



7 May 2026

Australian Energy Market Commission  
GPO Box 2603  
Sydney NSW 2001

## **RE: Improving the NEM Access Standards – Package 2**

DAME Technologies welcomes the opportunity to respond to the AEMC's draft determination on NEM access standards for large inverter-based loads.

### About DAME Technologies

DAME Technologies is an established market participant in the NEM, specialising in the development of flexible data centres that can be continuously modulated to respond to real-time market signals and grid conditions. These flexible (inverter-based) loads can support the grid by actively participating in energy markets, providing ancillary services, and reducing curtailment through co-location with renewable energy assets.

We currently operate grid-connected compute infrastructure in Tasmania and are progressing a pipeline across multiple NEM regions, including sites co-located with VRE generation. DAME is a market participant in the NEM and was a participant in the AEMC Technical Working Group on this rule change.

DAME broadly supports the objectives of Package 2. Clear, proportionate connection standards for large IBLs will improve connection certainty and maintain system security. We offer the following comments on the draft rule.

## 1. Transmission-Connected Loads Require a Proportionate Tiering Framework

The draft rule introduces a tiering system for distribution-connected IBLs, providing proportionate treatment for loads within certain capacity tiers. However, no equivalent tiering framework is proposed for transmission-connected loads, in which large IBLs continue to face the full Schedule 5.3 requirements regardless of size.

This means that an inconsistency remains: a sub-30MW data centre connecting to a distribution network receives less scrutiny than the same sub-30MW facility connecting to a transmission network, despite the latter arguably posing a lower system security risk, given the stronger network at that voltage level.

DAME recommends that the AEMC consider introducing a proportionate tiering framework for TNSP-connected IBLs, appropriately sized to reflect the transmission network's characteristics. The threshold may differ from the distribution tier, but applying Schedule 5.3 in full on a blanket basis to all transmission-connected loads could be disproportionate. DAME believes that increasing IBL at the transmission level, closer to VRE generation, would benefit the NEM and the grid as a whole, and that any measures to facilitate this would be prudent. This is particularly relevant for IBLs co-located with existing VRE at transmission-connected sites.



## 2. VRE-Co-Located and Behind-the-Meter IBLs Are Not Adequately Addressed

The draft rule does not address the specific case of IBLs co-located behind-the-meter with utility-scale VRE generators.

For VRE-co-located BTM loads, DAME submits that an appropriate standard could be to demonstrate that the IBL does not materially negatively impact the existing VRE generator's performance at the connection point – rather than meeting the full proposed IBL standards independently. Specifically, sub-30MW VRE-co-located BTM sites should be exempt from the proposed IBL framework entirely, on the basis that their net grid impact is minimal and their performance is inherently governed by the host generator's existing connection agreement.

Critically, VRE-co-located IBLs should not trigger a requirement to reopen the existing Generator Performance Standards (GPS) of the host VRE asset. Reopening a GPS imposes significant costs, delays, and risks on both the generator and the connecting load, creating a material barrier to beneficial load co-location. We note that clause 5.3.9 connections reform process is separately addressing GPS arrangements for co-located facilities, and we recommend the final rule explicitly acknowledge this interaction and defer to the outcomes of that process.

## 3. Flexible and Scheduled IBLs Should Receive Preferential Treatment

The draft rule does not differentiate between non-flexible baseload IBLs and IBLs that operate as flexible or scheduled (VSR) loads. There is no mention of the benefits that flexible load operation provides to the grid, nor any recognition that such loads warrant a potentially different treatment under the connection framework.


DAME recognises that the design of connection pathways may not be squarely within the scope of this rule change. However, the draft rule does not differentiate between passive baseload IBLs and those that operate as flexible or dispatchable loads, active grid resources that enhance system stability and security. The AEMC should consider recommending streamlined connection pathways for loads that demonstrate verifiable flexibility, incentivising grid-responsive capability in line with the National Electricity Objective and the Government's recent *Expectations of data centres and AI infrastructure developers* report<sup>1</sup>.

## 4. Standardisation Should Deliver Faster Connection Timelines

As Package 2 standardises the connection framework for IBLs, DAME expects this to translate into materially faster end-to-end connection timelines. Standardised performance requirements should reduce the scope for protracted negotiation between proponents, NSPs, and AEMO on bespoke connection terms, which have historically created significant delays and costs for connecting parties.

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<sup>1</sup> <https://www.industry.gov.au/publications/expectations-data-centres-and-ai-infrastructure-developers>



DAME encourages the AEMC to set this expectation explicitly in the final rule and to consider monitoring connection timelines post-commencement to verify that standardisation delivers the intended efficiency gains.

## Next Steps

DAME supports the objectives of Package 2 and the introduction of clear standards for IBLs, and we welcome further engagement on these issues.

For any inquiries regarding this submission, please contact Luc van Duinen via

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Sincerely,

[REDACTED]

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CEO