Implementing integrating energy storage systems

stakeholder feedback template

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in the consultation paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

SUBMITTER DETAILS

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| --- | --- |
| **ORGANISATION:** |  |
| **CONTACT NAME:** |  |
| **EMAIL:** |  |
| **PHONE:** |  |
| **DATE** |  |

project DETAILS

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| **NAME OF RULE CHANGE:** | Implementing integrated energy storage systems |
| **PROJECT CODE:** | ERC0351 |
| **PROPONENT:** | AEMO |
| **SUBMISSION DUE DATE:** | 30 March 2023 |

**Question 1 – chapter 2** – Include generating systems in aggregated dispatch conformance

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| 1. Does the rule change address the problem? |  |
| 1. Do you agree with AEMO’s identification of the problem? |  |
| 1. If the IESS rule remains unchanged, what is the impact of its implementation on the form of ADC that AEMO already facilitates? |  |
| 1. New clause 4.9.2A of the IESS rule allows aggregation of integrated resource systems with more than one connection point. AEMO’s new power system operating procedure only allows ADC where the generating units are behind a single connection point. What would be the market or operational impacts of extending ADC under clause 4.9.2A to generating systems with more than one connection point? |  |
| 1. Would the proposed change create any negative consequences related to the existing forms of aggregated dispatch? |  |
| 1. What would the operational implications or costs be for not making the change to include generating systems in new clause 4.9.2A of the NER? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 2 – chapter 3** – Remove option for semi-scheduled and bi-directional units to submit fast-start inflexibility profiles

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| Do you consider that excluding semi-scheduled generating units from submitting FSIPs is a material problem, now or in the future? |  |
| Do you consider that excluding batteries from submitting FSIPs is a material problem, now or in the future? |  |
| Do you consider that excluding other forms of BDUs from submitting FSIPs is a material problem, now or in the future? |  |
| What would be the market impact of making the proposed change? |  |
| What would the operational implications or costs be for allowing semi-scheduled and bidirectional units to register as fast start generating units? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?   deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| Are there other solutions that would better solve the problem? |  |

**Question 3 – chapter 4** – Align implementation of new non-energy cost recovery calculations to commencement of NEM billing week

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| 1. Do you consider AEMO's proposed solution to be the most efficient way to address the problem? If so, what do you consider the key benefits of the proposed solution are? |  |
| 1. What would be the market impact of making the proposed change? |  |
| 1. What would the operational implications or costs be for changing the implementation date for NECR calculations to Sunday 2 June 2024? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 4 – chapter 5** – Clarify scheduled, non-scheduled and semi-scheduled production unit classification thresholds

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| 1. Has the problem been appropriately identified? |  |
| 1. Does the rule change address the problem? |  |
| 1. What would be the impact on the market and on investment of making the proposed change? |  |
| 1. Are there material costs for implementing the change for sites with unscheduled generating units below 30 MW and storage units below 5 MW that would then reach the 30 MW threshold collectively? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 5 – chapter 5** – Align market connection point classification with other regulatory changes

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| 1. Has the problem been appropriately identified? |  |
| 1. Does the rule change address the problem? |  |
| 1. What would be the market impact of making the proposed change? |  |
| 1. Given that this wording was inserted as part of the Five Minute Settlement rule which commenced on 1 October 2021, would this amendment impact any of the material changes made under the Five Minute Settlement rule? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 6 – chapter 5** – Amend ancillary service unit classification

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| 1. Has the problem been appropriately identified? |  |
| 1. Does the rule change address the problem? |  |
| 1. What would the market impact be in making the proposed change? |  |
| 1. Would this amendment lead to any unintended additional customers at connection points being included in the provision? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 7 – chapter 5** – Align requirements for distribution networks to calculate distribution loss factors with new registration categories

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| 1. Has the problem been appropriately identified? |  |
| 1. Does the rule change address the problem? |  |
| 1. What would be the market impact of making the proposed change? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 8 – chapter 5** – Amend exemptions for metering installations related to energy data storage under 5-minute settlement

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| 1. Has the problem been appropriately identified? |  |
| 1. Does the rule change address the problem? |  |
| 1. What would be the market impact of making the proposed change? |  |
| 1. Are there any type 4 meters that were installed between 1 December 2018 and 1 July 2021 that are currently exempt from the requirements in clause 7.8.2(a)(9)? |  |
| 1. Does the proposed change:    1. reduce the cost and complexity of implementing the IESS rule?    2. reduce market uncertainty?    3. deviate from the broader direction of reform in the IESS rule, or is it targeted at implementation only? |  |
| 1. Are there other solutions that would better solve the problem? |  |

**Question 9 - CHAPTER 7** – Assessment framework

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| 1. Is the proposed assessment framework appropriate for considering the proponent’s rule change request? |  |
| 1. Are there any other relevant considerations that should be included in the assessment framework? |  |