of the start of each testing period listed in step 2.1.1 of this Procedure, AEMO may determine and notify Market Participants of the date when AEMO will start scheduling Reserve Capacity Tests, which must allow sufficient time to complete all required Reserve Capacity Tests for each testing period.

#### 3. PREPARATORY STEPS

# 3.1. Temperature Dependence Curves

- 3.1.1. A Market Participant may update the Temperature Dependence Curve for a Facility by submitting a new Temperature Dependence Curve and the accompanying independent engineer's report or manufacturer's technical specifications to AEMO at least 10 Business Days before the start of either of the testing periods listed in step 2.1.1 of this Procedure.
- 3.1.2. AEMO must review the information provided in step 3.1.1 of this Procedure and may request additional information, where necessary, to assess the accuracy of the updated Temperature Dependence Curve. AEMO's review may include, but is not limited to:
  - (a) comparing the Temperature Dependence Curves of similar Facilities, if available;
  - (b) confirming that the technical characteristics of the Facility (e.g. inlet cooling or any equipment limitations) are reflected in the Temperature Dependence Curve; and
  - (c) any other factors that AEMO considers relevant.



- 3.1.3. AEMO must accept an updated Temperature Dependence Curve provided under step 3.1.1 of this Procedure unless, after the review in step 3.1.2 of this Procedure, it reasonably believes the Temperature Dependence Curve is not an accurate reflection of the Facility's capability. If AEMO rejects an updated Temperature Dependence Curve, it must inform the Market Participant as soon as practicable and provide reasons for the rejection.
- 3.1.4. If AEMO rejects a Temperature Dependence Curve under step 3.1.3 of this Procedure, the Market Participant may provide an updated Temperature Dependence Curve, supported by an independent engineer's report or manufacturer's technical specifications, that addresses AEMO's feedback to AEMO's reasonable satisfaction, subject to the timing considerations in step 3.1.1 of this Procedure.
- 3.1.5. Where AEMO accepts an updated Temperature Dependence Curve provided under step 3.1.1 of this Procedure, AEMO must upload the Temperature Dependence Curve to the Wholesale Electricity Market System (WEMS) to be used when assessing the results of a Facility's Observation Test or Reserve Capacity Test.
- 3.1.6. If Capacity Credits for a Facility change during a Capacity Year, AEMO must consult with the relevant Market Participant to determine whether:
  - (a) to continue to use the previously accepted Temperature Dependence Curve; or
  - (b) to update to a new Temperature Dependence Curve supplied by the Market Participant that has been determined by an engineering firm, subject to the assessment in steps 3.1.3 and 3.1.4 of this Procedure.

# 3.2. Temperature measurement sources

- 3.2.1. AEMO must refer to the temperature measurement source, specified by the Market Participant under clause 4.10.1(e)(iv) of the WEM Rules, when determining the ambient temperature at the site of a generation Facility. Where no temperature source is specified under clause 4.10.1(e)(iv) of the WEM Rules, the Market Participant must notify AEMO of an appropriate temperature measurement source for the Facility's geographical location before the start of the Capacity Year.
- 3.2.2. AEMO may appoint a Temperature Measurement Consultant at any time each year to calibrate the Temperature Measurement Systems associated with each generation Facility that nominates to use SCADA as the temperature measurement source under clause 4.10.1(e)(iv) of the WEM Rules.
- 3.2.3. If AEMO requires calibration of a Facility's Temperature Measurement System, AEMO must contact the relevant Market Participant in writing with the:
  - (a) time and location of the proposed calibration;
  - (b) details of the Temperature Measurement Consultant who will conduct the calibration; and
  - (c) the estimated costs associated with the proposed calibration.
- 3.2.4. Within two Business Days of receiving AEMO's notification under step 3.2.3 of this Procedure, the Market Participant must contact AEMO to either:
  - (a) accept the proposed time; or
  - (b) subject to step 3.2.5 of this Procedure, propose another time, which must be within 10 Business Days of the original request date.



- 3.2.5. The Market Participant must accept AEMO's calibration and pay the associated costs proposed under step 3.2.3 of this Procedure, unless the Market Participant believes calibration at the time proposed may endanger persons or equipment.
- 3.2.6. AEMO must provide the results of the temperature calibration to the Market Participant within five Business Days of receiving the results from the Temperature Measurement Consultant.

# 3.3. Required Level calculation

3.3.1. The Required Level for a Scheduled Generator in Trading Interval t will be determined as:

$$CC(t) \times \frac{TDC\big(Temp(t)\big)}{TDC(41^{\circ}C)}$$

where:

Variable	Units	Definition
CC(t)	Capacity Credits	Number of Capacity Credits held for Trading Interval t.
Temp(t)	°C	Temperature during Trading Interval t, measured according to the method specified in WEMS and contained in WEMS.
TDC(Temp(t))	MW	The Facility output indicated in the Temperature Dependence Curve at Temp(t).
<i>TDC</i> (41° <i>C</i> )	MW	The Facility output indicated in the Temperature Dependence Curve at a temperature of 41°C.

3.3.2. The Required Level for a Demand Side Programme in Trading Interval t will be determined as:

$$RD(d) - CC(t)$$

where:

Variable	Units	Definition
RD(d)	MW	The Relevant Demand for the Trading Day d, as determined in accordance with clause 4.26.2CA of the WEM Rules.
CC(t)	Capacity Credits	The number of Capacity Credits held by the Market Particpant for that Facility for Trading Interval t.



#### 4. OBSERVATION TESTS

# 4.1. General requirements

- 4.1.1. The verification referred to in step 2.1.1 of this Procedure may be achieved by a Facility successfully passing an Observation Test at any point within a testing period until AEMO conducts a Reserve Capacity Test for the Facility under section 5 of this Procedure.
- 4.1.2. AEMO must use Meter Data Submissions available to it to determine the Observation Test results until the time a Reserve Capacity Test is conducted.
- 4.1.3. AEMO must compile and maintain a list of Facilities that have completed Observation Tests and the results of those Observation Tests. This list may be maintained in WEMS.
- 4.1.4. AEMO may request a Reserve Capacity Test, under section 5 of this Procedure, if AEMO is unable to determine, in accordance with this Procedure, that the Facility was able to operate at a level equivalent to its Required Level, adjusted to the level of Capacity Credits currently held, during an Observation Test.
- 4.1.5. If AEMO requests a Reserve Capacity Test in accordance with step 4.1.4 of this Procedure, AEMO must provide the Market Participant with a summary of results obtained in step 4.2.1 or step 4.3.2 of this Procedure. This summary may be provided through WEMS.

# 4.2. Specific requirements for generation systems

- 4.2.1. AEMO must assess the results of an Observation Test to determine if the generation system has operated at a level equivalent to its Required Level, adjusted to the level of Capacity Credits currently held. This assessment may be automated in WEMS.
- 4.2.2. AEMO will determine that a generation system has passed an Observation Test if the output of the Facility, adjusted to 41°C using the Temperature Dependence Curve, was:
  - (a) at or above the Required Level calculated in accordance with step 3.3.1 of this Procedure for at least one Trading Interval; or
  - (b) at or above the output required at the highest quantity of net power in MW shown on the Temperature Dependence Curve, where the ambient temperature measured at the site exceeds 45°C during the Trading Interval.

# 4.3. Specific requirements for Demand Side Programmes

- 4.3.1. A Market Customer who wishes to perform an Observation Test for a Demand Side Programme must notify AEMO no later than two Business Days prior to the commencement of the Trading Day during which the test will take place, advising:
  - (a) the identity of the Demand Side Programme that will be tested;
  - (b) the Trading Interval(s) during which the test will be conducted; and
  - (c) the expected reduction in Demand Side Programme Load from the Relevant Demand.



- 4.3.2. AEMO must assess the results of an Observation Test, for which notification was provided in accordance with step 4.3.1 of this Procedure, by using Meter Data Submissions contained in WEMS only.
- 4.3.3. AEMO will consider that a Demand Side Programme has passed an Observation Test if the consumption of the Facility was at, or below, the Required Level, calculated in accordance with step 3.3.2 of this Procedure, for at least one Trading Interval.

#### 5. RESERVE CAPACITY TESTS

# 5.1. Conducting Reserve Capacity Tests

- 5.1.1. AEMO may conduct a Reserve Capacity Test if:
  - (a) AEMO determines the most appropriate course of action is to test the Facility as described in clause 4.25.2(a)(ii), clause 4.25.2(b)(ii) or clause 4.25.2(c) of the WEM Rules;
  - (b) the Facility has not passed an Observation Test, as detailed under section 4 of this Procedure, before the deadline specified in step 2.1.2 of this Procedure;
  - (c) AEMO requires a re-test in accordance with clause 4.25.4 of the WEM Rules; or
  - (d) a Market Participant requests a re-test in accordance with clause 4.25.5 of the WEM Rules.
- 5.1.2. AEMO must not subject a Facility to a Reserve Capacity Test if [clause 4.25.3A]:
  - (a) that Facility is undergoing a Scheduled Outage or Opportunistic Outage which has been approved in accordance with clause 3.19 of the WEM Rules;
  - (a) the relevant Market Participant has advised AEMO of a Forced Outage or Consequential Outage in accordance with clause 3.21.4 of the WEM Rules; or
  - (b) that Facility is undergoing a Commissioning Test for the Facility that is approved in accordance with clause 3.21A of the WEM Rules.
- 5.1.3. AEMO must conduct Reserve Capacity Tests in accordance with the requirements in clause 4.25.9 of the WEM Rules.
- 5.1.4. If a second Reserve Capacity Test is required in accordance with step 5.2.3(c) of this Procedure, AEMO must, in accordance with clause 4.25.4 of the WEM Rules, re-test that Facility:
  - (a) not earlier than 14 days after the first Reserve Capacity Test; and
  - (b) not later than 28 days after the first Reserve Capacity Test.
- 5.1.5. If a Facility cannot be tested due to restrictions imposed by the timelines in clause 4.25.1, clause 4.25.4, and clause 4.25.5 of the WEM Rules, AEMO will:
  - (a) in the case of the first Reserve Capacity Test not being able to be completed within the relevant Reserve Capacity testing period in accordance with clause 4.25.1 of the WEM Rules, conduct the Reserve Capacity Test as soon as practicable in the next Reserve Capacity testing period;
  - (b) in the case of the second Reserve Capacity Test not being able to be completed within 14 to 28 days after the first Reserve Capacity Test, conduct the first Reserve Capacity Test again, subject to the limitations in step 5.1.2 and step 5.1.3 of this Procedure; or



- (c) where a re-test requested under clause 4.25.5 of the WEM Rules is not able to be completed within seven days, liaise with the Market Participant to determine a period during which the re-test can be conducted.
- 5.1.6. If a Demand Side Programme fails a Reserve Capacity Test under clause 4.25.2(b)(ii) of the WEM Rules and is issued a Dispatch Instruction by AEMO to decrease its consumption to a level equivalent to its Required Level, adjusted to the level of Capacity Credits currently held, for not less than one Trading Interval prior to a second Reserve Capacity Test being undertaken, in accordance with clause 4.25.4 of the WEM Rules, then the activation shall be deemed to be the second Reserve Capacity Test [clause 4.25.3B].

# 5.2. Assessing the results of Reserve Capacity Tests

- 5.2.1. Within 10 Business Days of completing a Reserve Capacity Test and receiving Meter Data Submissions and temperature (if applicable) data for the Facility, AEMO must determine the result of the Reserve Capacity Test as follows:
  - (a) for a generation system, that the Facility:
    - (i) passed a Reserve Capacity Test, if the output is at or above the Required Level, calculated in accordance with step 3.3.1 of this Procedure, in at least two Trading Intervals (not necessarily consecutive) during the period of the test;
    - (ii) passed a Reserve Capacity Test, if the output of the Facility is at or above the output required at the highest quantity of net power in MW shown on the Temperature Dependence Curve, where the ambient temperature measured at the site exceeds 45°C during the Trading Interval; and
    - (iii) failed a Reserve Capacity Test, if the output is not above the Required Level, calculated in accordance with step 3.3.1 of this Procedure, in at least two Trading Intervals during the period of the test; or
  - (b) for a Demand Side Programme:
    - (i) passed a Reserve Capacity Test, if its Demand Side Programme Load is at, or below, the Required Level, calculated in accordance with step 3.3.2 of this Procedure, adjusted to the level of Capacity Credits currently held, for one Trading Interval during the period of the test; and
    - (ii) failed a Reserve Capacity Test if its Demand Side Programme Load is above the Required Level, calculated in accordance with step 3.3.2 of this Procedure, adjusted to the level of Capacity Credits currently held, for all Trading Intervals during the period of the test.
- 5.2.2. For the purposes of determining the results of a Reserve Capacity Test, the test period includes any Trading Intervals when the Facility was required to increase its output or decrease its consumption in response to an Operating Instruction issued in accordance with clause 4.25.9(h) of the WEM Rules.
- 5.2.3. If a Facility has failed a Reserve Capacity Test, AEMO must:
  - (a) inform the Market Participant that the Facility has failed the Reserve Capacity Test;
  - (b) provide the Market Participant with a copy of the results produced; and



(c) where the Reserve Capacity Test was a first test, re-test the Facility under step 5.1.1(d) of this Procedure, subject to the limitations in step 5.1.5 of this Procedure.

The notifications under this step 5.2.3 may be provided through WEMS.

- 5.2.4. If a Facility has passed the Reserve Capacity Test, AEMO must:
  - (a) inform the Market Participant that the Facility has passed the Reserve Capacity Test; and
  - (b) provide a copy of the results produced.

The notification under this step 5.2.4 may be provided through WEMS.

- 5.2.5. AEMO must deem a Reserve Capacity Test to be an Invalid Test if:
  - (a) the temperature measured by the temperature method specified in WEMS for the Facility is outside of the range 0°C to 45°C, and step 5.2.1(a)(ii) of this Procedure does not apply; or
  - (b) AEMO considers that an error was made in the determination of the results of any Reserve Capacity Test and AEMO has not re-determined the results of the Reserve Capacity Test under step 7.1.3(a)(i) of this Procedure.
- 5.2.6. If a Reserve Capacity Test is deemed to be an Invalid Test under step 5.2.5 of this Procedure, then AEMO must re-conduct the Reserve Capacity Test as soon as practicable in accordance with step 5.1 of this Procedure, with consideration to the timelines in clause 4.25.1, clause 4.25.4, and clause 4.25.5 of the WEM Rules.
- 5.2.7. If a Reserve Capacity Test is deemed to be an Invalid Test under step 5.2.5 of this Procedure, then AEMO must:
  - (a) if another Reserve Capacity Test has already been completed in accordance with step 5.1.1 of this Procedure, use the results of the latest Reserve Capacity Test in place of the Invalid Test; or
  - (b) disregard the results of the latest Reserve Capacity Test, if a Reserve Capacity Test is no longer required under clause 4.25.3B of the WEM Rules.

# 5.3. Capacity Credit reductions after failing the second Reserve Capacity Test

- 5.3.1. In accordance with clause 4.25.4 of the WEM Rules, if a Facility fails the second Reserve Capacity Test outlined in step 5.1.4 of this Procedure, then AEMO must, from the second Trading Day following the Scheduling Day on which AEMO determines that the Reserve Capacity Test was failed in accordance with step 5.2.1 of this Procedure:
  - (a) if the Reserve Capacity Test related to a generation system, reduce the number of Capacity Credits held by the relevant Market Participant for that Facility to reflect the maximum capabilities achieved in either Reserve Capacity Test performed (after adjusting these results to the equivalent values at a temperature of 41°C and allowing for the capability provided by operation on different types of fuels); or
  - (b) if the Reserve Capacity Test related to a Demand Side Programme or Interruptible Load, reduce the number of Capacity Credits held by the relevant Market Participant for that Facility to the maximum level of reduction achieved in either of the two Reserve Capacity Tests.



- 5.3.2. AEMO must determine the results of the outcome of the second Reserve Capacity Test and notify the Market Participant in accordance with the process described in section 5.2 of this Procedure. If the Facility failed the second Reserve Capacity Test as determined under step 5.2.1 of this Procedure, AEMO must notify the Market Participant that the Capacity Credits will be reduced and the:
  - (a) level that the Capacity Credits will be reduced to; and
  - (b) effective date for the reduction.

The notification under this step 5.3.2 may be provided through WEMS.

# 5.4. Reserve Capacity re-test under clause 4.25.5 of the WEM Rules

- 5.4.1. If a Market Participant is notified by AEMO that the Capacity Credits for a Facility have been reduced under step 5.3.2 of this Procedure, then the Market Participant may request that AEMO conduct a re-test [clause 4.25.5], subject to the following conditions:
  - (a) the Facility may only be re-tested once prior to the end of the Capacity Year;
  - (b) AEMO must conduct the re-test during the seven days following that request from the Market Participant; and
  - (c) AEMO must undertake the re-test in accordance with this Procedure and the WEM Rules.
- 5.4.2. If a Reserve Capacity re-test is conducted in accordance with step 5.4.1 of this Procedure, AEMO must determine the outcome (step 5.2.1 of this Procedure), record the results (step 5.5.1 of this Procedure) and notify the Market Participant in accordance with step 5.2.3 or step 5.2.4 of this Procedure, as appropriate.
- 5.4.3. AEMO must set the number of Capacity Credits held by the relevant Market Participant for the Facility to reflect the maximum capabilities achieved in the re-test (after adjusting these results to the equivalent values at a temperature of 41°C and allowing for the capability provided by operation on different types of fuel), which must not exceed the Capacity Credits originally confirmed by AEMO for that Facility under section 4.20 of the WEM Rules for the relevant Reserve Capacity Cycle.
- 5.4.4. The Capacity Credits must be set under step 5.4.3 of this Procedure within two Business Days of the determination of the re-test results under step 5.4.2 of this Procedure.

# 5.5. Recording and publishing Reserve Capacity Test results

- 5.5.1. AEMO must record the results of Reserve Capacity Tests including:
  - (a) information regarding the conduct of the Reserve Capacity Test;
  - (a) the results of the Reserve Capacity Test;
  - (b) the determination of the outcome of the Reserve Capacity Test (passed or failed); and
  - (c) information regarding any action taken in accordance with steps 5.2.3, 5.3.1, and 5.4.3 of this Procedure, as applicable.

This information may be stored in WEMS.



- 5.5.2. Every three months AEMO must publish details of [clause 4.25.11]:
  - (a) Facilities that have undergone a Reserve Capacity Test during the preceding three months; and
  - (b) whether any of those Reserve Capacity Test were delayed and the reasons for the delay.
- 5.5.3. The details published under step 5.5.2 of this Procedure may be published on the Market Web Site or in WEMS, at AEMO's discretion.

#### 6. VERIFICATION TESTS FOR DEMAND SIDE PROGRAMMES

- 6.1.1. In each Capacity Year, a Market Customer must undertake a Verification Test during the period specified in clause 4.10.1(f)(vi) of the WEM Rules for each Demand Side Programme registered to the Market Customer. Each test must be conducted in accordance with this Procedure and carried out [clause 4.25A.1]:
  - (a) within 20 Business Days of registration as notified by AEMO under clause 2.31.6 of the WEM Rules, of the Demand Side Programme, if applicable; or
  - (b) between 1 October and 30 November.
- 6.1.2. A Market Customer must notify AEMO no later than two Business Days prior to the commencement of the Trading Day during which it intends to conduct a Verification Test, advising:
  - (a) the identity of the Demand Side Programme that will be tested;
  - (b) the Trading Interval(s) in which the Verification Test will be conducted; and
  - (c) the expected reduction in Demand Side Programme Load from the Relevant Demand.

If AEMO does not receive notification in accordance with this step 6.1.2, the results of the Verification Test will not be considered by AEMO.



- 6.1.3. To undertake a Verification Test the Market Customer must activate the Demand Side Programme and provide evidence satisfactory to AEMO of the Trading Intervals during which the Verification Test was conducted [clause 4.25A.2].
- 6.1.4. A Demand Side Programme will be deemed to have failed the Verification Test unless a reduction in demand equal to at least 10% of the Capacity Credits, when measured against the Demand Side Programme's Relevant Demand determined under clause 4.26.2CA of the WEM Rules, is identified from the Demand Side Programme Load associated with that Demand Side Programme [clause 4.25A.3].
- 6.1.5. Where a Demand Side Programme fails a Verification Test AEMO must reduce the Capacity Credits assigned to the Demand Side Programme to zero from the second Trading Day following the Scheduling Day on which AEMO determines that the Verification Test was failed under clause 4.25A.3 of the WEM Rules [clause 4.25A.4].
- 6.1.6. Where a Demand Side Programme fails a Verification Test, the relevant Market Customer may request that a second Verification Test be undertaken. If the Demand Side Programme fails the second Verification Test then the Capacity Credits assigned to the Demand Side Programme are to remain at zero until the end of the relevant Capacity Year [clause 4.25A.5].

#### 7. REVIEWING RESULTS

- 7.1.1. A Market Participant who believes that an error has been made in determining the results of an Observation Test, Reserve Capacity Test, or Verification Test, may contact AEMO to request an investigation into the results.
- 7.1.2. On receiving a request under step 7.1.1 of this Procedure, AEMO must review the results of the Observation Test, Reserve Capacity Test, or Verification Test and determine, at its discretion, whether an error was made. An investigation may include, but is not limited to, the accuracy of the following:
  - (a) inputs into the Required Level calculation, including (where relevant):
    - (i) the Relevant Demand calculation and any applicable Consumption Deviation Applications;
    - (ii) Temperature Dependence Curve; and
  - (b) Meter Data Submissions used to calculate the results.
- 7.1.3. As soon as practicable after receiving a request under step 7.1.1 of this Procedure, AEMO must inform the Market Participant of the results of the investigation either:
  - (a) if an error was made:
    - (i) its re-determination of the Observation Test, Reserve Capacity Test, or Verification Test results;
    - (ii) its determination that the Reserve Capacity Test or Verification Test was an Invalid Test; or
  - (b) if it determines no error was made, notify the Market Participant accordingly.