

Registration of proponents of new types of generation

Final determination and final rule published

The Australian Energy Market Commission (AEMC) has made a rule in response to a rule change request from the Australian Energy Market Operator (AEMO) to clarify the definition of a 'generating unit' in the National Electricity Rules (NER).

Final rule determination

The Commission has made a rule which amends the definition of 'generating unit' in Chapter 10 of the National Electricity Rules (NER) to make it clear that the rules for eligibility for registration as a Generator are technology-neutral. This will ensure that non-traditional generation like battery storage and solar PV is being appropriately included.

Current arrangements and rule change request

In order to participate in the NEM, a person must become registered in relation to the activity they wish to undertake in the market, eg, generation.

AEMO has received a number of inquiries from parties interested in participating in the National Electricity Market (NEM) as 'Generators' who AEMO believes are ineligible for registration because the type of generation they are proposing does not fall within the current definition of 'generating unit'.

A number of submissions to the AEMC's work on the Integration of Energy Storage also commented on this lack of clarity regarding the definition of 'Generator'. As a result, AEMO proposed a rule change to address this issue in a timely manner.

Commission's reasons

The Commission has determined that it should make the rule as proposed as it considers it will, or is likely to, contribute to the achievement of the National Electricity Objective (NEO). This is because it considers the rule will promote efficient investment through promoting technological and process neutrality, as well as regulatory certainty as to those parties that can register as a Generator.

For information contact:

AEMC Senior Director, Chris Spangaro (02) 8296 0604

AEMC Director, Victoria Mollard (02) 8296 7872

Media: Communication Manager, Prudence Anderson 0404 821 935 or (02) 8296 7817

Date: 26 May 2016