

Ms Anna Collyer  
Chair, Australian Energy Market  
Commission  
Sydney NSW 2000

18 March 2026

Reference: ERC0415

Dear Ms Collyer,

**Overwatch Energy submission to draft rule determination | Enhancing access for registered participant representatives (Electricity)**

Overwatch Energy (Overwatch) welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC's) Enhancing access for registered participant representatives (Electricity) draft rule determination.

Overwatch is a service provider specialising in dispatch monitoring, trading and control functions over a large number of assets and registered entities operating in the NEM. In the context of this Rule change Overwatch is considered a registered participant representative.

Overwatch supports clarifying the Australian Energy Market Operator's (AEMO's) regulatory ability to provide auditable provisioning of access credentials to individual users providing outsourced or related party services to registered participants. We understand the AEMC's draft determination seeks to keep within the matters raised by AEMO's rule change proposal.

The draft Rule proposes that AEMO procedures will detail the access to confidential registered participant data and AEMO must develop procedures in consultation with industry. Overwatch proposes the Rule includes principles for these procedures that AEMO must consider in developing and administering the procedures. Overwatch's proposed principles seek to reduce inefficiencies with confidential data sharing that compromises the ability of this Rule to contribute to the National Electricity Objective (NEO). We believe that adoption of our proposed principles will better promote the NEO and the Rule's objective, by enhancing access for registered participant representatives.

The rest of this submission compares the issues under the current arrangements versus AEMO's proposed access arrangements for registered participant representatives, as Overwatch understands them. This also includes our proposed principles designed to ensure AEMO delivers procedures that support current registered participant operating models,

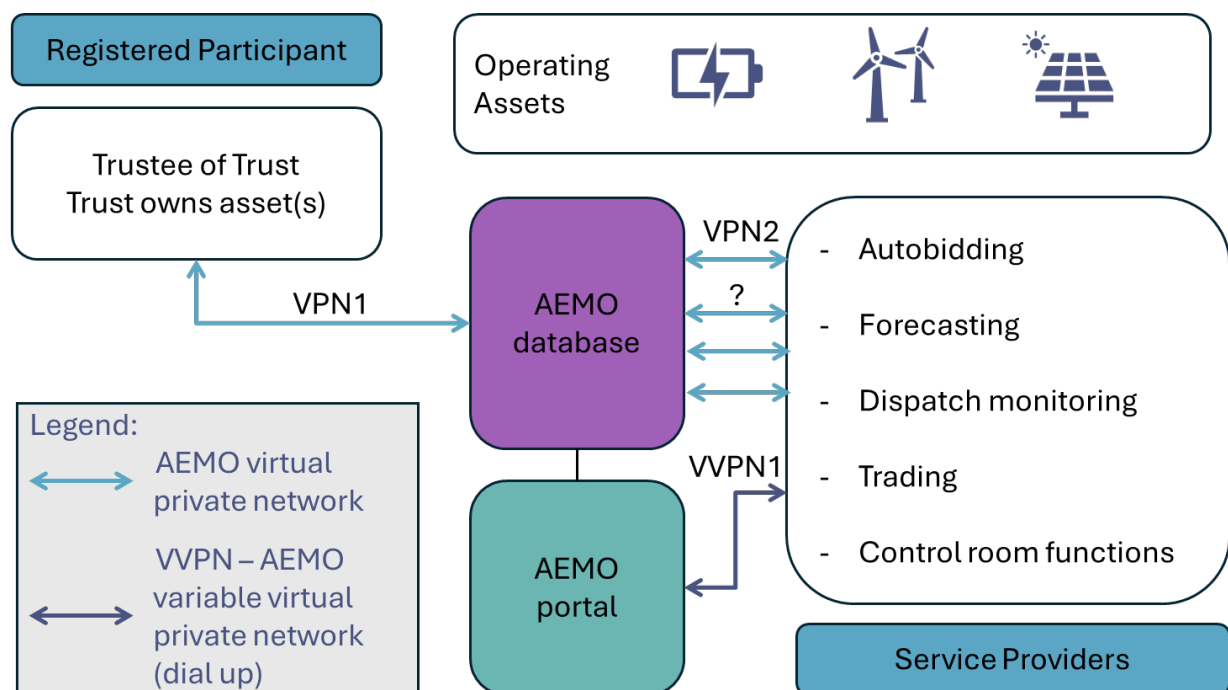
facilitates innovation, flexibility and best practice for cyber security, and aligns with principles of market efficiency.

*Current registered participant representative access inefficiencies.*

Unfortunately, Overwatch was not party to AEMO’s working groups that are updating identity management and access systems and processes. However, we are concerned that AEMO’s proposal for managing access under the new Rule, illustrated in Figure 2 of its Rule change proposal<sup>1</sup>, replicates and worsens many of the current access arrangement issues. It is likely to add an unnecessary layer of bureaucracy to manage registered participant representative access that does not exist with the current practice of credentials sharing.

Participants’ business operating models have changed materially from those that were in place when AEMO established its access arrangements. AEMO currently provides each registering entity with two 1024 kbps virtual private networks (VPNs) for accessing data full time from AEMO systems and two variable VPNs which are suitable for portal login only. Figure 1 illustrates a common form of regulatory and operational set up for an asset in the NEM today.

*Figure 1: A common registration and operating model for assets in the NEM.*



The application of these arrangements causes challenge in the areas of data sharing, flexibility and innovative business model development. As Figure 1 illustrates, not all service

<sup>1</sup> <https://www.aemc.gov.au/sites/default/files/2025-06/New%20rule%20change%20proposal%20-%20AEMO%20-%20Access%20to%20Information%20by%20Participant%20Representatives%20-%2020250515.pdf>

providers have access to the 1024 kbps VPNs. The current work arounds available to manage this constraint include:

1. Where a registered participant’s parent entity has many separately registered special purpose vehicles, a service provider may gain access to a ‘spare’ VPN and then use data sharing arrangements. This is the most common workaround.
2. The service provider may share a VPN with the registered participant or another service provider. This is not advisable as it can create latency with real time data transfer which is essential for high quality operational monitoring and control and represents poor cyber security practice.
3. Purchase an additional 1024 kbps VPN for \$17,000 a year, or a very high capacity (VHC) VPN for \$51,000 a year<sup>2</sup>. This is cost prohibitive as service providers would only be able to use these to log in to one registered participant’s assets at a time i.e., would require an additional VPN for each client. This is typically the limitation seen by registered participants with a single or small number of assets.

AEMO does not currently recognise service providers within its system access regime, which will be resolved by this Rule. However, under the draft Rule and AEMO’s access proposal there is no avenue for a service provider to ‘register’ with AEMO to efficiently gain access to the data required to provide their services.

*Access efficiency and proposed principles to apply to AEMO’s procedures*

If Overwatch’s understanding of AEMO’s access proposal is correct, service providers will not have the ability to independently establish access with AEMO and the requirement to log in client by client will continue. This outcome will lead to ongoing inefficiencies.

In developing the proposed principles set out in Table 2 for AEMO’s procedures, Overwatch considered it useful to identify a framework for delivering access to service providers. This leverages AEMO’s system architecture and is set out in Table 1 below.

*Table 1: Characteristics of an efficient access framework for service providers.*

#	Characteristic	Benefit
1	Service provider is identified as a ‘registered participant representative’ by a registered participant or entity in the process of applying to register.	The service provider is assessed by AEMO for access the first time it is identified by a registered/registering participant as a service provider. Avoids duplication of assessment and configuration registration by registration.

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<sup>2</sup> 2025 AUD prices.

#	Characteristic	Benefit
2	Service provider is provided access to AEMO's systems via a pseudo participant ID i.e., in the same way a registered participant may access AEMO systems.	<p>Service provider can manage its own credentials in AEMO's user rights management system (MSATS) and establish data sharing arrangements as required with new clients.</p> <p>This removes the burden of managing user rights from AEMO or registered participant.</p>
3	Service provider gains access to its clients' registered participant data via existing data sharing arrangements available between registered participant entities.	Efficient use of existing functionality
4	AEMO establishes a portal that allows registered participants and service providers to log in and establish a data sharing agreement and implement data sharing automatically in AEMO's systems including defining data (MMS tables) required for service provider to conduct operations.	<p>Automated processes replace time consuming and inefficient manual process currently in place to establish data sharing arrangements.</p> <p>Once accredited by AEMO the service provider would not need to be reassessed during each participant registration.</p> <p>Registered participant may cease sharing arrangement with the service provider at any time through this facility.</p> <p>Identifying data (MMS tables) required for operations both limits access – good cyber security practice <i>and</i> reduces the quantity of data transferred – reducing bandwidth/latency problems.</p>
5	AEMO provides VPNs directly to service providers to access data.	<p>The cost structure of this needs to be developed.</p> <p>This proposal will facilitate a more efficient adoption of VPNs. For example, a service provider with multiple clients could potentially justify the cost of an VHC VPN to service all clients' data.</p>

The proposed principles, and how they further meet the NEO are presented in Table 2 below.

*Table 2: Proposed principles to guide AEMO's procedures for accessing confidential data.*

Principle	Meeting the NEO
<p>Adopt efficient access arrangements to systems for registered participants and registered participants' representatives.</p>	<p>This principle reflects the key role that specialist service providers play in asset operational models and seeks to ensure AEMO considers the access arrangements for service providers that serve registered participants, as well as registered participants.</p> <p>In doing so, AEMO will maximise opportunities for service providers to deliver operational efficiency, cost minimisation, flexibility and technical innovation.</p> <p>This principle also supports good regulatory practice through transparent pathways to, and efficient access management of, confidential information.</p>
<p>Account for cyber security impacts to AEMO, registered participants and registered participants' representatives.</p>	<p>This principle reflects good regulatory practice and supports innovation and flexibility by ensuring that access to AEMO's confidential data must not compromise any entity's cyber security, for example, through forced gateway sharing arrangements between the registered participant and service providers.</p>

Overwatch would appreciate the AEMC considering its principles further and if these better meet the NEO. If you have any questions or wish to discuss, please contact me at [James.Tetlow@overwatchenergy.com.au](mailto:James.Tetlow@overwatchenergy.com.au).

Yours sincerely



James Tetlow,  
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