

COAL-FIRED POWER STATIONS — CLOSURE

858. Dr D.J. Honey to the Minister for Energy:

I refer the Minister to the answer provided for Question on Notice 618 (b) by which it was claimed that there is no cost to the public for reserve capacity, and ask:

- (a) Can the Minister confirm whether or not payments were made to the Australian Energy Market Operator (AEMO) or any non-government entity for reserve capacity sought by AEMO in the process that closed in October 2022 (for the South West Interconnected System (SWIS) network);
- (b) How many non government entities responded to AEMO's request for reserve capacity;
- (c) How many offers of reserve capacity from non-government entities were chosen by AEMO; and
- (d) How much money was paid to AEMO and/or those entities for the reserve capacity for the 2022/23 summer?

**Mr W.J. Johnston replied:**

- (a) The question implies an assumption that Government makes payment for Supplementary Reserve Capacity, which is false. Supplementary Reserve Capacity is a market process run by AEMO under the Wholesale Electricity Market Rules.
- (b) Eleven non-government entities responded to AEMO's request for supplementary reserve capacity.
- (c) Seven offers of supplementary reserve capacity from non-government entities were accepted by AEMO.
- (d) \$3,220,725.39 was paid to those entities by AEMO for the supplementary reserve capacity for the 2022–23 summer. There was no additional cost to the public for supplementary reserve capacity in 2022–23, as residential tariffs are set by the Government and have not changed as a result of this process.