AUSTRALIAN ENERGY MARKET COMMISSION

SYSTEM SECURITY AND RELIABILITY ACTION PLAN 2019

Updated 2 May 2019

Making sure the power system is stable and there is enough capacity to meet customer demand



Enough capacity to meet demand: having sufficient generation and demand response capacity to supply customer needs

Underway

AEMC/AEMO/AER virtual power plant trial

Trial to inform changes to regulatory frameworks and operational processes so VPPs can play a bigger role in the energy market. In Australia grid-connected VPPs are focussed on coordinating rooftop PV and battery storage.

Underway

Definition of unserved energy project

Reliability Panel project to clarify and simplify the definition of unserved energy used in post-event analysis of supply interruptions.

April 2019 determination

Early implementation of ISP priority projects

Streamlining the regulatory processes for key time-critical projects identified in AEMO's Integrated System Plan.

April 2019 Final report

Reliability Panel annual review of market performance

Review of the performance of the national electricity market in terms of security, reliability and safety over 2017-2018.

May 2019 Final

Enhancement to the RERT rule

determination Seeks broad changes to the NEM's emergency reserve – the Reliability and emergency reserve trader framework.

Aug 2019 determination

Short term forward market rule

Providing an AEMO-operated platform to enable market participants to contract for electricity in the week leading up to dispatch, to help enable more demand response.

Aug 2019 determination

Transparency of new projects rule

Seeks to enhance publicly available information about new generation projects, as well as to allow developers of these projects to register with AEMO to get access to key technical information such as network modelling data.

June 2019 **Directions** paper

Reforms to access arrangements review

Developing draft rule change requests to progress phased reforms to how generators access and use the network.

July 2019 Consultation paper

Generator registration thresholds rule

Reducing the threshold for registration as a generator from 30 MW to 5 MW.

July 2019 Draft

Wholesale demand response rule

determination Seeks to introduce a new mechanism, register or separate market to enable more wholesale demand response.

Oct 2019 Draft report

Reforms to transmission charging review

Developing rule change requests to improve the inter-regional transmission charging regime so that it adequately attributes the cost of interconnectors to those who benefit from them.



SYSTEM SECURITY

A stable power system:

the power system operates within defined technical limits, even when a major power system element disconnects from the system

Underway

Frequency control interim arrangements project

Working with AEMO on short-term changes to manage frequency deterioration in the national electricity market.

Underway

Frequency control work plan

Working with AEMO and the AER on designing new, coordinated and lowest-cost ways to deliver frequency control services over the medium to longer term.

April 2019 Final report

Reliability Panel review of the frequency operating standard

The standard has been restructured and consolidated to avoid duplication and improve the obligations it places on AEMO to manage the power system frequency.

May 2019 Final

Improving intervention compensation and determination settlement processes rule

Rules to improve administrative processes related to AEMO's interventions in the market, for example the way generators are compensated after a direction to help maintain system security or reliability.

June 2019 Final

Reliability Panel assessment of protected determination event request

Request by AEMO to declare the risk to South Australia's power system from destructive winds as a "protected event".

Aug 2019 Draft report

Intervention mechanisms and system strength project

Evaluating the effectiveness of the interventions framework in light of the increasing use of directions by AEMO to manage system security, and of related system strength frameworks.

Sep 2019 **Draft report**

Review of system black event in South Australia

The AER has completed investigations into pre- and post-event issues. We will consider these in relation to amendments to the regulatory frameworks.











