

Wholesale Electricity Market Rule Change Proposal Submission Form

RC_2010_37 Calculation of the Capacity Value of Intermittent Generation - Methodology 2B (Griffin)

Submitted by

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Date submitted:	4 February 2011	

Submission



Synergy's Comments on the Current Approach to Capacity Crediting Intermittent Generation

In making the above comments, Synergy has concerns regarding the present formulation of capacity crediting for intermittent facilities. It is questionable whether the current practice of crediting based solely upon annual energy production satisfies all of the reliability criteria described in Market Rule 4.5.9, mentioned above, which is undoubtedly biased towards wind technology and against solar technology. It is understood why the current approach was adopted for the commencement of the market, but the approach is not sustainable, lacking the justification delivered via a value based method.

Although there is argument here to change the current capacity crediting formulation for intermittent facilities, Synergy would suggest that the IMO not expeditiously change the method of capacity crediting Intermittent Generators but instead waits until the completion of the Reserve Capacity Mechanism (RCM) review and after Synergy's above-mentioned concerns have been modelled and the market has had an opportunity to discuss the results. This adjournment is suggested on the assumption that the results of these two pieces of work may lead the market to seriously consider different solutions.

Conclusion

Synergy supports this Rule Change Proposal for the following reasons:

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Should this Rule Change Proposal be accepted, Synergy would be able to implement this rule change immediately.