

Background

The Australian Energy Market Operator (AEMO) is currently undertaking several related pieces of work on ancillary services and is seeking to present a transparent and holistic picture to stakeholders of this work program, including the timing of current and forthcoming consultations. One of the key tools AEMO will use in order to achieve this outcome is the formation of an industry advisory group on ancillary services as a basis for industry contributions, testing of AEMO proposals and to bring new ideas to AEMO.

Purpose

The Ancillary Services Technical Advisory Group (the Advisory Group) is a group of industry and AEMO experts that will be called upon to provide contributions to AEMO on matters relating to ancillary services (both those currently remunerated and those potentially needed in the future). This may be specific and project based, or may be broad and strategically based.

AEMO will seed the discussions with an initial list of issues and the Advisory Group will consider, discuss, contribute to and add to this list.

Scope

The Advisory Group is responsible for making contributions to AEMO on all matters relating to ancillary services. This can include contextual information in relation to forthcoming consultations, planned projects or work not yet conceived. The Advisory Group must make contributions that are in the best interest of energy consumers and that will assist AEMO to achieve system security.

Relationship of Advisory Group to formal consultation processes

When updating publications that AEMO is required to maintain under the National Electricity Rules (NER), AEMO will follow clause 8.9 of the NER (Rules consultation procedures) where required. Contributions from the Advisory Group will be taken into consideration and AEMO intends to provide industry with an opportunity to respond to these contributions as part of any NER-mandated consultation. Industry representatives are encouraged to liaise with members of the Advisory Group with any concerns they might have in respect of those contributions.

Objectives

Markets: Consideration of whether the existing ancillary services markets are appropriate to support emerging technologies and business models, and to efficiently incentivise capability to meet future power system needs.

Reliability and Security: Support the adaptation of AEMO's existing procurement of ancillary services in managing the power system.

Planning and Forecasting: Support AEMO's planning and forecasting reports in providing relevant and adaptive information to stakeholders in the context of the changing needs in ancillary services.

Legal and Regulatory: Inform AEMO's registration role in adapting to new providers of ancillary services, and promoting regulatory changes, where needed, to allow procurement of necessary ancillary services to meet the changing needs of the power system.

Resources: Optimise the efficient use of AEMO resources that are engaging in multiple areas related to ancillary services.

Membership and Term

The Advisory Group is open to all interested parties with technical expertise in ancillary services. AEMO reserves the right to approve, reject, add or remove members at its discretion.

The Advisory Group will initially run until the end of 2017, at which time AEMO will review its ongoing viability against the Scope and Objectives.

Meetings and Administration

The Advisory Group will meet as required.

AEMO will provide secretariat services to the Advisory Group and will prepare and distribute all calendar invites, agendas, meeting papers and minutes via email. The secretariat will endeavour to provide all materials for the meeting at least 3 business days prior to the meeting and minutes within 5 business days following.

Matters discussed in Advisory Group meetings will be made public by AEMO, however attributions will not be made public without prior approval.

AEMO will also Chair Advisory Group meetings.

Meetings of the Advisory Group are closed sessions and additional or alternate attendees will not be accepted without prior approval of the Chair.

Resourcing

To avoid doubt, any expenses incurred by Advisory Group members as a result of attending meetings or activities associated with the Advisory Group are at the expense of the attendee.