



Draft rule to better inform AEMO of demand side participation

Stakeholder submissions invited on draft rule determination

The AEMC has made a draft rule that has the potential to better inform the Australian Energy Market Operator (AEMO) of the level of demand side participation (or 'DSP') that may exist in the electricity market compared to its current method of conducting voluntary surveys of market participants.

The Commission's decision

The Commission's draft rule determination, which includes a draft rule, provides a process by which AEMO may obtain information on DSP from electricity market participants (or 'registered participants') for the purposes of informing its electricity load forecasts.

Reasons for the Commission's decision

The Commission considers that the draft rule is in the long term interests of consumers. The Commission is satisfied that the draft rule:

- has the potential to better inform decisions and processes of AEMO, registered participants and other energy market stakeholders more broadly;
- appropriately manages any potential regulatory and administrative burden on AEMO and registered participants by requiring public consultation on DSP information guidelines ('guidelines') which AEMO must develop;
- provides a degree of flexibility such that the guidelines can evolve as DSP evolves;
- balances information transparency and confidentiality issues by not imposing extra obligations on AEMO in relation to use and disclosure of protected information; and
- appropriately addresses matters related to the accuracy of DSP information provided to AEMO by requiring such matters be considered in the guidelines.

The draft rule

The draft rule, which is a more preferable rule to that proposed, has the following features:

- registered participants would be required to provide to AEMO information on DSP, in accordance with guidelines;
- AEMO would be required to develop the guidelines;
- AEMO would be required to take information on DSP into account when developing and using electricity load forecasts;
- AEMO would be required to publish details, no less than annually, on the extent to which DSP information has informed the development or use of its load forecasts; and
- it articulates the scope of information that AEMO may specify must be provided by registered participants under the guidelines.

Consultation

Stakeholders are invited to make written submissions in response to the draft rule determination, and the draft rule, by no later than 12 February 2015.

Background

Demand side participation provides consumers with a suite of options to manage their electricity consumption and, in turn, their expenditure. This draft rule change is part of the Commission's work to encourage greater demand side participation by consumers in Australia's energy markets, based on the 2012 Power of Choice review.

For information contact:

AEMC Director, **Slavko Jovanoski** (02) 8296 7800
AEMC Senior Advisor, **Tom Walker** (02) 8296 7800

Media: Communication Manager, Prudence Anderson 0404 821 935 or (02) 8296 7817
Date: 18 December 2014