



## National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024 No. 24

The Australian Energy Market Commission makes the following Rule under the National Electricity Law to the extent applied by:

- (a) the *National Electricity (South Australia) Act 1996* of South Australia;
- (b) the *Electricity (National Scheme) Act 1997* of the Australian Capital Territory;
- (c) the *Electricity - National Scheme (Queensland) Act 1997* of Queensland;
- (d) the *National Electricity (New South Wales) Act 1997* of New South Wales;
- (e) the *Electricity - National Scheme (Tasmania) Act 1999* of Tasmania;
- (f) the *National Electricity (Victoria) Act 2005* of Victoria;
- (g) the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015* of the Northern Territory; and
- (h) the *Australian Energy Market Act 2004* of the Commonwealth.

Anna Collyer  
Chairperson  
Australian Energy Market Commission

## **National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024 No. 24**

### **1 Title of Rule**

This Rule is the *National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024 No. 24*

### **2 Commencement**

Schedule 1 of this Rule commences operation on 23 May 2027.

Schedule 2 of this Rule commences operation on 31 March 2026.

Schedule 3 of this Rule commences operation on 1 January 2026.

Schedule 4 of this Rule commences operation on 23 May 2027.

Schedule 5 of this Rule commences operation on 19 December 2024.

### **3 Amendment to the National Electricity Rules (voluntarily scheduled resources in dispatch)**

The National Electricity Rules are amended as set out in Schedule 1.

### **4 Amendment to the National Electricity Rules (incentive mechanism)**

The National Electricity Rules are amended as set out in Schedule 2.

### **5 Amendment to the National Electricity Rules (monitoring and reporting)**

The National Electricity Rules are amended as set out in Schedule 3.

### **6 Amendment to the National Electricity Rules (glossary)**

The National Electricity Rules are amended as set out in Schedule 4.

### **7 Savings and Transitional Amendment to the National Electricity Rules**

The National Electricity Rules are amended as set out in Schedule 5.

## **Schedule 1      Amendment to the National Electricity Rules (voluntarily scheduled resources in dispatch)**

(Clause 3)

### **[1] Clause 2.4.1      Registration as a category of Market Participant**

Omit clause 2.4.1, including the heading, and substitute:

#### **2.4.1      Market Participants must satisfy prudential requirements**

A *Market Participant* may only participate in any of the *markets* or trading activities conducted by *AEMO* if that *Market Participant* satisfies the relevant *prudential requirements* set out in Chapter 3 applicable to the relevant trading activity.

### **[2] Clause 3.7.3      Short term PASA**

In clause 3.7.3(h)(2), after "scheduled generating units, scheduled bidirectional units," insert "voluntarily scheduled resources (other than hibernated voluntarily scheduled resources).".

### **[3] Clause 3.7.3      Short term PASA**

In clause 3.7.3(k)(3), after "scheduled generating units, scheduled bidirectional units," insert "voluntarily scheduled resources (other than hibernated voluntarily scheduled resources).".

### **[4] Rule 3.7D      Demand side participation information**

In rule 3.7D(a), omit the definition of "**contracted demand side participation**" and substitute the following:

**contracted demand side participation** means, in relation to a *Registered Participant*, a contractual arrangement under which a person and the *Registered Participant* agree to:

- (1) the adjustment of *non-scheduled load* or the provision of unscheduled generation in certain specified circumstances;
- (2) the provision of *wholesale demand response* by a *wholesale demand response unit*; or
- (3) the use of a *qualifying resource* as a *voluntarily scheduled resource*.

### **[5] Rule 3.7G      Enhancing reserve information**

Omit rule 3.7G(a) and substitute the following:

- (a) In this rule:

**battery** means each of the following:

- (1) a *scheduled bidirectional unit*, excluding a pumped hydro *production unit*; and
- (2) a *voluntarily scheduled resource* comprised of one or more *market bidirectional units*.

## [6] Clause 3.8.2B      **Voluntarily scheduled resource participation in central dispatch**

After clause 3.8.2A, insert a new clause 3.8.2B as follows:

### **3.8.2B      Voluntarily scheduled resource participation in central dispatch**

- (a) Subject to paragraphs (b) and (c), a *Voluntarily Scheduled Resource Provider* must submit a *dispatch bid* in respect of its *voluntarily scheduled resource* for each *trading day* in accordance with clause 3.8.6 and (if applicable) its *VSR participation agreement*.
- (b) A *Voluntarily Scheduled Resource Provider* for an *inactive voluntarily scheduled resource* participates in *central dispatch* in accordance with the modifications in clauses 3.10A.2(d), (e) and (f).
- (c) A *Voluntarily Scheduled Resource Provider* for a *hibernated voluntarily scheduled resource* does not participate in *central dispatch* and is not required to submit *dispatch bids* in respect of its *hibernated voluntarily scheduled resource*.

## [7] Clause 3.8.3      **Central dispatch aggregation guidelines**

In clause 3.8.3, before paragraph (a), insert a subheading

### **Applications for aggregation**

## [8] Clause 3.8.3      **Central dispatch aggregation guidelines**

After clause 3.8.3(a2), insert a new clause 3.8.3(a3) as follows:

- (a3) A *Voluntarily Scheduled Resource Provider* who is applying to nominate *qualifying resources* in accordance with clause 3.10A.1 and who wishes to aggregate two or more *qualifying resources* so they are treated as one *voluntarily scheduled resource* for the purposes of *central dispatch* must apply to *AEMO* to do so in accordance with this clause.

## [9] Clause 3.8.3      **Central dispatch aggregation guidelines**

In clause 3.8.3, before paragraph (b), insert a subheading:

### Conditions for approval of applications for aggregation

#### [10] Clause 3.8.3      Central dispatch aggregation guidelines

After clause 3.8.3(b4), insert a new clause 3.8.3(b5) as follows:

- (b5) *AEMO* must approve applications for aggregation made under paragraph (a3) if the following conditions are fulfilled:
- (1) all *qualifying resources* forming part of the aggregated *voluntarily scheduled resource* must be *connected* within a single *region* and must be operated by a single person in its capacity as a *Voluntarily Scheduled Resource Provider*;
  - (2) *power system security* must not be materially affected by the proposed aggregation;
  - (3) each *qualifying resource* forming part of the aggregated *voluntarily scheduled resource* must satisfy the requirements of clause 3.10A.1(f) after aggregation; and
  - (4) each other requirement for aggregation in the *voluntarily scheduled resource guidelines* must have been satisfied in respect of the proposed aggregation.

#### [11] Clause 3.8.3      Central dispatch aggregation guidelines

After clause 3.8.3(b5), insert new clauses 3.8.3(b6) and 3.8.3(b7) as follows:

- (b6) If *AEMO* approves an application for aggregation made under paragraph (a3), *AEMO* may impose on the relevant *Voluntarily Scheduled Resource Provider* such terms and conditions as *AEMO* determines, which may include the circumstances in which *AEMO* may require an aggregated *voluntarily scheduled resource* to be disaggregated.
- (b7) A *Voluntarily Scheduled Resource Provider* must comply with any conditions imposed by *AEMO* under paragraph (b6) in respect of its *voluntarily scheduled resource*.

#### [12] Clause 3.8.3      Central dispatch aggregation guidelines

In clause 3.8.3, before paragraph (d), insert a subheading:

##### Other aggregation requirements

#### [13] Clause 3.8.3      Central dispatch aggregation guidelines

Omit clause 3.8.3(e) and substitute the following:

- (d1) For the purposes of Chapter 3 and rule 4.9, a reference to a *voluntarily scheduled resource* is always taken as a reference to the aggregated

*voluntarily scheduled resource* where it has been aggregated in accordance with this clause 3.8.3.

- (e) Except to the extent paragraph (e1) applies, *AEMO* must evaluate applications for aggregation and reply within 20 *business days* of receiving the application setting out whether *AEMO* approves the application and the conditions that apply to the approval.
- (e1) *AEMO* must evaluate applications for aggregation of *qualifying resources* as a *voluntarily scheduled resource* in accordance with the process specified in the *voluntarily scheduled resource guidelines*.

## [14] Clause 3.8.3      Central dispatch aggregation guidelines

Omit clause 3.8.3(f1) and substitute:

- (f1) *Demand Response Service Providers* and *Voluntarily Scheduled Resource Providers* that have been granted aggregated status with respect to *wholesale demand response units* or *voluntarily scheduled resources* must, if required by *AEMO*, declare individual *wholesale demand response unit* or *qualifying resource* availability and operating status to *AEMO* in the *short term PASA* process under clause 3.7.3 to allow *power system security* to be effectively monitored.

## [15] Clause 3.8.3A      Ramp rates

In clause 3.8.3A(a)(2)(ii), after "clause 3.8.6(g)" insert "and 3.8.6(g1)".

## [16] Clause 3.8.3A      Ramp rates

In clause 3.8.3A(b), after "*scheduled bidirectional unit*" insert "and *voluntarily scheduled resource*".

## [17] Clause 3.8.3A      Ramp rates

Omit clause 3.8.3A(b)(1)(iv) and substitute the following:

- (iv) in the case of a *scheduled resource* that is aggregated in accordance with clause 3.8.3, the *minimum ramp rate* is equal to the *minimum ramp rate requirement* for the aggregated *scheduled resource*; and

## [18] Clause 3.8.3A      Ramp rates

In clause 3.8.3A(c), omit each occurrence of "*generating unit, scheduled bidirectional unit, scheduled load or scheduled network service*" and substitute "*scheduled resource*".

## [19] Clause 3.8.3A      Ramp rates

In clause 3.8.3A(d), after "*scheduled bidirectional unit,*" insert "*voluntarily scheduled resource*",.

## [20] Clause 3.8.3A      Ramp rates

In clause 3.8.3A(j), after "*scheduled bidirectional unit*," insert "*voluntarily scheduled resource*".

## [21] Clause 3.8.4      Notification of scheduled capacity

Omit clause 3.8.4(c) and substitute the following:

- (c) for *scheduled generating units, scheduled bidirectional units and voluntarily scheduled resources*, two days ahead of each *trading day*:
  - (1) for a *scheduled generating unit*, a MW capacity profile that specifies the MW available for each of the 288 *trading intervals* in the *trading day*;
  - (1A) for a *scheduled bidirectional unit* and a *voluntarily scheduled resource*, for each of *generation* and *consumption*, a MW capacity profile that specifies the MW available for each of the 288 *trading intervals* in the *trading day*;
  - (2) estimated *commitment* or *decommitment* times for *scheduled generating units*;
  - (3) daily *energy availability* for *scheduled generating units with energy constraints, scheduled bidirectional units with energy constraints and voluntarily scheduled resources with energy constraints*;
  - (4) for a *scheduled generating unit*, an up *ramp rate* and a down *ramp rate*; and

### Note

This paragraph is classified as a tier 1 civil penalty provision under the National Electricity (South Australia) Regulations. (See clause 6(1) and Schedule 1 of the National Electricity (South Australia) Regulations.)

- (5) for a *scheduled bidirectional unit* and a *voluntarily scheduled resource*, an up *ramp rate* and a down *ramp rate* for *generation* from, and an up *ramp rate* and a down *ramp rate* for *consumption by*, the *bidirectional unit* or the *voluntarily scheduled resource*;

## [22] Clause 3.8.6      Dispatch bids - generating units and bidirectional units

In clause 3.8.6, omit the heading and substitute:

**3.8.6 Dispatch bids - generating units, bidirectional units and voluntarily scheduled resources**

**[23] Clause 3.8.6      Dispatch bids - generating units, bidirectional units and voluntarily scheduled resources**

Omit clause 3.8.6(a0) and substitute the following:

- (a0) A *Scheduled Generator, Semi-Scheduled Generator, Scheduled Integrated Resource Provider and Voluntarily Scheduled Resource Provider* must comply with the applicable requirements of this clause 3.8.6 when submitting a *dispatch bid*.

**[24] Clause 3.8.6      Dispatch bids - generating units, bidirectional units and voluntarily scheduled resources**

In clause 3.8.6, omit the subheading above clause 3.8.6(g1) and substitute:

**Scheduled bidirectional units and voluntarily scheduled resources**

**[25] Clause 3.8.6      Dispatch bids - generating units, bidirectional units and voluntarily scheduled resources**

Omit clause 3.8.6(g1) and substitute the following:

- (g1) A *dispatch bid* for a *scheduled bidirectional unit* or a *voluntarily scheduled resource* may contain up to 10 *price bands* for production from, and up to 10 *price bands* for consumption by, the *bidirectional unit* or *voluntarily scheduled resource*, and must:
- (1) specify for each of the 288 *trading intervals* in the *trading day*:
    - (i) an incremental MW amount for each *price band* specified in the *dispatch bid*; and
    - (ii) an up *ramp rate* and a down *ramp rate* for *generation* and an up *ramp rate* and a down *ramp rate* for *consumption*; and
  - (2) specify a price for each *price band* specified in the *dispatch bid*, in dollars and whole cents per MWh, and this price is to apply to the *price band* throughout the *trading day*;

**[26] Clause 3.8.6**

**Dispatch bids - generating units,  
bidirectional units and voluntarily  
scheduled resources**

After clause 3.8.6(g2), insert a new clause 3.8.6(g3) as follows:

- (g3) A *Voluntarily Scheduled Resource Provider's dispatch bid* must specify the daily *energy* available for *voluntarily scheduled resources* with *energy constraints*.

**[27] Clause 3.8.6**

**Dispatch bids - generating units,  
bidirectional units and voluntarily  
scheduled resources**

In clause 3.8.6, omit the subheading above clause 3.8.6(h) and substitute:

**Scheduled and semi-scheduled generating units, scheduled  
bidirectional units and voluntarily scheduled resources**

**[28] Clause 3.8.6**

**Dispatch bids - generating units,  
bidirectional units and voluntarily  
scheduled resources**

In clause 3.8.6(h), omit "*semi-scheduled generating unit or scheduled bidirectional unit* must meet" and substitute "*semi-scheduled generating unit, scheduled bidirectional unit* or *voluntarily scheduled resource* must meet".

**[29] Clause 3.8.6**

**Dispatch bids - generating units,  
bidirectional units and voluntarily  
scheduled resources**

Omit clause 3.8.6(h)(1) and substitute the following:

- (1) the MW quantities specified are to apply at the terminals of the *scheduled generating unit, semi-scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource* or, with *AEMO's* agreement, at any other point in the relevant *Generator's, Scheduled Integrated Resource Provider's or Voluntarily Scheduled Resource Provider's* electrical installation or on the *network*;

**[30] Clause 3.8.6**

**Dispatch bids - generating units,  
bidirectional units and voluntarily  
scheduled resources**

In clause 3.8.6(h)(3), omit "*connection point* of the *scheduled generating unit, semi-scheduled generating unit or scheduled bidirectional unit*" and substitute "*market connection point* of the *scheduled generating unit, semi-scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource*, or each *market*

*connection point of the voluntarily scheduled resource if it is aggregated under clause 3.8.3".*

### [31] Clause 3.8.6

### Dispatch bids - generating units, bidirectional units and voluntarily scheduled resources

In clause 3.8.6(h)(3), omit the definition of "LF" and substitute the following:

LF means:

- (i) where the *market connection point* (or, if the *market connection point* is a *secondary settlement point*, the *connection point* for the premises) is a *transmission network connection point* - the relevant *intra-regional loss factor* at that *connection point*;
- (ii) where the *market connection point* (or, if the *market connection point* is a *secondary settlement point*, the *connection point* for the premises) is a *distribution network connection point* - the product of the *distribution loss factor* at that *connection point* and the relevant *intra-regional loss factor* at the *transmission network connection point* to which it is assigned; or
- (iii) where two or more *qualifying resources* have been aggregated as a *voluntarily scheduled resource* in accordance with clause 3.8.3 - a *loss factor* determined in accordance with the *voluntarily scheduled resource guidelines*; and

### [32] Clause 3.8.20

### Pre-dispatch schedule

In clause 3.8.20(k), omit "*scheduled generating unit, a semi-scheduled generating unit, a scheduled bidirectional unit or a scheduled load*" and substitute "*scheduled resource* (other than a *wholesale demand response unit* or a *scheduled network service*)".

### [33] Clause 3.8.21

### On-line dispatch process

Omit clause 3.8.21(m) and substitute the following:

- (m) Where the *central dispatch* process may have failed to *dispatch* a *scheduled resource* (other than a *wholesale demand response unit* or a *scheduled network service*) to maximise the joint value of *energy* and *ancillary services* due to the relevant *scheduled resource* operating outside its *enablement limit*, AEMO must notify the relevant *Market Participant* electronically on a confidential basis.

### [34] Clause 3.8.22A Bids and rebids must not be false or misleading

Omit clause 3.8.22A(e)(2) and substitute the following:

- (2) the importance of *rebids* being made, where possible, in sufficient time to allow reasonable opportunity for other *Market Participants* to respond (including by making responsive *rebids*, by bringing one or more *generating units*, *bidirectional units* or *voluntarily scheduled resources* into operation, or adjusting the *loading level* of any *generating units*, *bidirectional units*, *load*, *wholesale demand response units* or *voluntarily scheduled resources*) prior to the commencement of the *trading interval* to which the *rebid* relates, and may have regard to any other relevant matter, including any of the matters referred to in subparagraphs (c)(1) to (5).

### [35] Clause 3.8.23 Failure to conform to dispatch instructions excluding wholesale demand response units

In clause 3.8.23, omit the heading and substitute:

#### 3.8.23 Failure to conform to dispatch instructions, excluding wholesale demand response units and voluntarily scheduled resources

### [36] Clause 3.8.23B Failure of voluntarily scheduled resources to conform to dispatch instructions

After clause 3.8.23A, insert a new clause 3.8.23B as follows:

#### 3.8.23B Failure of voluntarily scheduled resources to conform to dispatch instructions

- (a) This clause does not apply to an *inactive voluntarily scheduled resource*.

##### Note

*Inactive voluntarily scheduled resources* are required to submit *dispatch bids* in accordance with clause 3.8.6 but are not required to follow *dispatch instructions*. See clauses 3.10A.2(d) to (f). *Hibernated voluntarily scheduled resources* do not participate in *central dispatch* at all. See clause 3.10A.2(l).

- (b) If a *voluntarily scheduled resource* fails to respond to a *dispatch instruction* within a tolerable time and accuracy (as determined in AEMO's reasonable opinion), then the *voluntarily scheduled resource*:

- (1) is to be declared and identified as non-conforming; and

- (2) cannot be used as the basis for setting *spot prices*.
- (c) If a *voluntarily scheduled resource* is declared as non-conforming under paragraph (b), then:
  - (1) *AEMO* must advise the relevant *Voluntarily Scheduled Resource Provider* that the relevant *voluntarily scheduled resource* is identified as non-conforming, and request and log a reason for the non-compliance with the *dispatch instruction*;
  - (2) if, in *AEMO*'s opinion, modification of *plant* parameters is necessary or desirable, *AEMO* must request the relevant *Voluntarily Scheduled Resource Provider* to submit modified *plant* parameters to satisfy *AEMO* that a realistic real time *dispatch* schedule can be carried out.
- (d) If a *voluntarily scheduled resource* is identified as non-conforming under paragraph (b), it continues to be non-conforming until:
  - (1) the *Voluntarily Scheduled Resource Provider* responds to any requests under paragraph (c); and
  - (2) *AEMO* is satisfied that the *voluntarily scheduled resource* will respond to future *dispatch instructions* as required.
- (e) If a *voluntarily scheduled resource* is identified as non-conforming under paragraph (b), *AEMO* acting reasonably may, by notice to a *Voluntarily Scheduled Resource Provider*, require the *Voluntarily Scheduled Resource Provider* to limit the available capacity of the non-conforming *voluntarily scheduled resource* to a maximum figure determined by *AEMO* for so long as the *voluntarily scheduled resource* remains non-conforming.
- (f) A notice given under paragraph (e) remains in place until:
  - (1) the *voluntarily scheduled resource* ceases to be non-conforming in accordance with paragraph (d); or
  - (2) *AEMO* varies the notice by giving a further notice under paragraph (e).
- (g) If a *voluntarily scheduled resource* continues to be non-conforming after a reasonable period, *AEMO* must prepare a report setting out the details for the non-conformance and forward a copy to the *Voluntarily Scheduled Resource Provider* and the *AER*.

### [37] Clause 3.9.1      Principles applicable to spot price determination

In clause 3.9.1(a)(3), after "wholesale demand response unit" insert ", *voluntarily scheduled resource*".

**[38] Clause 3.9.3      Pricing in the event of intervention by AEMO**

Omit clause 3.9.3(b1)(1) and substitute the following:

- (1) *energy that is capable of being provided by any generating unit, bidirectional unit or voluntarily scheduled resource within a region;*

**[39] Clause 3.9.3      Pricing in the event of intervention by AEMO**

In clause 3.9.3(b1)(2), omit "generating unit or bidirectional unit" and substitute "generating unit, bidirectional unit or voluntarily scheduled resource".

**[40] Clause 3.9.3      Pricing in the event of intervention by AEMO**

In clause 3.9.3(b2)(1), omit "generating unit or, bidirectional unit" and substitute "generating unit, bidirectional unit, voluntarily scheduled resource".

**[41] Rule 3.10A      Voluntarily scheduled resources**

Omit rule 3.10A, including the heading and the note, and substitute:

**3.10A      Voluntarily scheduled resources**

**3.10A.1      Nominating voluntarily scheduled resources**

**Resources which may be nominated as a voluntarily scheduled resource**

- (a) *Qualifying resource* means:
  - (1) a market generating unit that is a non-scheduled generating unit;
  - (2) a market bidirectional unit that is a non-scheduled bidirectional unit;
  - (3) a market connection point that is non-scheduled load; or
  - (4) one or more small generating units or small bidirectional units (or any combination) at a small resource connection point classified as a market connection point in accordance with clause 2.2.8.
- (b) Subject to paragraph (c), a person registered as a *Generator*, *Integrated Resource Provider* or *Market Customer*, in respect of one or more *qualifying resources*, may apply to *AEMO* to nominate its *qualifying resource*, or *qualifying resources* that are aggregated under clause 3.8.3, as a *voluntarily scheduled resource* under this clause.

**Application process to nominate a voluntarily scheduled resource**

- (c) An application to nominate a *voluntarily scheduled resource* under paragraph (b) must be in the form prescribed by *AEMO* and must:
  - (1) identify the *NMI* and *market connection point* associated with the *qualifying resource*; and
  - (2) demonstrate how the *qualifying resource* meets the requirements specified in the *Voluntarily Scheduled Resource Guidelines*.
- (d) *AEMO* must, within 5 *business days* of receiving a nomination application under paragraph (b), advise the applicant of any further information or clarification which is required in support of its application if, in *AEMO*'s reasonable opinion, the application:
  - (1) is incomplete; or
  - (2) contains information upon which *AEMO* requires clarification.
- (e) If the further information or clarification required pursuant to paragraph (d) is not provided to *AEMO*'s satisfaction within 15 *business days* of the request, *AEMO* may, on notice to the applicant at any time after expiry of that period, elect to treat the application as withdrawn and the applicant will be deemed to have withdrawn the application.
- (f) *AEMO* must, subject to paragraph (g), approve the application for nomination under paragraph (b), if *AEMO* is reasonably satisfied that:
  - (1) the request is made in respect of one or more *qualifying resources*;
  - (2) the applicant has submitted data in accordance with Schedule 3.1;
  - (3) the applicant has adequate communications and/or telemetry in place to support the exchange of required data for the proposed *voluntarily scheduled resource*; and
  - (4) the *qualifying resource* satisfies each other requirement in the *voluntarily scheduled resource guidelines* for nomination as a *voluntarily scheduled resource*.
- (g) *AEMO* must not give approval to a person under paragraph (f) in respect of a *qualifying resource* that is nominated as a *voluntarily scheduled resource* by a different person.

**Effect of approval for nomination as a voluntarily scheduled resource**

- (h) If *AEMO* gives approval under paragraph (f) to nominate one or more *qualifying resources* as a *voluntarily scheduled resource*, then subject to paragraph (i), the *voluntarily scheduled resource* is a *scheduled*

*resource* (but does not become classified as a *scheduled generating unit*, *scheduled load* or *scheduled bidirectional unit*).

**Note**

Approval of a *qualifying resource* as a *voluntarily scheduled resource* does not affect the classification of that resource as a *market generating unit*, *market bidirectional unit* or *market connection point* (as applicable).

- (i) During those periods where a *voluntarily scheduled resource* is:
  - (1) an *inactive voluntarily scheduled resource*, the requirements and exemptions in clause 3.10A.2(d) to (i) will apply; or
  - (2) a *hibernated voluntarily scheduled resource*, it will not be a *scheduled resource* and the requirements and exemptions in clause 3.10A.2(l) to (p) will apply.
- (j) A person whose *qualifying resource* is approved for nomination as a *voluntarily scheduled resource* in accordance with paragraph (f), and if applicable, has been aggregated with other *qualifying resources* as a single *voluntarily scheduled resource* under clause 3.8.3, is taken to be a *Voluntarily Scheduled Resource Provider* in so far as its activities relate to that *voluntarily scheduled resource*.
- (k) *AEMO* may approve the nomination of a *qualifying resource* as a *voluntarily scheduled resource* on such terms and conditions as *AEMO* considers necessary to ensure the provisions of the *Rules* applying to *voluntarily scheduled resources* can be met.
- (l) A *Voluntarily Scheduled Resource Provider* must comply with any terms and conditions imposed by *AEMO* under paragraph (k) in respect of its *voluntarily scheduled resource*.
- (m) A *Voluntarily Scheduled Resource Provider* must notify *AEMO*:
  - (1) immediately if the *Voluntarily Scheduled Resource Provider* ceases to be the *financially responsible Market Participant* for a *qualifying resource* forming part of a *voluntarily scheduled resource*; or
  - (2) as soon as practicable, and in any event, no later than 10 *business days* after becoming aware that a resource forming part of a *voluntarily scheduled resource* ceases to be a *qualifying resource*.
- (n) If a *Voluntarily Scheduled Resource Provider* gives *AEMO* a notice under paragraph (m) in respect of a *voluntarily scheduled resource*, the *voluntarily scheduled resource* ceases to be a *voluntarily scheduled resource* from the time the relevant notice is given.
- (o) A *Voluntarily Scheduled Resource Provider* may (but is not required to) participate in the *VSR incentive mechanism* in accordance with rule 3.10B.

- (p) A *Market Participant* in respect of a *qualifying resource* may participate in the *VSR incentive mechanism* in accordance with rule 3.10B prior to applying to *AEMO* to nominate its *qualifying resource* as a *voluntarily scheduled resource* under this clause.

### **3.10A.2 Deactivation and temporary hibernation of voluntarily scheduled resources**

- (a) In this clause:

**deactivation notice** means a notice submitted to *AEMO* for the deactivation of a *voluntarily scheduled resource* under paragraph (b).

**hibernation notice** means a notice submitted to *AEMO* for the temporary hibernation of a *voluntarily scheduled resource* under paragraph (j).

**maximum hibernation period** means a hibernation period of 18 months in respect of a *hibernated voluntarily scheduled resource*, to commence from the date that *AEMO* records its status as such under subparagraph (l)(1).

**reactivation notice** means a notice submitted to *AEMO* under paragraph (g) for the reactivation of an *inactive voluntarily scheduled resource* as a *voluntarily scheduled resource*.

**resumption notice** means a notice submitted to *AEMO* under subparagraph (m)(1) for the resumption of a *hibernated voluntarily scheduled resource* as a *voluntarily scheduled resource*.

#### **Deactivation and reactivation notices**

- (b) A *Voluntarily Scheduled Resource Provider* may submit a deactivation notice to *AEMO*.
- (c) A deactivation notice submitted under paragraph (b) must:
- (1) contain the information required by the *voluntarily scheduled resource guidelines*;
  - (2) be submitted to *AEMO* in accordance with the process specified in the *voluntarily scheduled resource guidelines*; and
  - (3) where the *voluntarily scheduled resource* has been aggregated in accordance with clause 3.8.3, apply to each individual *qualifying resource* forming part of the aggregated *voluntarily scheduled resource*.
- (d) If a *Voluntarily Scheduled Resource Provider* submits a deactivation notice in accordance with paragraph (c), then:
- (1) *AEMO* must record the status of the *voluntarily scheduled resource* as an *inactive voluntarily scheduled resource* in accordance with the *voluntarily scheduled resource guidelines*;

- (2) *AEMO* may impose conditions on the *inactive voluntarily scheduled resource* in accordance with the *voluntarily scheduled resource guidelines*, and the *Voluntarily Scheduled Resource Provider* must comply with those conditions; and
  - (3) the *Voluntarily Scheduled Resource Provider* remains a *Voluntarily Scheduled Resource Provider* in respect of the *voluntarily scheduled resource* and must continue to comply with the obligations for *voluntarily scheduled resources* under these *Rules*, except to the extent its *inactive voluntarily scheduled resource* is exempted from the application of a provision of the *Rules* in accordance with paragraph (f).
- (e) For the purposes of *central dispatch*, *AEMO*:
- (1) is not required to include *dispatch bids* submitted in respect of an *inactive voluntarily scheduled resource* in *central dispatch* or validate those *dispatch bids* in accordance with clause 3.8.8; and
  - (2) must specify, in the *voluntarily scheduled resource guidelines*, how an *inactive voluntarily scheduled resource* is to be treated by *AEMO*.
- (f) In respect of its *inactive voluntarily scheduled resource*, a *Voluntarily Scheduled Resource Provider* is exempt from the application of the following clauses, except in relation to any *market ancillary services* to be provided by any *qualifying resource* forming part of the *voluntarily scheduled resource*:
- (1) clause 3.8.8;
  - (2) the requirements in the *Rules* to conform to *dispatch instructions* including clause 3.8.23B;
  - (3) clause 3.8.22A;
  - (4) clause 4.8.9, to the extent that clause relates to a *direction* issued by *AEMO*;
  - (5) clause 4.9.2; and
  - (6) clause 4.9.8.
- (g) A *Voluntarily Scheduled Resource Provider* may submit a reactivation notice in respect of its *inactive voluntarily scheduled resource* at any time. A reactivation notice must:
- (1) be made in accordance with the *voluntarily scheduled resource guidelines*; and
  - (2) specify a date on which the relevant deactivation period is proposed to end.

- (h) If a *Voluntarily Scheduled Resource Provider* submits a reactivation notice in accordance with paragraph (g), then with effect from the date specified in subparagraph (g)(2) or a later date determined by *AEMO* in accordance with the *voluntarily scheduled resource guidelines*:
  - (1) *AEMO* must remove the status of the *voluntarily scheduled resource* as an *inactive voluntarily scheduled resource*; and
  - (2) the *Voluntarily Scheduled Resource Provider* is no longer exempt from the application of a provision of the *Rules* in accordance with paragraph (f).
- (i) An *inactive voluntarily scheduled resource* continues to have that status unless it becomes:
  - (1) a *voluntarily scheduled resource* pursuant to a reactivation notice; or
  - (2) a *hibernated voluntarily scheduled resource* pursuant to a hibernation notice.

#### **Hibernation and resumption notices**

- (j) A *Voluntarily Scheduled Resource Provider* may submit a hibernation notice to *AEMO* at any time in respect of its *voluntarily scheduled resource*, including an *inactive voluntarily scheduled resource*.
- (k) A hibernation notice submitted under paragraph (j) must:
  - (1) specify an expected hibernation period of at least 30 days but not exceeding the maximum hibernation period;
  - (2) contain the information required by the *voluntarily scheduled resource guidelines*;
  - (3) be submitted to *AEMO* in accordance with the process specified in the *voluntarily scheduled resource guidelines*; and
  - (4) where the *voluntarily scheduled resource* has been aggregated in accordance with clause 3.8.3, apply to each individual *qualifying resource* forming part of the aggregated *voluntarily scheduled resource*.
- (l) If a *Voluntarily Scheduled Resource Provider* submits a hibernation notice in accordance with paragraph (k), then:
  - (1) *AEMO* must record the status of the *voluntarily scheduled resource* as a *hibernated voluntarily scheduled resource* in accordance with the *voluntarily scheduled resource guidelines*; and
  - (2) for the duration of the relevant hibernation period:

- (i) *AEMO* may impose conditions on the *hibernated voluntarily scheduled resource* in accordance with the *voluntarily scheduled resource guidelines*, and the *Voluntarily Scheduled Resource Provider* must comply with those conditions; and
  - (ii) the *hibernated voluntarily scheduled resource* is not a *scheduled resource* and will not participate in *central dispatch*.
- (m) A *Voluntarily Scheduled Resource Provider* may, prior to the end of the maximum hibernation period and in accordance with the *voluntarily scheduled resource guidelines*:
- (1) submit a resumption notice, specifying a date within the maximum hibernation period on which the relevant hibernation period is proposed to end; or
  - (2) notify *AEMO* that each relevant *qualifying resource* is no longer nominated as a *voluntarily scheduled resource*.
- (n) If a *Voluntarily Scheduled Resource Provider* submits a resumption notice in accordance with subparagraph (m)(1):
- (1) *AEMO* must remove the status of the *voluntarily scheduled resource* as a *hibernated voluntarily scheduled resource*; and
  - (2) the *voluntarily scheduled resource* becomes a *scheduled resource* on the date specified in subparagraph (m)(1) or a later date determined by *AEMO* in accordance with the *voluntarily scheduled resource guidelines*.
- (o) A *Voluntarily Scheduled Resource Provider* ceases to be a *Voluntarily Scheduled Resource Provider* in respect of a *hibernated voluntarily scheduled resource* and each relevant *qualifying resource* ceases to be a *voluntarily scheduled resource* (or part of a *voluntarily scheduled resource*, if aggregated):
- (1) in accordance with the timing and process specified in the *voluntarily scheduled resource guidelines*, if the *Voluntarily Scheduled Resource Provider* submits a notice under subparagraph (m)(2); or
  - (2) at the end of the maximum hibernation period, if the *Voluntarily Scheduled Resource Provider* has not submitted a resumption notice or a notice under subparagraph (m)(2) before that time.
- (p) A *hibernated voluntarily scheduled resource* continues to have that status until paragraph (n) or (o) applies and notwithstanding the expiry of the expected hibernation period included in the hibernation notice prior to those paragraphs applying.

### **3.10A.3 Voluntarily scheduled resource guidelines**

- (a) *AEMO* must develop and publish, and may amend, the *voluntarily scheduled resource guidelines* in accordance with the *Rules consultation procedures*.
- (b) The *voluntarily scheduled resource guidelines* must specify:
  - (1) requirements for nominating one or more *qualifying resources* as a *voluntarily scheduled resource* in accordance with clause 3.10A.1;
  - (2) the requirements and process for aggregation of *voluntarily scheduled resources* in accordance with clause 3.8.3, including the circumstances in which *AEMO* may request *Voluntarily Scheduled Resource Providers* that have aggregated *voluntarily scheduled resources* to declare individual *qualifying resource* availability and operating status to *AEMO* pursuant to clause 3.8.3(f1) or to disaggregate pursuant to clause 3.8.3(b6);
  - (3) a requirement that the *Voluntarily Scheduled Resource Provider* is the *financially responsible Market Participant* in respect of a *market connection point* nominated as a *voluntarily scheduled resource*;
  - (4) a framework for testing the capabilities of *qualifying resources* prior to their request for nomination as a *voluntarily scheduled resource*;
  - (5) operational requirements for a *voluntarily scheduled resource* including:
    - (i) the types of data to be provided by a *Voluntarily Scheduled Resource Provider* to *AEMO* and by *AEMO* to a *Voluntarily Scheduled Resource Provider*;
    - (ii) information about the requirements for telemetry and communications equipment;
    - (iii) the minimum threshold for nameplate rating, or combined nameplate rating, of a *voluntarily scheduled resource*;
    - (iv) the *dispatch* conformance criteria; and
    - (v) the acceptable types of *metering installation* for participating *market connection points*;
  - (6) the processes for:
    - (i) *Voluntarily Scheduled Resource Providers* to share data with *Distribution Network Service Providers* or (where relevant) *Transmission Network Service Providers*; and

- (ii) the disclosure of data collected by *AEMO* from *Voluntarily Scheduled Resource Providers* to *Distribution Network Service Providers* and *Transmission Network Service Providers* (as applicable), including obligations of confidentiality that will apply to any such disclosures.
  - (7) the matters required by clause 3.10A.2; and
  - (8) any other information that *AEMO* considers reasonably necessary.
- (c) The *voluntarily scheduled resource guidelines* must also specify zonal aggregation requirements including:
- (1) a methodology for determining zones in which *voluntarily scheduled resources* participate in *central dispatch* as well as the *loss factor* that is to apply in each zone for the purpose of clause 3.8.6(h);
  - (2) requirements and conditions on *Voluntarily Scheduled Resource Providers* for aggregating *qualifying resources* as *voluntarily scheduled resources* in accordance with clause 3.8.3 (including that all *qualifying resources* that form part of an aggregated *voluntarily scheduled resource* must be within the same zone);
  - (3) guidance for *Voluntarily Scheduled Resource Providers* on processes for the aggregation of *voluntarily scheduled resources* into the zones determined under subparagraph (1);
  - (4) validation processes for *AEMO*; and
  - (5) where *AEMO* proposes to implement a change to any zone in which *voluntarily scheduled resources* participate in *central dispatch* (including implementing a new zone), guidance for *Voluntarily Scheduled Resource Providers* on the processes and timing for the implementation of such change in zones, including the minimum lead time before the change would take effect.
- (d) In developing the *voluntarily scheduled resource guidelines*, *AEMO*:
- (1) must balance costs of participation for *voluntarily scheduled resources* in *central dispatch* with *AEMO*'s costs for facilitating participation by *voluntarily scheduled resources* in *central dispatch*;
  - (2) must facilitate ease of participation in *central dispatch* for *voluntarily scheduled resources*;
  - (3) may apply restrictions on *voluntarily scheduled resources* in *central dispatch* only to the extent reasonably necessary for *AEMO* to manage *power system security* and *reliability*; and

- (4) may have regard to any other matter determined by *AEMO*, acting reasonably, and which *AEMO* must specify in the *voluntarily scheduled resource guidelines*.
- (e) *AEMO* may from time to time review the *voluntarily scheduled resource guidelines* and, if at the conclusion of that review, *AEMO* considers that changes are necessary or desirable, *AEMO* must amend the *voluntarily scheduled resource guidelines* in accordance with the *Rules consultation procedures*.

### **[42] Clause 3.13.3 Standing data**

In clause 3.13.3(b1)(3), omit "or".

### **[43] Clause 3.13.3 Standing data**

In clause 3.13.3(b1)(4), omit "clause 3.8.3." and substitute "clause 3.8.3; or".

### **[44] Clause 3.13.3 Standing data**

After clause 3.8.3(b1)(4), insert a new clause 3.8.3(b1)(5) as follows:

- (5) the number of individual *qualifying resources* that have been aggregated as a single *voluntarily scheduled resource* in accordance with clause 3.8.3.

### **[45] Clause 3.13.4 Spot market**

Omit clause 3.13.4(p)(9) and substitute the following:

- (9) in respect of a:
    - (i) *scheduled bidirectional unit*, excluding a *pumped hydro production unit*; and
    - (ii) a *voluntarily scheduled resource* comprised of one or more *market bidirectional units*,
- the actual state of charge in each *trading interval* in respect of each *dispatchable unit identifier*.

### **[46] Clause 3.14.5A Payment of compensation due to market suspension pricing schedule periods**

Omit clause 3.14.5A(a)(1) and substitute the following:

- (1) *Scheduled Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers* to supply *energy*;

**[47] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

In clause 3.14.5B(a)(3), omit "*generating unit or bidirectional unit*" and substitute "*generating unit, bidirectional unit or voluntarily scheduled resource*".

**[48] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

In clause 3.14.5B(d), omit "*generating unit or bidirectional unit supplying*" and substitute "*generating unit, bidirectional unit or voluntarily scheduled resource (relevant resource)* supplying".

**[49] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

In clause 3.14.5B(d)(1), omit "*relevant generating unit or bidirectional unit;*" and substitute "*relevant resource;*".

**[50] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

In clause 3.14.5B(d)(2), omit "*relevant generating unit or bidirectional unit;*" and substitute "*relevant resource;*".

**[51] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

In clause 3.14.5B(d)(3), omit "*relevant generating unit or bidirectional unit; and*" and substitute "*relevant resource; and*".

**[52] Clause 3.14.5B    Claims for additional compensation due to market suspension pricing schedule periods**

Omit clause 3.14.5B(d)(4) and substitute the following:

- (4) other direct costs reasonably incurred in connection with the relevant resource, where such costs are incurred to enable the relevant resource to supply *energy* or *market ancillary services* during the *market suspension pricing schedule period*.

**[53] Clause 3.14.6      Compensation due to the application of an administered price cap or administered floor price**

In clause 3.14.6(a), in paragraph (1) of the definition of **price limit event**, after "*Scheduled Integrated Resource Providers*", insert", *Voluntarily Scheduled Resource Providers*".

**[54] Clause 3.14.6      Compensation due to the application of an administered price cap or administered floor price**

In clause 3.14.6(b)(1), after "*Non-Scheduled Integrated Resource Provider*" insert ", *Voluntarily Scheduled Resource Provider*".

**[55] Clause 3.14.6      Compensation due to the application of an administered price cap or administered floor price**

In clause 3.14.6(c)(1), after "*Non-Scheduled Integrated Resource Providers*" insert ", *Voluntarily Scheduled Resource Providers*".

**[56] Clause 3.15.3      Connection point and virtual transmission node responsibility**

In clause 3.15.3(a)(3), omit "*network service*; or" and substitute "*network service*;".

**[57] Clause 3.15.3      Connection point and virtual transmission node responsibility**

In clause 3.15.3(a)(4), omit "*market bidirectional unit*." and substitute "*market bidirectional unit*; or".

**[58] Clause 3.15.3      Connection point and virtual transmission node responsibility**

After clause 3.15.3(a)(4), insert a new clause 3.15.3(a)(5) as follows:

- (5) the *Market Participant* which has nominated the *qualifying resource* at that *market connection point* as a *voluntarily scheduled resource*.

**[59] Clause 3.15.6A    Ancillary services transactions**

In clause 3.15.6A(k)(5), omit "*ancillary service unit* (called a **Scheduled Participant**)" and substitute "*ancillary service unit*, or a *Voluntarily Scheduled Resource Provider* in respect of its *voluntarily scheduled resources*, called a **Scheduled Participant**,".

## [60] Clause 3.15.6AA Frequency performance payments and cost recovery for regulation services

In clause 3.15.6AA(a), in the definition of "eligible unit" after "a *non-scheduled bidirectional unit*" insert ", a *voluntarily scheduled resource*".

## [61] Clause 3.15.6AA Frequency performance payments and cost recovery for regulation services

In clause 3.15.6AA(g)(7)(i), after "scheduled bidirectional unit" insert ", *voluntarily scheduled resource*".

## [62] Clause 3.15.7 Payment to Directed Participants

In clause 3.15.7(c), in the definition of "AMP", after "Demand Response Service Providers" insert ", *Voluntarily Scheduled Resource Providers*".

## [63] Clause 3.15.8 Funding of compensation for directions

In clause 3.15.8(b), omit "scheduled loads or scheduled bidirectional units" and substitute "scheduled loads, scheduled bidirectional units or voluntarily scheduled resources (but not excluding energy consumed by a *voluntarily scheduled resource* while it was an *inactive voluntarily scheduled resource*)".

## [64] Clause 3.15.9 Reserve settlements

In clause 3.15.9(b)(2)(ii), after "wholesale demand response unit" insert ", *voluntarily scheduled resource*".

## [65] Clause 3.15.9 Reserve settlements

In clause 3.15.9(e), in the definition of "EUC", omit "any scheduled loads or scheduled bidirectional units" and substitute "any scheduled loads, scheduled bidirectional units or voluntarily scheduled resources (but not excluding energy consumed by a *voluntarily scheduled resource* while it was an *inactive voluntarily scheduled resource*)".

## [66] Clause 3.15.9 Reserve settlements

In clause 3.15.9(e), in the definition of "EOC", omit " scheduled loads or scheduled bidirectional units" and substitute "scheduled loads, scheduled bidirectional units or voluntarily scheduled resources (but not excluding energy consumed by a *voluntarily scheduled resource* while it was an *inactive voluntarily scheduled resource*)".

## [67] Clause 3.16.1 Establishment of Participant compensation fund

In clause 3.16.1(a), after "Scheduled Integrated Resource Providers" insert ", *Voluntarily Scheduled Resource Providers*".

**[68] Clause 3.16.1      Establishment of Participant compensation fund**

In clause 3.16.1(g), after "Scheduled Integrated Resource Provider" insert ", Voluntarily Scheduled Resource Provider".

**[69] Clause 3.16.2      Dispute resolution panel to determine compensation**

Omit clause 3.16.2(d) and substitute the following:

- (d) A *Scheduled Generator, Semi-Scheduled Generator, Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* who receives an instruction in respect of a *scheduled generating unit, semi-scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource* (as the case may be) to operate at a *loading level* different to the *loading level* at which it would have been instructed to operate had the *scheduling error* not occurred, will be entitled to receive in compensation an amount determined by the *dispute resolution panel*.

**[70] Clause 3.16.2      Dispute resolution panel to determine compensation**

Omit clause 3.16.2(f) and substitute the following:

- (f) A *Scheduled Generator, Semi-Scheduled Generator, Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* who receives a *dispatch instruction* in respect of a *generating unit, bidirectional unit or voluntarily scheduled resource* to operate at a level consistent with a *dispatch bid price* (with reference to the relevant *regional reference node*) which is higher than the *spot price*, due to the operation of clause 3.9.2B, is entitled to receive in compensation an amount determined by the *dispute resolution panel*.

**[71] Clause 3.16.2      Dispute resolution panel to determine compensation**

In clause 3.16.2(h)(1), omit "*semi-scheduled generating unit or scheduled bidirectional unit*" and substitute "*semi-scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource*".

**[72] Clause 3.20.3      Reserve contracts**

In clause 3.20.3(a)(1), after "*wholesale demand response units*," insert "*voluntarily scheduled resources*,".

### [73] Clause 3.20.3 Reserve contracts

In clause 3.20.3(g), after "wholesale demand response units," insert "voluntarily scheduled resources".

### [74] Schedule 3.1 Bid Validation Data

In Schedule 3.1, after the Scheduled Bidirectional Unit Data table, insert a new subheading and table as follows:

#### Voluntarily Scheduled Resource Data:

Data	Units of Measurement
<i>Voluntarily scheduled resource name</i>	-
<i>Dispatchable unit identifier</i>	-
<i>Maximum production of the voluntarily scheduled resource, to which the voluntarily scheduled resource may be dispatched</i>	MW (produced)
<i>Maximum consumption of the voluntarily scheduled resource, to which the voluntarily scheduled resource may be dispatched</i>	MW (consumed)
<i>Maximum ramp rate of the voluntarily scheduled resource</i>	MW/minute
<i>Maximum storage capacity of the voluntarily scheduled resource</i>	MWh

### [75] Clause 4.9.2 Instructions to Scheduled Generators, Semi-Scheduled Generators and Scheduled Integrated Resource Providers

In clause 4.9.2, omit the heading and substitute:

#### 4.9.2 Instructions to Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers

### [76] Clause 4.9.2 Instructions to Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers

Omit clause 4.9.2(a) and substitute the following:

- (a) To implement *central dispatch* or, where AEMO has the power to direct or to instruct a *Scheduled Generator, Semi-Scheduled*

*Generator, Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* either under Chapter 3 or this Chapter, then for the purpose of giving effect to that direction or instruction, *AEMO* may at any time give an instruction to the *Generator, Integrated Resource Provider or Voluntarily Scheduled Resource Provider* in relation to any of its *generating units, bidirectional units or voluntarily scheduled resources* (a *dispatch instruction*), in accordance with clause 4.9.5(b), nominating:

- (1) whether the facilities for *generation* remote control by *AEMO*, if available, must be in service; and
- (2) in the case of a:
  - (i) *scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource*, the level or schedule of power; and
  - (ii) *semi-scheduled generating unit*, the *dispatch level*, applicable over the specified period.

**[77] Clause 4.9.2      Instructions to Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

Omit clause 4.9.2(d) and substitute the following:

- (d) A *Scheduled Generator, Semi-Scheduled Generator, Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* must, with respect to its *generating units, bidirectional units or voluntarily scheduled resources* that have an availability offer of greater than 0 MW (whether *synchronised* or not), ensure that appropriate personnel are available at all times to receive and immediately act upon *dispatch instructions* issued by *AEMO* to the relevant *Registered Participant*.

**[78] Clause 4.9.4      Dispatch related limitations on Scheduled Generators, Semi-Scheduled Generators and Scheduled Integrated Resource Providers**

Omit the heading of clause 4.9.4 and substitute:

**4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

**[79] Clause 4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

In clause 4.9.4, omit the opening paragraph and substitute the following:

A *Scheduled Generator, Semi-Scheduled Generator, Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* (as the case may be) must not, unless in that person's reasonable opinion, public safety would otherwise be threatened or there would be a material risk of damaging equipment or the environment:

**[80] Clause 4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

In clause 4.9.4(a), omit "*generating unit or bidirectional unit*" and substitute "*generating unit, bidirectional unit or voluntarily scheduled resource*".

**[81] Clause 4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

In clause 4.9.4(a)(3), omit "5; or" and substitute "5;".

**[82] Clause 4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

In clause 4.9.4(a)(3A), omit "conditions; or" and substitute "conditions;".

**[83] Clause 4.9.4 Dispatch related limitations on Generators, Scheduled Integrated Resource Providers and Voluntarily Scheduled Resource Providers**

In clause 4.9.4(a)(4), omit "*self-dispatch level;*" and substitute "*self-dispatch level; or*".

**[84] Clause 4.9.4**

**Dispatch related limitations on  
Generators, Scheduled Integrated  
Resource Providers and Voluntarily  
Scheduled Resource Providers**

After clause 4.9.4(a)(4), insert new clause 4.9.4(a)(5) as follows:

- (5) in the case of a *voluntarily scheduled resource*, it is an *inactive voluntarily scheduled resource* or a *hibernated voluntarily scheduled resource*;

**[85] Clause 4.9.4**

**Dispatch related limitations on  
Generators, Scheduled Integrated  
Resource Providers and Voluntarily  
Scheduled Resource Providers**

In clause 4.9.4(e), after "*semi-scheduled generating unit*", insert ", *voluntarily scheduled resource*".

**[86] Clause 4.9.8**

**General responsibilities of Registered  
Participants**

In clause 4.9.8(a1), after "*Semi-Scheduled Generator*", insert ", *Voluntarily Scheduled Resource Provider*".

**[87] Clause 4.9.8**

**General responsibilities of Registered  
Participants**

After clause 4.9.8(f), insert new clause 4.9.8(g) as follows:

- (g) A *Voluntarily Scheduled Resource Provider* must ensure that each of its *voluntarily scheduled resources* is at all times able to comply with its latest *dispatch bid*.

**[88] Clause 4.11.1**

**Remote control and monitoring devices**

In clause 4.11.1(d), omit "*an Integrated Resource Provider or a Market Network Service Provider*" and substitute "*an Integrated Resource Provider, Voluntarily Scheduled Resource Provider or a Market Network Service Provider*".

**[89] Clause 4.11.1**

**Remote control and monitoring devices**

In clause 4.11.1(d)(1), omit "*generating unit or bidirectional unit* (including its *dynamic performance*)" and substitute "*generating unit, bidirectional unit or voluntarily scheduled resource* (including its *dynamic performance*)".

## [90] Clause 4.11.1      Remote control and monitoring devices

In clause 4.11.1(e), after "Integrated Resource Provider" insert ", Voluntarily Scheduled Resource Provider".

## [91] Clause 4.11.1      Remote control and monitoring devices

In clause 4.11.1(g), after "Integrated Resource Provider" insert ", Voluntarily Scheduled Resource Provider".

## [92] Clause 4A.E.1      Qualifying contracts

Omit clause 4A.E.1(c) and substitute the following:

- (c) A demand side participation contract or other arrangement, under which a person provides:
  - (1) demand response (including *wholesale demand response*) by curtailing *non-scheduled load* or the provision of *unscheduled generation* in certain specified circumstances; or
  - (2) the use of a *qualifying resource* as a *voluntarily scheduled resource*,

will only be a qualifying contract if it meets the requirements of section 14O(1)(a) of the *NEL* and is registered in *AEMO's Demand Side Participation Information Portal*.

## [93] Clause 4A.E.1      Qualifying contracts

In clause 4A.E.1(e), delete "or the provision by a liable entity of *wholesale demand response*" and substitute ", the provision by a liable entity of *wholesale demand response*, or a liable entity's use of its *qualifying resource* as a *voluntarily scheduled resource*".

## [94] Clause 4A.F.3      Share of one-in-two year peak demand forecast

In clause 4A.F.3(b)(3)(i), omit "(other than *wholesale demand response*)" and substitute "(including from the *dispatch* of a *voluntarily scheduled resource* but excluding *wholesale demand response*)".

## [95] Clause 4A.F.3      Share of one-in-two year peak demand forecast

In clause 4A.F.3(d)(1), omit "(other than *wholesale demand response*)" and substitute "(including from the *dispatch* of a *voluntarily scheduled resources* but excluding *wholesale demand response*)".

**[96] Clause 5A.B.3      Approval of terms and conditions of model standing offer to provide basic connection services**

In clause 5A.B.3(a)(4), omit "energy laws; and" and substitute "energy laws;".

**[97] Clause 5A.B.3      Approval of terms and conditions of model standing offer to provide basic connection services**

In clause 5A.B.3(a)(5), omit "6B." and substitute "6B; and".

**[98] Clause 5A.B.3      Approval of terms and conditions of model standing offer to provide basic connection services**

After clause 5A.B.3(a)(5), insert new subparagraph (6) as follows:

- (6) where the *model standing offer* imposes non-static limitations on *Distribution Network Users'* maximum capacity of *supply* into the *distribution network*, the *Distribution Network Service Provider* has consulted with *Voluntarily Scheduled Resource Providers* on these limitations through the *connection policy* (and the *model standing offer* is consistent with the *connection policy* on this issue), or has otherwise sufficiently consulted with *Voluntarily Scheduled Resource Providers*.

**[99] Clause 5A.E.3      Connection charge guidelines**

In clause 5A.E.3(c)(8), omit "clause 5A.F.1(c)(2)." and substitute "clause 5A.F.1(c)(2); and:".

**[100] Clause 5A.E.3      Connection charge guidelines**

After clause 5A.E.3(c)(8), insert new subparagraph (9) as follows:

- (9) where a *Distribution Network Service Provider* proposes changes to its *connection policy* that would have the effect of imposing non-static limitations on *Distribution Network Users'* maximum capacity of *supply* into the *distribution network*, establish requirements for *Distribution Network Service Providers* to consult with affected *Voluntarily Scheduled Resource Providers*, regarding how those limitations could be incorporated into *dispatch bids*.

## Schedule 2      Amendment to the National Electricity Rules (incentive mechanism)

(Clause 4)

### [1] Rule 3.10B      Voluntarily scheduled resource incentive mechanism

Omit rule 3.10B, including the heading and the note, and substitute:

#### 3.10B      Voluntarily scheduled resource incentive mechanism

##### 3.10B.1      Definitions

In this rule 3.10B:

**external funding** means any funding, grant or other financial support from a party other than *AEMO* (including from a *government funding body* or regulator) to meet part or all of *AEMO*'s costs of implementing the *VSR incentive mechanism*, including to meet any participation payments.

**incentive MW price cap** is the price (in \$/MW) determined by *AEMO* which must be less than the *VSR Benefits* (calculated in \$/MW) that *AEMO* expects will accrue from successful *VSR incentive mechanism participants* participating in *central dispatch*, in relation to a particular *VSR tender process*.

**incentive period** means the period from 1 April 2026 to 31 December 2031.

**participation payment** means the amount (in \$) payable under a *VSR participation agreement*.

**participation price** means the amount (in \$/MW) payable under a *VSR participation agreement*, which is to be determined in accordance with clause 3.10B.2(f)(1).

**VSR Benefits** means the expected benefits to consumers as a whole of *voluntarily scheduled resources* participating in *central dispatch*, including where the participation results in reduced *system security services costs*, avoided *generation*, avoided greenhouse gas emissions and reduced *RERT costs*.

**VSR incentive objective** is to maximise *VSR Benefits* in the long run by incentivising *Market Participants* with *qualifying resources* to nominate those resources as *voluntarily scheduled resources*, while minimising the cost of facilitating participation through participant payments.

**VSR incentive principles** means the principles for the *VSR incentive mechanism* listed in clause 3.10B.2(e).

##### 3.10B.2      Design and conduct of VSR incentive mechanism

- (a) During the incentive period, *AEMO* must conduct at least two *VSR tender processes*.

- (b) The *VSR incentive mechanism* must be conducted in accordance with this clause, the VSR incentive objective and the *VSR incentive procedures*.
- (c) *AEMO* must develop, publish and maintain, and may amend, the *VSR incentive procedures* in accordance with the *Rules consultation procedures* and paragraphs (d) and (f).
- (d) The *VSR incentive procedures* must give effect to the VSR incentive principles and must specify:
  - (1) the criteria which a *VSR incentive mechanism participant* must satisfy to be eligible to participate in the *VSR incentive mechanism*, which must include a prohibition on participation by a *Voluntarily Scheduled Resource Provider* in respect of a *qualifying resource* where that person is, or has been, a party to a *VSR participation agreement* in respect of that *qualifying resource* as part of a *voluntarily scheduled resource*;
  - (2) to the extent there is any external funding for a *VSR tender process*, any further requirements for *VSR incentive mechanism participants* to satisfy in order to be eligible to receive such external funding;
  - (3) the procedures for conducting the *VSR incentive mechanism*;
  - (4) the timing of the phases of a *VSR tender process*;
  - (5) the requirements for offers submitted by *VSR incentive mechanism participants* into a *VSR tender process*, which must include that offers:
    - (i) are in \$/MW;
    - (ii) are specified to apply for a *region*;
    - (iii) are specified to apply for particular types of *qualifying resources* or *voluntarily scheduled resources*;
    - (iv) specify the proposed term of a *VSR participation agreement* that would apply if the *VSR incentive mechanism participant* were successful in the *VSR tender process*, subject to subparagraph (j)(2); and
    - (v) specify the proposed availability of the *qualifying resource* or *voluntarily scheduled resource* (as applicable) during the term identified pursuant to subparagraph (iv);
  - (6) the assessment criteria and methodology for selecting successful *VSR incentive mechanism participants* from each *VSR tender process*;
  - (7) the procedures and timetable for settling participation payments; and

- (8) the requirements for *VSR participation agreements* and any standard form *VSR participation agreement*.
- (e) The VSR incentive principles are that the *VSR incentive mechanism* should be structured and run in a way that achieves the VSR incentive objective, taking into consideration:
  - (1) the relative availability of *voluntarily scheduled resources* having regard to expected capacity factors and any planned hibernation notices under clause 3.10A.2;
  - (2) the extent to which each *voluntarily scheduled resource* is expected to vary its *generation* or consumption in response to expected *spot prices*; and
  - (3) the benefits of building capability across a number of *Voluntarily Scheduled Resource Providers* with a variety of *voluntarily scheduled resources* (including in relation to aggregation) in order to have multiple *Voluntarily Scheduled Resource Providers* with a diversity of resources participating in *central dispatch*.

**Participation price, incentive MW price cap and participation payments**

- (f) The *VSR incentive procedures* must also give effect to the following requirements:
  - (1) a participation price must not exceed the incentive MW price cap; and
  - (2) the aggregate of all participation payments payable under all *VSR participation agreements* must not exceed \$50 million plus the value of all external funding.
- (g) Before commencing each *VSR tender process*, *AEMO* must determine the incentive MW price cap for each *region* and notify this to the *AER* and *AEMC*.
- (h) Except to the extent that paragraph (g) applies, *AEMO*, the *AER* and *AEMC* must keep confidential the incentive MW price cap during the incentive period.

**Requirement for VSR participation agreement for successful participants**

- (i) Following the completion of a *VSR tender process*, each successful *VSR incentive mechanism participant* must enter into a *VSR participation agreement* with *AEMO* under which:
  - (1) *AEMO* pays the *Voluntarily Scheduled Resource Provider* the participation payment; and
  - (2) the *Voluntarily Scheduled Resource Provider* participates in *central dispatch*,

in accordance with the *VSR incentive procedures* and the terms of the *VSR participation agreement*.

**Note**

*Voluntarily Scheduled Resource Providers* may participate in *central dispatch* with a *voluntarily scheduled resource* without a *VSR participation agreement*.

- (j) A *VSR participation agreement* must:
  - (1) if it is with an *Intending VSRP*, require, as a condition precedent, the *Intending VSRP* to nominate its *qualifying resource* as a *voluntarily scheduled resource* in accordance with clause 3.10A.1;
  - (2) have a term of at least one year and no more than three years;
  - (3) not have a participation price that exceeds the relevant incentive MW price cap; and
  - (4) to the extent there is any external funding applicable to the *VSR participation agreement*, provide for any further requirements as were specified to apply in respect of that *VSR participant agreement* or that *VSR incentive mechanism participant* under the relevant *VSR incentive procedures*.
- (k) *AEMO* must not enter into a *VSR participation agreement* with an *Intending VSRP* or a *Voluntarily Scheduled Resource Provider* that does not satisfy the criteria specified in the *VSR incentive procedures*.
- (l) A *Voluntarily Scheduled Resource Provider* must comply with the *VSR participation agreement*.

### **3.10B.3 Cost recovery for expenses administering the VSR incentive mechanism and participation payments**

- (a) Subject to paragraph (b), *AEMO* must recover its costs and expenses incurred in establishing, administering and conducting the *VSR incentive mechanism* from *Registered Participants* as part of the fees imposed in accordance with rule 2.11.
- (b) As part of the fees imposed in accordance with rule 2.11, *AEMO* must not recover:
  - (1) any participation payments payable by *AEMO*, which are to be recovered from *Cost Recovery Market Participants* as set out below;
  - (2) any external funding; or
  - (3) any costs or expenses incurred by *AEMO* in establishing, administering or conducting a *VSR tender process* as a result of requirements imposed by any external funding, which are to be recovered from the external funding.

- (c) Within 40 *business days* of the completion of each *financial year* in which *AEMO* made participation payments, *AEMO* must determine:
- (1) the amount of all participation payments paid in that *financial year*; and
  - (2) (if applicable) the amount of all external funding received or receivable in that *financial year*, less any amounts used to pay the costs and expenses under subparagraph (b)(3).
- (d) The amount determined under subparagraph (c)(1), less the amount (if any) determined under subparagraph (c)(2), must be recovered from *Cost Recovery Market Participants* in accordance with paragraph (e).
- (e) Within 40 *business days* after the completion of a relevant *financial year*, *AEMO* must calculate a figure for each *Cost Recovery Market Participant* by applying the following formula in respect of that *financial year*:

$$CRP = \frac{(E \times \text{Net Incentive Costs})}{\sum E}$$

where:

CRP = the dollar amount payable by a *Cost Recovery Market Participant* in respect of the *financial year*.

E = the sum, in MWh, of the *Cost Recovery Market Participant's adjusted consumed energy* amounts at its *market connection points* in all *regions* over the course of a *billing period* (selected by *AEMO*) in the *financial year*.

$\sum E$  = the sum, in MWh, of all amounts determined as “E” for all *Cost Recovery Market Participants* for the relevant *billing period*.

Net Incentive Costs = the amount determined under subparagraph (c)(1), less the amount (if any) determined under subparagraph (c)(2). Where Net Incentive Costs is a negative number, it is deemed to be zero.

- (f) *AEMO* must include the amount determined under paragraph (e) for each *Cost Recovery Market Participant* in the next preliminary statement to be provided to each *Cost Recovery Market Participant* under clause 3.15.4 (and in the subsequent *final statement* to be provided under clause 3.15.5).

### **3.10B.4 Reporting after VSR tender processes and completion of incentive period**

- (a) Following the completion of the first *VSR tender process*, and annually thereafter, *AEMO* must publish the aggregate amount of all

participation payments payable in each *financial year* under *VSR participation agreements*. This obligation continues for every *financial year* in which there is an amount payable under a *VSR participation agreement*.

- (b) Within 12 months of the completion of the incentive period, *AEMO* must publish a report which includes:
- (1) a summary of the outcomes from the *VSR incentive mechanism*, including *AEMO*'s opinion of whether the VSR incentive objective was satisfied;
  - (2) a description of *AEMO*'s learnings and insights from the *VSR incentive mechanism*;
  - (3) an analysis of the participation prices payable under *VSR participation agreements*;
  - (4) an analysis of the types of *voluntarily scheduled resources* contracted under *VSR participation agreements*;
  - (5) any other information *AEMO* considers relevant or useful to include.

## [2] Chapter 10              Glossary

In chapter 10, insert the following new definitions in alphabetical order:

### ***Intending VSRP***

A *Market Participant* with one or more *qualifying resources* that it intends to nominate as a *voluntarily scheduled resource* in accordance with clause 3.10A.1 if it is successful in a *VSR tender process*.

### ***qualifying resource***

Has the meaning given in clause 3.10A.1(a).

### ***Voluntarily Scheduled Resource Provider***

A *Market Participant* in respect of which any *voluntarily scheduled resource* is nominated in accordance with clause 3.10A.1.

### ***VSR incentive mechanism***

The mechanism constituting two or more *VSR tender processes* run by *AEMO* under rule 3.10B, to incentivise *Market Participants* with *qualifying resources* to participate in *central dispatch*.

***VSR incentive mechanism participant***

Either:

- (a) a *Voluntarily Scheduled Resource Provider*; or
- (b) an *Intending VSRP*,

who satisfies the criteria for participating in the *VSR incentive mechanism* specified in the *VSR incentive procedures* and submits an offer in a *VSR tender process*.

***VSR incentive procedures***

The procedures made by *AEMO* under clause 3.10B.2 for the *VSR incentive mechanism*.

***VSR participation agreement***

A contract between *AEMO* and a successful *VSR incentive mechanism participant* described in clause 3.10B.2(i).

***VSR tender process***

A process, run by *AEMO* under clause 3.10B.2, for receiving and considering offers from *VSR incentive mechanism participants* to determine which of those participants will enter into a *VSR participation agreement* with *AEMO*.

## **Schedule 3      Amendment to the National Electricity Rules (monitoring and reporting)**

(Clause 5)

### **[1] Rule 3.10A      Placeholder for voluntarily scheduled resources rule**

After rule 3.10, insert a new rule 3.10A as follows:

#### **3.10A      Placeholder for voluntarily scheduled resources rule**

##### **Note**

The text of this rule will be inserted on 23 May 2027, pursuant to Schedule 1 of the *National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024*.

### **[2] Rule 3.10B      Placeholder for voluntarily scheduled resources incentive mechanism rule**

After rule 3.10A, insert a new rule 3.10B as follows:

#### **3.10B      Placeholder for voluntarily scheduled resources incentive mechanism rule**

##### **Note**

The text of this rule will be inserted on 31 March 2026, pursuant to Schedule 2 of the *National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024*.

### **[3] Rule 3.10C      Monitoring and reporting of unscheduled price responsive resources**

After rule 3.10B, insert a new rule 3.10C as follows:

#### **3.10C      Monitoring and reporting of unscheduled price responsive resources**

##### **3.10C.1      Definitions**

In this rule 3.10C:

**forecast deviation** means the difference between forecast *load* for a particular *trading interval*, developed for *pre-dispatch* and for *dispatch*, and the actual *load* during that *trading interval*.

**unscheduled price responsive resource** is a resource that:

- (1) is not a *scheduled resource*;
- (2) is capable of changing output or consumption depending on changes in forecast or actual *spot prices*; and

- (3) includes a *voluntarily scheduled resource* only if it is a *hibernated voluntarily scheduled resource*.

### **3.10C.2 AEMO reporting on unscheduled price responsive resources**

#### **Objective of AEMO reporting**

- (a) The objective of the monitoring and reporting framework established by this clause is for *AEMO* to:
  - (1) monitor and report on the impacts of unscheduled price responsive resources on forecast deviations; and
  - (2) identify *market outcomes* as a result of the use of unscheduled price responsive resources.

#### **Annual reporting**

- (b) By 30 September each year, *AEMO* must prepare and publish, in accordance with the *AEMO price responsive reporting guidelines*, a report which includes the following information in respect of the previous *financial year*:
  - (1) an analysis of the statistics and trends of:
    - (i) the volumes and types of unscheduled price responsive resources reported by *Registered Participants*, using the *DER register information* and *demand side participation information*; and

#### **Note**

*AEMO* must report on *demand side participation information*, no less than annually, under rule 3.7D(c).

*AEMO* may use *DER register information* for the purpose of the exercise of its statutory functions under the *NEL* or *Rules* under rule 3.7E(e).

- (ii) patterns in forecast deviations, including to the extent identifiable, the approximate contribution of unscheduled price responsive resources to forecast deviations, in response to forecast and actual *spot prices*;
- (2) *AEMO*'s best estimate of the impact of unscheduled price responsive resources on forecast deviations in relation to additional amounts paid to:
  - (i) *Ancillary Service Providers* for additional *ancillary services* that are *enabled*; and
  - (ii) *Cost Recovery Market Participants* for *ancillary service transaction* payments under clause 3.15.6AA;
- (3) an assessment of the degree of forecast deviations in *regional demand* across a range of *market conditions*, as well as the factors contributing to the size of forecast deviations;

- (4) analysis of impacts of unscheduled price responsive resources on the *load* forecast used by *AEMO* for *pre-dispatch* and *dispatch*, including in comparison with outcomes published in previous reports prepared in accordance with this clause (as applicable);
- (5) identification of additional information or inputs required to improve or account for unscheduled price responsive resources in *load* forecasts;
- (6) a description of any actions taken by *AEMO* to reduce forecast deviations by accounting for unscheduled price responsive resources, where those actions have resulted in improved *market* outcomes;
- (7) a description of:
  - (i) the methodologies used by *AEMO* to consider and manage the impacts of unscheduled price responsive resources on *load* forecasts for *pre-dispatch* and *dispatch*; and
  - (ii) any barriers to *AEMO* using those methodologies to improve forecasting; and
- (8) any other relevant information *AEMO* considers necessary or convenient to include in the report.

#### **Quarterly data**

- (c) *AEMO* must develop, publish and maintain a single source of information for unscheduled price responsive resources that presents the information and metrics specified by the *AEMO price responsive reporting guidelines*.
- (d) *AEMO* must update the information published under paragraph (c) when new information becomes available and at least once each calendar quarter.

#### **AEMO price responsive reporting guidelines**

- (e) *AEMO* must develop and publish, and may amend, the *AEMO price responsive reporting guidelines* in accordance with the *Rules consultation procedures*.
- (f) The *AEMO price responsive reporting guidelines* must specify:
  - (1) how *AEMO* will meet its reporting obligations under paragraph (b); and
  - (2) the information and metrics that *AEMO* will include in the reporting required pursuant to paragraph (c).
- (g) In satisfying its obligations under paragraphs (b) and (c), *AEMO* may:

- (1) utilise existing *AEMO* monitoring and reporting frameworks under the *Rules*;
- (2) utilise data, reports and systems otherwise available to *AEMO*; and
- (3) take into account or include any other information that *AEMO* reasonably considers relevant to meet the objective set out in paragraph (a).

### **3.10C.3 AER analysis of impacts of unscheduled price responsive resources**

#### **Objective of AER reporting**

- (a) The objective of the monitoring and reporting framework established by this clause is for the *AER*, as part of the *AER* wholesale market monitoring and reporting functions under section 18C of the *NEL*, to provide transparency on the impacts of unscheduled price responsive resources on efficient *market* outcomes to inform future *market* reform.

#### **Annual reporting**

- (b) By 31 December each year, the *AER* must prepare and *publish* an annual report in respect of the previous *financial year* in accordance with the *AER price responsive reporting guidelines*.
- (c) The report prepared under paragraph (b) must analyse the impact of unscheduled price responsive resources on forecast deviations, and the consequential impacts on the efficiency of the *market*, including estimates in relation to:
  - (1) additional amounts paid to *Generators*, *Integrated Resource Providers* and *Demand Response Service Providers* for different quantities and prices of electricity and *wholesale demand response* that are *dispatched*;
  - (2) the costs incurred by *Generators*, *Integrated Resource Providers* and *Demand Response Service Providers* for different quantities and prices of electricity and *wholesale demand response* that are *dispatched*;
  - (3) additional amounts paid to:
    - (i) *Ancillary Service Providers* for additional *market ancillary services* that are *enabled*; and
    - (ii) *Cost Recovery Market Participants* for *ancillary service transaction* payments under clause 3.15.6AA;

- (4) additional amounts paid under the *RERT* for *scheduled reserves* that are *dispatched* and *unscheduled reserves* that are *activated*; and
  - (5) additional greenhouse gas emissions resulting from the relative increases referred to in subparagraphs (1) to (4),
- and must also include:
- (6) identification of trends and outcomes on the efficiency of the *market* as a result of the matters set out in this paragraph (c) when compared to previous *financial years* (as applicable);
  - (7) the *AER*'s recommendations for how to improve the efficiency of the *market* in respect of the matters set out in this paragraph (c); and
  - (8) any other relevant information the *AER* considers necessary or convenient to include in the report.
- (d) In satisfying its obligations under paragraph (b), the *AER* may utilise existing frameworks under the *Rules* and *NEL* in respect of *AER* wholesale market monitoring functions, *AER* wholesale market reporting functions and any other reporting frameworks used by the *AER*.

**AEMO to provide the AER with information**

- (e) To the extent the *AER* considers it reasonably necessary to satisfy its obligations under paragraph (b), the *AER* may request *AEMO* to provide:
  - (1) *confidential information* received by *AEMO* from *Registered Participants* relating to unscheduled price responsive resources;
  - (2) information about forecast deviations and the contribution of unscheduled price responsive resources to those forecast deviations; and
  - (3) any other information, data or analysis from *AEMO* that the *AER* considers relevant.
- (f) *AEMO* must comply with a request from the *AER* under paragraph (e).

**AER price responsive reporting guidelines**

- (g) Subject to paragraph (i), the *AER* must develop and *publish*, and may amend, the *AER price responsive reporting guidelines* in accordance with the *Rules consultation procedures*.
- (h) The *AER price responsive reporting guidelines* must specify how the *AER* will meet its monitoring and reporting obligations under paragraph (b).

- (i) The *AER* may include the *AER price responsive reporting guidelines* as part of the *wholesale market monitoring guidelines*, in which case, the *AER* must consult on the amendment of the *wholesale market monitoring guidelines* in accordance with clause 8.7.2 (and the *Rules consultation procedures* do not apply).

## [4] Chapter 10                   Glossary

In chapter 10, insert the following new definitions in alphabetical order:

### ***AEMO price responsive reporting guidelines***

The guidelines made by *AEMO* under clause 3.10C.2(e).

### ***AER price responsive reporting guidelines***

The guidelines made by the *AER* under clause 3.10C.3(g).

### ***hibernated voluntarily scheduled resource***

A *voluntarily scheduled resource* that has its status recorded as hibernated in accordance with clause 3.10A.2(l)(1).

### ***inactive voluntarily scheduled resource***

A *voluntarily scheduled resource* that has its status recorded as inactive in accordance with clause 3.10A.2(d)(1).

### ***voluntarily scheduled resource***

Includes each of the following:

- (a) an individual *qualifying resource* that has been approved by *AEMO* for nomination as a *voluntarily scheduled resource* in accordance with clause 3.10A.1 and has not been aggregated under clause 3.8.3;
- (b) two or more *qualifying resources* that have been aggregated under clause 3.8.3 and approved by *AEMO* for nomination as a *voluntarily scheduled resource* in accordance with clause 3.10A.1.

## [5] Chapter 10                   Glossary

In chapter 10, in the definition of ***scheduled reserve***, after paragraph (a1), insert a new paragraph (a2) as follows:

- (a2) of *voluntarily scheduled resources*;

## [6] Chapter 10                   Glossary

In chapter 10, in paragraph (a) of the definition of ***scheduled resource***, omit "a *scheduled network service* or a *scheduled load*" and substitute "a *scheduled network*

*service, a scheduled load or a voluntarily scheduled resource (other than a hibernated voluntarily scheduled resource)".*

## [7] Chapter 10              Glossary

In chapter 10, in paragraph (b) of the definition of **scheduled resource**, omit "Chapter 2." and substitute "Chapter 2, or a voluntarily scheduled resource (other than a hibernated voluntarily scheduled resource) of that Registered Participant under clause 3.10A.1."

## Schedule 4      Amendment to the National Electricity Rules (glossary)

(Clause 6)

### [1] Chapter 10      Glossary

In chapter 10, insert the following new definition in alphabetical order:

#### *voluntarily scheduled resource guidelines*

The guidelines made by *AEMO* under clause 3.10A.3.

### [2] Chapter 10      Glossary

In Chapter 10, omit the definition of *activate* and substitute the following:

#### *activate*

Other than for *scheduled resources*, the operation of a *generating unit* or a *bidirectional unit* at an increased *loading level* or a reduction in demand undertaken in response to a request by *AEMO* in accordance with an *unscheduled reserve contract*.

### [3] Chapter 10      Glossary

In Chapter 10, in the definition of *AEMO intervention event*, after "scheduled network services" insert ", *voluntarily scheduled resources*".

### [4] Chapter 10      Glossary

In Chapter 10, omit the definition of *affected load* and substitute the following:

#### *affected load*

A *scheduled load*, *scheduled bidirectional unit* or *voluntarily scheduled resource* in respect of which a *Market Customer*, *Integrated Resource Provider* or *Voluntarily Scheduled Resource Provider* is an *Affected Load Participant*.

### [5] Chapter 10      Glossary

In Chapter 10, omit the definition of *Affected Load Participant* and substitute the following:

### **Affected Load Participant**

A person of the kind set out in paragraphs (a) to (c):

- (a) a *Market Customer* in respect of its *scheduled load*;
- (b) an *Integrated Resource Provider* in respect of its *scheduled bidirectional unit* or *scheduled load*; or
- (c) a *Voluntarily Scheduled Resource Provider* in respect of its *voluntarily scheduled resource* (that is not an *inactive voluntarily scheduled resource* or a *hibernated voluntarily scheduled resource*),

whose load, unit or resource (**relevant scheduled resource**) satisfies paragraph (d) or (e), to the extent provided for in the paragraph:

- (d) in respect of a particular *direction* in an *intervention price trading interval*:
  - (1) the relevant scheduled resource was not the subject of that *direction*; and
  - (2) the *dispatched load* quantity of the relevant scheduled resource was affected by that *direction*,

but to avoid doubt, if the *Market Customer*, *Integrated Resource Provider* or *Voluntarily Scheduled Resource Provider* was given the *direction*, it is only an *Affected Load Participant* in respect of the relevant scheduled resources that satisfy subparagraphs (d)(1) and (d)(2); or

- (e) in relation to the exercise of the *RERT* under rule 3.20:
  - (1) the relevant scheduled resource was not *dispatched* under a *scheduled reserve contract* and the *dispatched load* quantity of the relevant scheduled resource was affected by the *dispatch* of other *scheduled reserve* under a *scheduled reserve contract*; or
  - (2) the *dispatched load* quantity of the relevant scheduled resource was affected by the *activation* of *unscheduled reserves* available under an *unscheduled reserve contract*.

## **[6] Chapter 10              Glossary**

In Chapter 10, omit the definition of **Affected Participant** and substitute the following:

### **Affected Participant**

A person who satisfies any of paragraphs (a) to (c), to the extent provided for in the paragraph:

- (a) In respect of a particular *direction* in an *intervention price trading interval*, a *Scheduled Generator* in respect of its *scheduled generating*

*unit, a Scheduled Integrated Resource Provider in respect of its scheduled bidirectional unit, a Voluntarily Scheduled Resource Provider in respect of its voluntarily scheduled resource (that is not an inactive voluntarily scheduled resource or a hibernated voluntarily scheduled resource) or a Scheduled Network Service Provider in respect of its scheduled network service (these units, resources or services being referred to below as relevant scheduled resources), where:*

- (1) the relevant scheduled resource was not the subject of the *direction*; and
- (2) the *dispatched generation* quantity or the *dispatched network service* quantity of the relevant scheduled resource was affected by that *direction*,

but to avoid doubt, if the person was given the *direction*, it is only an *Affected Participant* in respect of the relevant scheduled resources that satisfy subparagraphs (a)(1) and (a)(2).

- (b) In relation to the exercise of the *RERT* under rule 3.20, a person of the kind referred to in paragraph (a), where:
  - (1) the relevant scheduled resource was not *dispatched* under a *scheduled reserve contract* and the *dispatched generation* quantity or the *dispatched network service* quantity of the relevant scheduled resource was affected by the *dispatch* of other *scheduled reserves* under a *scheduled reserve contract*; or
  - (2) the *dispatched generation* quantity or the *dispatched network service* quantity of the relevant scheduled resource was affected by the *activation* of *unscheduled reserves* available under an *unscheduled reserve contract*.
- (c) In respect of a *direction* in an *intervention price trading interval*, or an exercise of the *RERT* under rule 3.20, an *eligible person* entitled to receive an amount from *AEMO* pursuant to clause 3.18.1(b)(1) where there has been a change in flow of a *directional interconnector*, for which the *eligible person* holds units for the *intervention price trading interval*, as a result of the following (as applicable):
  - (1) the *direction*;
  - (2) the *dispatch* of *scheduled reserves* under a *scheduled reserve contract*; or
  - (3) the *activation* of *unscheduled reserves* available under an *unscheduled reserve contract*.

## [7] Chapter 10      Glossary

In Chapter 10, omit the definition of ***affected production unit*** and substitute the following:

### ***affected production unit***

A *scheduled generating unit, scheduled bidirectional unit or voluntarily scheduled resource* in respect of which a *Scheduled Generator, a Scheduled Integrated Resource Provider or Voluntarily Scheduled Resource Provider* is an *Affected Participant*.

## [8] Chapter 10      Glossary

In Chapter 10, in the definition of ***AGC (automatic generation control system)***, omit "scheduled bidirectional units" and substitute "bidirectional units".

## [9] Chapter 10      Glossary

In Chapter 10, in the definition of ***Ancillary Service Provider***, after "bidirectional unit" insert ", voluntarily scheduled resource".

## [10] Chapter 10      Glossary

In Chapter 10, in the definition of ***ancillary service unit***, after "bidirectional unit" insert ", voluntarily scheduled resource".

## [11] Chapter 10      Glossary

In Chapter 10, in the definition of ***available capacity***, after "scheduled bidirectional unit" insert ", voluntarily scheduled resource".

## [12] Chapter 10      Glossary

In Chapter 10, in the definition of ***energy constraint***, after "scheduled bidirectional unit" insert ", voluntarily scheduled resource".

## [13] Chapter 10      Glossary

In Chapter 10, in the definition of ***Market Participant***, omit "Demand Response Service Provider or Market Network Service Provider" and insert "Demand Response Service Provider, Market Network Service Provider or Voluntarily Scheduled Resource Provider".

## [14] Chapter 10      Glossary

In Chapter 10, in the definition of ***Market Suspension Compensation Claimant***, omit "Scheduled Integrated Resource Provider or a Demand Response Service Provider" and substitute "Scheduled Integrated Resource Provider, a Demand Response Service

*Provider or Voluntarily Scheduled Resource Provider (other than in respect of *inactive voluntarily scheduled resources* or *hibernated voluntarily scheduled resources*)".*

## **[15] Chapter 10                    Glossary**

In Chapter 10, in the definition of **PASA availability**, after "scheduled load" insert ",  
*voluntarily scheduled resource* (other than a *hibernated voluntarily scheduled resource*)".

## **[16] Chapter 10                    Glossary**

In chapter 10, omit the definition of **unscheduled reserve** and substitute the following:

### ***unscheduled reserve***

Excluding *scheduled resources*, the amount of surplus or unused capacity:

- (a) of *generating units*;
- (b) of *bidirectional units*; or
- (c) arising out of the ability to reduce demand.

## Schedule 5      Savings and Transitional Amendment to the National Electricity Rules

(Clause 7)

### [1] Rule 11.180      Rules consequential on the making of the National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024

In Chapter 11 Part ZZZZZI, insert new rule 11.180 as follows:

#### 11.180    Rules consequential on the making of the National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024

##### 11.180.1 Definitions

(a) In this rule 11.180:

**Amending Rule** means the *National Electricity Amendment (Integrating price-responsive resources into the NEM) Rule 2024*.

**Contracts and Firmness Guidelines** has the meaning given in clause 4A.A.1.

**Demand Side Participation Information Portal** is the portal established by *AEMO* for the purposes of rule 3.7D.

**dispatch rules commencement date** means 23 May 2027.

**new clause 3.10A.3(d)** means clause 3.10A.3(d) of the *Rules* as in force on the dispatch rules commencement date.

**new clause 3.10C.2(b)** means clause 3.10C.2(b) of the *Rules* as in force on the reporting rules commencement date.

**new clause 3.10C.2(c)** means clause 3.10C.2(c) of the *Rules* as in force on the reporting rules commencement date.

**new clause 3.10C.3(b)** means clause 3.10C.3(b) of the *Rules* as in force on the reporting rules commencement date.

**reporting rules commencement date** means 1 January 2026.

(b) In this rule, an italicised term that is not defined in Chapter 10 of the *Rules* has the meaning given to that term in the Amending Rule.

##### 11.180.2 Amendments to guidelines and other instruments

(a) By 30 September 2026, the *AER* must review and, where it considers it necessary or desirable, amend and *publish* guidelines and other

documents published by the *AER*, including the following guidelines, to take into account the Amending Rule:

- (1) the Contracts and Firmness Guidelines;
  - (2) the guidelines developed under clause 3.8.22; and
  - (3) the *connection charge guidelines*.
- (b) By 1 June 2026, *AEMO* must review and, where it considers it necessary or desirable, amend and publish procedures, guidelines and other documents published by *AEMO*, including the following, to take into account the Amending Rule:
- (1) the *market suspension compensation methodology*;
  - (2) the Demand Side Participation Information Portal and associated demand side participation information guidelines;
  - (3) the *DER Register* and associated *DER register information guidelines*; and
  - (4) the *power system operating procedure* for dispatch published by *AEMO* and made in accordance with rule 4.10.
- (c) In amending the documents referred to in paragraphs (a) and (b):
- (1) the *AER* and *AEMO* must follow the process for amending those documents specified in the *Rules*, or if no process is specified, the *Rules consultation procedures*; and
  - (2) *AEMO* must take into account the principles set out in new clause 3.10A.3(d).
- (d) By 23 May 2027, the *AEMC* must review, and where it considers it necessary or desirable, amend and publish the compensation guidelines made under clause 3.14.6 to take into account the Amending Rule.

### **11.180.3 New guidelines and procedures**

- (a) *AEMO* must, in accordance with the *Rules consultation procedures*, develop and publish:
- (1) the *AEMO price responsive reporting guidelines* by 31 December 2025;
  - (2) the *voluntarily scheduled resource guidelines* by 31 December 2025; and
  - (3) the *VSR incentive procedures* by the earlier of:
    - (i) 1 December 2026; and
    - (ii) the date of the first *VSR tender process*.

- (b) By 31 December 2025, the *AER* must develop and *publish* the *AER price responsive reporting guidelines*, in accordance with the *Rules consultation procedures* or, if the *AER* includes those guidelines in the *wholesale market monitoring guidelines*, in accordance with clause 8.7.2.
- (c) By 23 May 2030, *AEMO* must review the *voluntarily scheduled resource guidelines* and, if at the conclusion of that review, *AEMO* considers that changes are necessary or desirable, *AEMO* must amend the *voluntarily scheduled resource guidelines* in accordance with the *Rules consultation procedures*.

#### **11.180.4 First price responsive resource reports by AEMO and AER**

- (a) For the purposes of new clause 3.10C.2(c), *AEMO* is not required to publish the single source of information until 1 April 2026, in respect of information for the preceding calendar quarter.
- (b) By 30 September 2026, *AEMO* must publish the first report required by new clause 3.10C.2(b).
- (c) The first annual report published by *AEMO* pursuant to paragraph (b) is not required to cover the entire *financial year* ending 30 June 2026, but instead, must:
  - (1) cover the period from 1 January 2026 to 30 June 2026; and
  - (2) also include an analysis of trends in the use and impact of unscheduled price responsive resources over the preceding three years, where such analysis is based on information reasonably available to *AEMO* at the time.
- (d) By 31 December 2026, the *AER* must *publish* the first annual report required by new clause 3.10C.3(b).
- (e) The first annual report *published* by the *AER* pursuant to paragraph (d) is not required to cover the entire *financial year* ending 30 June 2026, but instead, must:
  - (1) cover the period from 1 January 2026 to 30 June 2026; and
  - (2) also include commentary on the trends identified by *AEMO* pursuant to paragraph (c)(2).

#### **11.180.5 Temporarily fixed voluntarily scheduled resources zones**

Notwithstanding clause 3.10A.3(e), *AEMO* must not prior to 23 May 2030 implement any change to a zone in which *voluntarily scheduled resources* are able to participate in *central dispatch* as established in accordance with the *voluntarily scheduled resource guidelines* published under clause 11.180.3(a)(2).

[END OF RULE AS MADE]

