

SOUTH WEST INTERCONNECTED SYSTEM

868. Dr D.J. HONEY to the Minister for Energy:

I refer to the Australian Energy Market Operator's *2023 Wholesale electricity market electricity statement of opportunities* report published last month and note the comments on the unreliability of our south west interconnected system. In part, the report states —

... at this stage of the energy transition in the SWIS, the largest contingency is likely to be related to the risk of multiple generating units being unavailable due to forced outages.

Forced outages for the NIGS fleet have increased, exceeding 1.3 gigawatts ... in December 2022.

- (1) AEMO is clearly highlighting a less reliable system; why is the government failing to improve the reliability of our south west interconnected electricity supply system?
- (2) Is this further evidence that the minister is simply mismanaging the transition to renewable energy?

Mr W.J. JOHNSTON replied:

- (1)–(2) I mean, talk about leading with your chin! I will continue quoting from the AEMO report. It states —

In January 2023, the WEM Rules were amended as part of the WA Government's Energy Transformation Strategy, which incorporates several critical reforms to the RCM, to reflect the needs of the SWIS through the energy transition. These amendments enable AEMO to take account of the broader range of supply risks in setting the RCT, including consideration of risks associated with an aging thermal generation fleet and rapidly shifting operational conditions as a larger proportion of capacity is delivered by intermittent generation.

It said that the government changed the rules to give the Australian Energy Market Operator the tools to manage the risks. The risks exist because of a reliance on coal-fired power stations and the response is to amend the rules to make it easier for other generation and other infrastructure. I would suggest that when Daniel Westerman is here next week that the member should have an appointment with him. He is the chief executive officer of AEMO. If the member talks to him, he will point out that the best run energy system in Australia is the south west interconnected system because the government responds to the changing circumstances. There is no point pretending that coal-fired power is the solution, like the member and his friends, like Paul Murray who writes in *The West Australian*, do. We have to face the fact that there is a transition. We have to give the operators of the system the tools they need to take account of those increased risks. That is exactly what the government has done and why the Australian Energy Market Operator continues to support our government's transition plan.