

2019 Annual market performance review

Initiation of Annual market performance review for 2018-2019

The Australian Energy Market Commission's (AEMC or Commission) Reliability Panel has initiated its annual review of the performance of the national electricity market (NEM). The review consolidates information from the Australian Energy Market Operator (AEMO), the Australian Energy Regulator (AER), jurisdictional regulators and market participants to provide observations and analysis on the reliability, security and safety performance of the power system.

This information sheet sets out the purpose of the review and its scope. A final report on the review is required to be published by the end of June 2020.

Reliability Panel

The [Reliability Panel](#) (Panel) is a specialist body within the AEMC. The Panel is comprised of members who represent a range of participants in the NEM, including consumer groups, generators, network businesses, retailers and the Australian Energy Market Operator (AEMO).

The National Electricity Law sets out the key responsibilities of the Panel. These include:

- monitoring, reviewing and reporting on the safety, security and reliability of the national electricity system
- providing advice in relation to the safety, security and reliability of the national electricity system, at the request of the AEMC.

Purpose of the 2019 Annual market performance review

The National Electricity Rules (NER) require the Panel to conduct a review of the performance of certain aspects of the NEM at least once every financial year.

The purpose of the review is to:

- provide stakeholders with consolidated information and expert commentary about the performance of the power system in a single publication
- highlight emerging trends to help inform the policy and investment decisions of governments, policy makers, market institutions and market participants
- identify options to improve the frameworks or mechanisms used to deliver reliability, security and safety.

Scope of the review

Standing [terms of reference](#) the review were issued by the AEMC in September 2018. They require the Panel to review:

- overall power system performance
- reliability performance of the power system, historic and forecast
- security performance of the power system, historic and forecast
- safety performance of the power system.

The terms of reference note that, when undertaking its review, the Panel may also wish to consider:

- a comparison against the previous year, and the reasons for any variations
- a comparison between regions, and reasons for any variations

- the degree of accuracy in forecast and actual data, and reasons for any variations
- mechanisms to promote power system performance, and whether they are effective
- any relevant reviews, reports and how these are relevant to issues identified.

The Panel is required to prepare a written report on the findings of its review for publication on the AEMC’s website. The 2019 report will take a similar format and approach to the 2018 report.

In conducting this review, the Panel will consider publicly available information as well as information obtained directly from relevant stakeholders and market participants.

Figure 1 below illustrates the scope of issues that the Panel will consider. The scope is determined by the requirements in the rules and the terms of reference issued by the AEMC.

Figure 1: 2019 Annual market performance review scope summary



Next steps

We welcome comments on our approach and issues to be considered by the Panel in the 2019 review. While we are not seeking formal stakeholder submissions, comments can be provided by contacting Jessie Foran by 20 December 2019 at jessie.foran@aemc.gov.au. A final report on the review will be published by the end of June 2020.

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