



Final determination on transparency and duration of MT PASA

AEMC makes final determination on MT PASA amendments

The Australian Energy Market Commission (AEMC) has made a more preferable final rule to amend the medium-term projected assessment of system adequacy (MT PASA). The final rule improves transparency of the MT PASA process, reduces asymmetry of generation availability information in the market, and extends the period generation availability is published from two to three years. These changes will better inform the market at a granular level on projected assessments of reliability and generation availability, and will likely result in participants making more effective and efficient decisions in how they interact with the market.

Background

The MT PASA is a key part of the reliability framework in the NEM. It is one component of the information that AEMO must publish to inform the market of prevailing and forecast conditions, and when reserves may be running low, to elicit a market response. Providing information to the market helps market participants make operational and investment decisions with respect to reliability and also helps AEMO manage the power system.

Overview of the final determination

The key features of the more preferable final rule are that it will provide the market with:

- Generation availability of individual scheduled generating units.
- An extended outlook of generation availability from two to three years.
- A maximum and minimum aggregated scheduled generating availability, adjusted for forced outage assumptions.
- Transparency of intending generation included as an MT PASA input.
- Greater transparency of the maximum and minimum values of daily forecast peak demand, from both the adjusted 50% and 10% probability of exceedance (POE) load traces used in the reliability assessment.
- Published actual demand and forecast demand in the same format (operational 'as generated').
- A requirement on participants to provide MT PASA inputs that represent their current intentions and best estimates.

While the Commission's final rule is a more preferable rule it incorporates many of the elements proposed by ERM Power. The key differences between the final rule and the proposed rule are that the Commission has:

- Made a change to extend the outlook of published generation availability from two to three years, instead of extending the full MT PASA from two to three years.
- Made a change to require AEMO to publish the maximum and minimum values of daily demand forecasts, from both the adjusted 50% and 10% POE profiles of load traces used in the reliability assessment, instead of publishing an additional daily peak demand forecast of 90POE.
- Made the AER's proposed change to require participants to provide MT PASA inputs that represent their current intentions and best estimates.

- Not made the proposed draft rule for requiring a more frequent update to AEMO's demand forecast, a key input into the MT PASA.

Other issues raised

Information asymmetries between scheduled generators and other generators, as well as between the supply and demands sides of the market were raised by some stakeholders. These issues are being considered more broadly by the AEMC and ESB in the wholesale demand response mechanism rule change and the two-sided market project. See section 3.5 of the final determination.

Implementation

Under the final rule, the changes to the MT PASA will be implemented in two stages over a six-month period from publication of the final rule on 20 February 2020. The implementation dates are set out below and have been informed by AEMO.

The changes taking effect three months after publication of the final determination will allow AEMO to review the MT PASA process, add a minor calculation to the MT PASA output, and allow generators to review their processes for producing MT PASA inputs to confirm that they deliver the generators' current intentions and best estimates.

The changes taking effect six months after publication of the final determination are more complex. They will require generators to submit information over a longer period-of-time, and require AEMO to develop additional modelling outputs, calculations and fields to publish this information.

Table 1: Implementation date for changes

CHANGE	DATE
Include intending generation as an MT PASA input.	20 May 2020
Publish actual demand and forecast demand in the same format (operational 'as generated').	20 May 2020
Require participants to provide MT PASA inputs that represent their current intentions and best estimates.	20 May 2020
Publish generation availability of individual scheduled generating units.	20 August 2020
Extend published generation availability horizon from two to three years.	20 August 2020
Publish a maximum and minimum aggregated scheduled generating availability, adjusted for forced outage assumptions.	20 August 2020
Publish the maximum and minimum values of daily peak load forecast from both the adjusted 50% and 10% POE load traces used in there liability assessment	20 August 2020

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