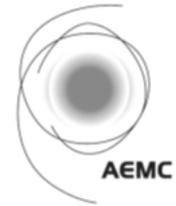


Generator registrations and connections (ERC0256) Report on rule not made within 12 months under NEL section 108A



Purpose

The Commission is required under s. 108A of the National Electricity Law (NEL) to publicly report on rules not made within 12 months of the publication of the notification of the commencement of the rule change process.

Background

On 8 October 2020, the Australian Energy Market Commission (AEMC) initiated two rule change requests – one from the Australian Energy Council (AEC) and another from Mr Damien Vermeer. The rule changes were formally consolidated on 11 February 2021. The rule changes relate to the treatment of smaller generation in the national electricity market (NEM) and the transparency and certainty of the generator registration and exemption process.

The AEC rule change aimed to increase the participation of smaller (5-30MW) generators in dispatch by amending the National Electricity Rules (NER) to change the threshold for being scheduled from 30MW nameplate capacity down to 5MW. The AEC also proposed to narrow the grounds for exemption from scheduling obligations. Finally, the AEC rule change request sought to require AEMO to publish reasons for classifying generators as non-scheduled.

Mr Vermeer's rule change request aimed to reduce uncertainty in the registration and connection process for 5-30MW embedded generators by granting a conditional exemption from scheduling obligations to these generators.

A consultation paper was published on 8 October 2020. A draft determination followed on 24 June 2021, with submissions closing on 19 August 2021. The final determination is due to be published on 21 October 2021.

Reason for the final rule determination not being made within 12 months

On 22 September 2021, the Commission extended the period of time for publishing the final determination to 21 October 2021 under section 107 of the NEL.

The Commission made this decision because there was a material change in circumstances as the Commission received information after the close of submissions that required further consideration. The extension allowed the AEMC and the Australian Energy Market Operator (AEMO) to discuss the issues that arose during this time and for the Commission to ensure that all relevant matters had been considered before arriving at a final policy position.

Expected time for making a final rule determination

The final rule determination is due to be made by **21 October 2021**.