

# IPRR Industry Readiness Approach - Draft

Integrating Price Responsive Resources

March 2026



# CONTENTS

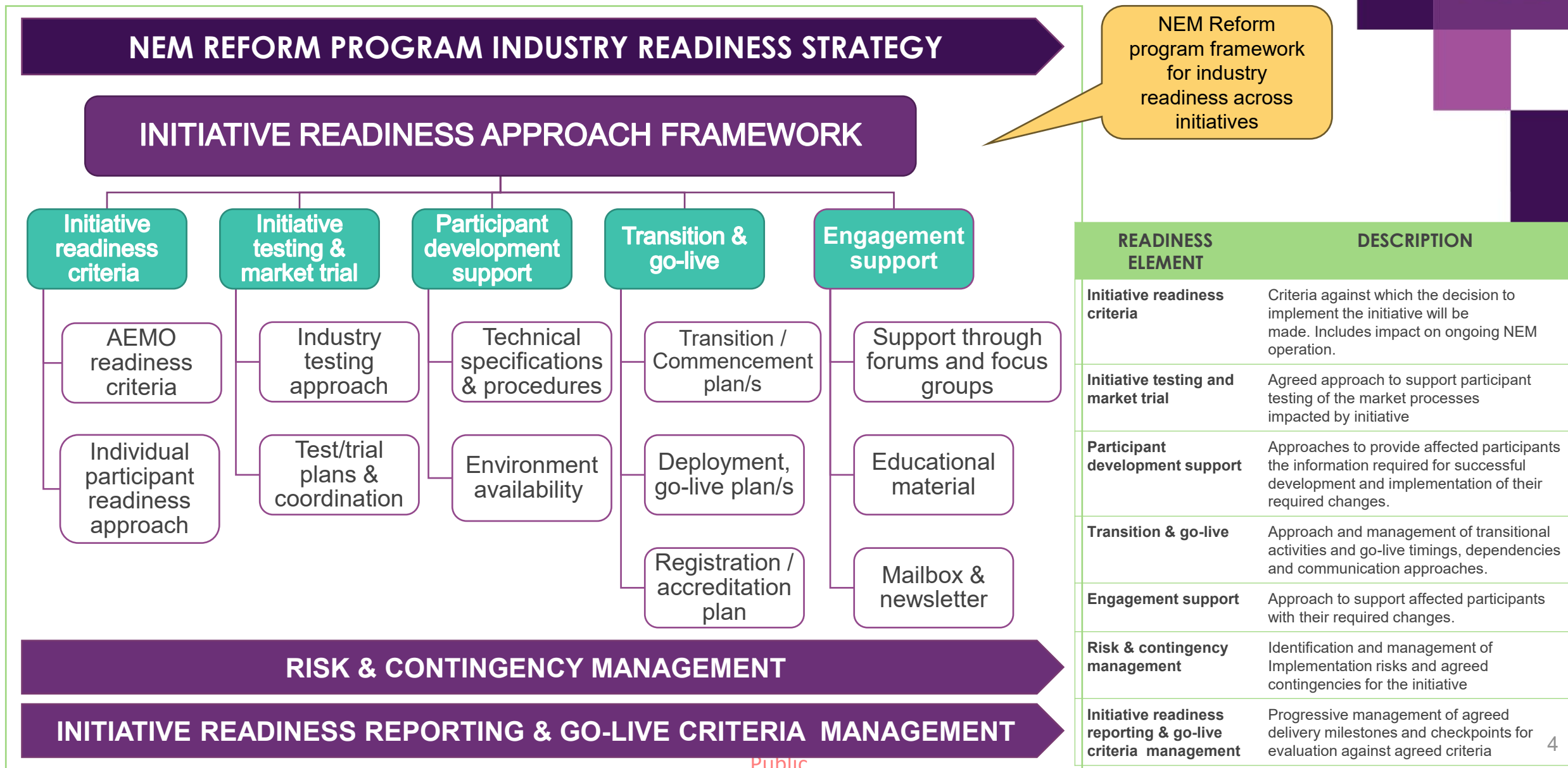
#	TOPIC
1	Purpose of industry readiness approach
2	NEM Reform program industry readiness strategy
3	Context: IPRR initiative
4	Scope of IPRR industry readiness approach
5	IPRR industry readiness approach
<b>APPENDICES</b>	
A. How to keep informed	
B. IPRR key terms and general information	
C. Glossary	
<b>Version 1.1</b> – March update to slide 10 to correct link to IPRR technical information pack	

# 1. Purpose of industry readiness approach

The IPRR readiness approach is the overarching plan to guide AEMO and NEM participants' IPRR readiness activities and operational preparedness. It is intended to:

- Assist industry with their own planning and delivery activities to be ready for IPRR as it is operationalised.
- Align to and support the implementation approach for IPRR Dispatch Mode commencement on 23 May 2027.

# 2. NEM Reform program industry readiness strategy



# 3. Context: IPRR initiative

The *Integrating Price-responsive resources (IPRR) into the National Electricity Market (NEM)* [final determination and rule](#) were made by the AEMC in December 2024. IPRR is also part of the CER National Roadmap and will unlock substantial benefits for consumers, the National Electricity Market and the power system.

AEMO has established the [IPRR project](#) under the [NEM Reform Program](#) to carry out the procedure and system changes arising from the rule and **to support industry readiness for the changes**.

The final IPRR rule integrates unscheduled price-responsive resources (UPRR), such as exempt storage/generation, industrial load and virtual power plants (VPPs), into NEM scheduling and dispatch processes. Market Participants will be able to nominate and aggregate their resources together to participate in the mechanism on a **voluntary** basis. This will support predictability and dispatchability in the NEM and provide new opportunities for these resources to participate in energy and other markets.

The IPRR rule establishes:

- A “**Dispatch mode**” framework that allows currently UPRR to be scheduled and dispatchable in the NEM, typically in aggregation. Resources could be nominated as a voluntarily scheduled resource (VSR) and aggregated together to participate in dispatch as one unit.
- A **time-limited incentive scheme** to drive participation in the mechanism in its early years. This involves allowing AEMO to conduct tenders to pay participants to enter dispatch mode in accordance with the ‘VSR Incentive Mechanism Procedure’.
- **Monitoring and reporting obligations** for AEMO and the AER to transparently evaluate the effect of UPRR on operational demand forecasting processes and market outcomes.

# 4. Scope of IPRR industry readiness approach

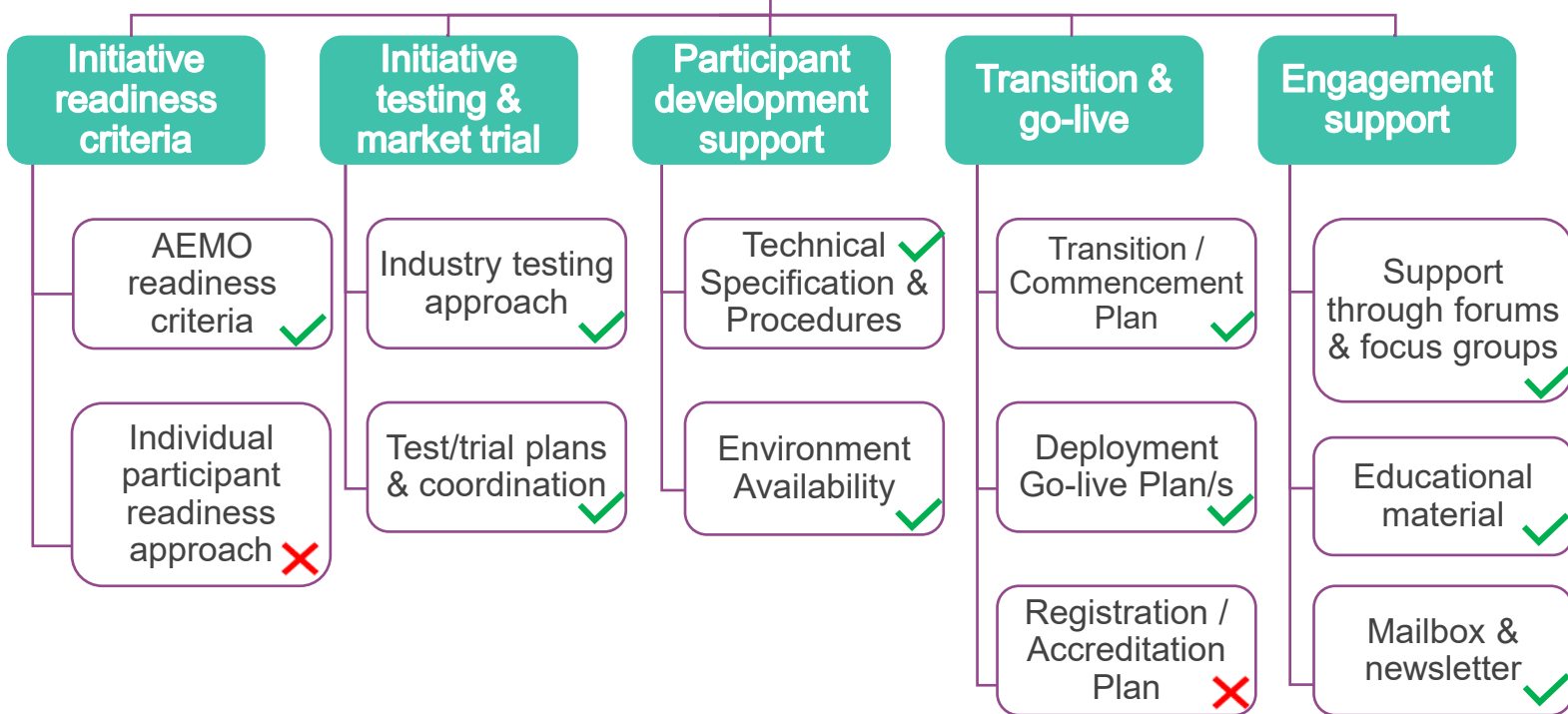
IPRR IMPLEMENTATION COMPONENTS	TIMELINE	INDUSTRY READINESS SCOPE
<p><b>AEMO UPRR MONITORING &amp; REPORTING FRAMEWORK</b></p> <p>Monitoring and reporting framework to understand and manage the impact of UPRR on demand forecasting processes and market outcomes.</p>	<ul style="list-style-type: none"> <li>01 Jan 2026: Framework commences</li> <li>Apr 2026: Publish first quarterly report</li> <li>Sep 2026: Publish first annual report</li> </ul>	<ul style="list-style-type: none"> <li>No participant readiness activities required.</li> <li><i>Not considered further in this IPRR industry readiness approach.</i></li> </ul>
<p><b>VSR INCENTIVE MECHANISM (VIM)</b></p> <p>A time-limited incentive scheme to drive dispatch mode participation in its early years.</p>	<ul style="list-style-type: none"> <li>01 Apr 2026: Incentive period begins</li> <li>Mar 2026: Tender Notice will be issued</li> <li>May 2026: First Tender release</li> <li>Jul 2026: AEMO evaluations &amp; negotiations</li> <li>Dec 2026: Contracts finalised</li> </ul>	<ul style="list-style-type: none"> <li>First tender process for VSR participation agreements will run in advance of Dispatch Mode commencement to provide participants certainty and sufficient time for any system builds/tests and participation in the Market Trials.</li> <li>Industry support for participating in the tender will be built into the tender process. Industry readiness considerations for the VIM are set out in section 4 of the <a href="#">VIM information session pack Dec 2025</a>.</li> <li><i>Not considered further in this IPRR industry readiness approach.</i></li> </ul>
<p><b>DISPATCH MODE</b></p> <p>A voluntary mechanism to integrate presently unscheduled price-responsive energy resources into NEM scheduling and dispatch processes.</p>	<p>Dispatch mode commences: 23 May 2027</p>	<p>Industry preparedness for IPRR dispatch mode is the focus of this IPRR industry readiness approach.</p>

# 5. IPRR industry readiness approach



## NEM REFORM INDUSTRY READINESS STRATEGY (ALL INITIATIVES)

### IPRR READINESS APPROACH



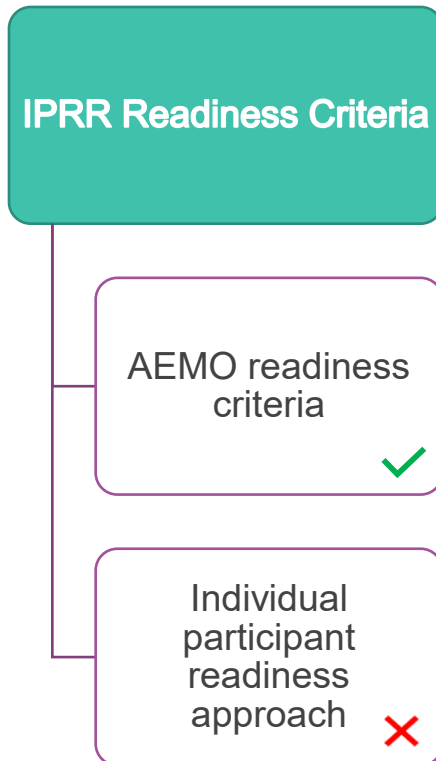
IPRR readiness approach adopts the standard NEM Reform program framework

✓ Required  
 ✗ Not required

## RISK & CONTINGENCY MANAGEMENT ✓

## INITIATIVE READINESS REPORTING ✓ & GO-LIVE CRITERIA MANAGEMENT ✓

# 5(a). Industry readiness approach: Readiness criteria



## AEMO readiness criteria

- By the IPRR commencement date, AEMO's:
  - Solution needs to be updated and tested
  - Business needs to be ready to operate
  - IT support needs to be in place.
- Final criteria to be defined and agreed with industry and outlined in the Industry Go-live Criteria document, due to be published May 2026.

## Individual participant readiness approach

- Individual participant (or participant category) readiness is not a dependency for go-live.
- For the uninterrupted and reliable operation of the NEM, only AEMO needs to be ready for the May 2027 release.
- However, participants will likely need to make timely system/process changes in managing their operations and compliance with the IPRR rule.

# 5(b). Industry readiness approach: Initiative testing & market trial

## IPRR testing & market trial

Industry testing approach ✓

Test/trial plans & coordination ✓

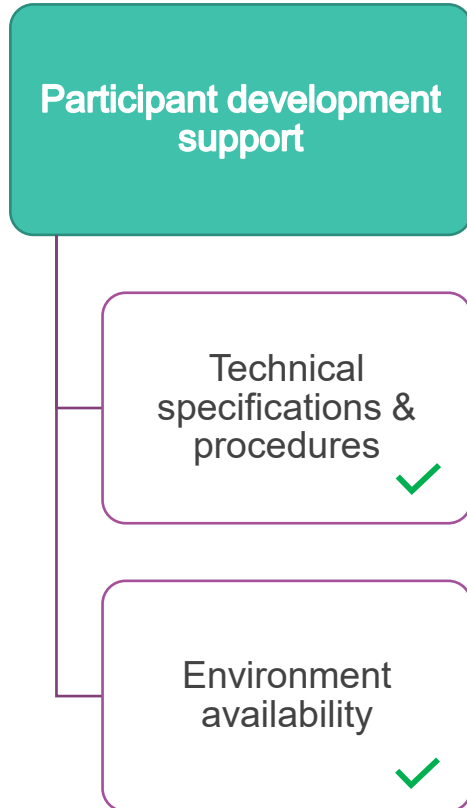
### Industry testing approach

- AEMO will develop a **Market Trial Strategy** in collaboration with industry: Draft and final versions available 25 September and 23 October 2026.
- The Market Trial will run for 9 weeks in its pre-production environment (8 March – 7 May 2027):
  - Weeks 1 to 3: Invitation-only industry test period
  - Weeks 4 to 8: Full market trial
  - Week 9: Test report completion
- Eligibility:
  - Participants wishing to test VSRP functionality can only do so for NMI for which they are the registered FRMP
  - Market participants in registration process may contact AEMO for advice on eligibility for industry testing
  - Not yet registered organisations are not eligible for industry testing but once registered will be able to conduct self-testing in the standard pre-production environment.

### Test / trial plans and coordination

- Market trial / industry testing scoping and planning will occur in:
  - Consultation with participants
  - Draft and final test plans available: 2 and 30 November 2026
- AEMO will develop **test plans** that support:
  - Test scenarios and timings. Indicatively, VSRP **test scenarios** will be based on the [VSR Life Cycle](#) and NSPs test scenarios will relate to any new VSR-related reports or data feeds.
  - Identification of required test data e.g. pre-production refreshes etc.

# 5(c). Industry readiness approach: Participant development support



## Procedures

- **New procedures** required by the IPRR rule have been completed:
  - [VSR guidelines](#)
  - [AEMO Price Responsive Reporting guideline](#)
  - [VSR Incentive Mechanism procedure](#)
- **Existing procedures** to be progressively updated for IPRR Dispatch Mode. All changes are 'minor or administrative' and will be consulted on in three bundles in early 2026. Refer to the [Electricity Wholesale Consultative Forum](#) for affected procedures and consultation timeframes.

## Technical specifications

- AEMO will publish technical documentation with sufficient time before industry testing to support participant development and participation in the VIM, including EMMS Technical Specification and Technical Specification for EMMS Data Model v5.8. Both initial drafts expected by 1 May 2026.

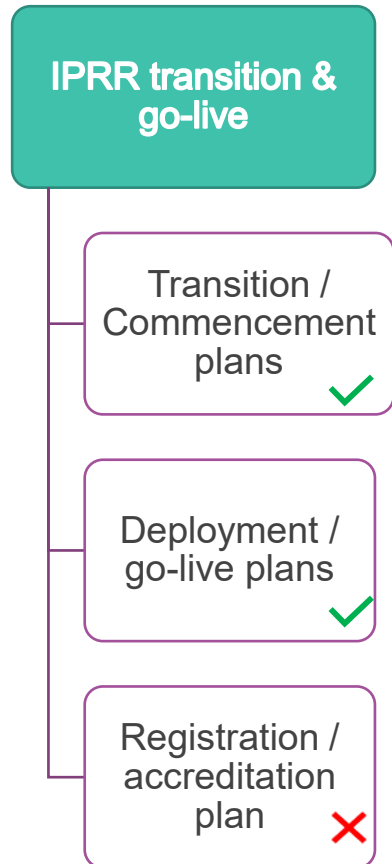
## Additional technical guidance to support industry readiness:

- AEMO has provided an [Information Pack](#) prior to availability of technical specifications to assist intending VSRPs to evaluate nominating, operating and ceasing a VSR.
- AEMO will provide additional technical documents before the IPRR rule commences, including 'VSR Aggregated Telemetry Check Policy', 'Application Guide for Nomination of a VSR in the NEM' and an updated [Portfolio Management System user guide](#).

## Environment availability

- AEMO's pre-production will be available to support the market trial.

# 5(d). Industry readiness approach: Transition & go-live



## Transition / Commencement plans

- AEMO plans to develop the Dispatch Mode Commencement Plan in collaboration with participants to define commissioning activities and associated timeframes to be completed prior to participation in the Market Trial.
- Draft planned to be available July 2026 for consultation.

## Deployment / go-live plans

- Will be developed in consultation with industry to confirm AEMO deployment activities and timeframes, any participant co-ordinated activity and required notifications to industry.
- Draft available 19 February 2027 prior to commencement of industry test period.

## Registration / accreditation plans

- Registration / accreditation plans not required because the IPRR rule does not introduce changes to registration or accreditation frameworks.
- AEMO has published an [information pack](#), including links to key resources, to assist intending VSRPs with AEMO's registration process.

# 5(e). Industry readiness approach: Engagement support

## IPRR transition & go-live

Support through forums & focus groups ✓

Educational material ✓

Mailbox & newsletter ✓

### Forums & focus groups

- The NEM Reform Program will support affected market participants in each reform phase from implementation design, procedures development, solution delivery and through to industry testing.
- AEMO is considering establishing a Working Group with impacted participants to work collaboratively on the Dispatch Mode Commencement Plan.
- Support will be provided as required via [NEM Reform Program forums](#), information sessions, focus groups, 1:1s and daily stand-ups, including:
  - Electricity Wholesale Consultative Forum (EWCF) for engagement on procedures
  - Implementation Forum
  - Industry Test Working Group Q&A sessions. As required, support Invitation-only testing and daily sessions during the Market Trial period.
  - Market Systems User Group (MSUG) for assistance with technical specifications.

### Educational material

- AEMO will provide educational material to support awareness, assessment and preparation for affected participants as required. This may include, guides and fact sheets, [FAQs](#) and industry presentations, made available through the project's dedicated [webpage](#).

### Mailbox & newsletter

- Participants support provided via monitored mailbox: [nemreform@aemo.com.au](mailto:nemreform@aemo.com.au)
- Regular communications around project milestones.

# 5(f). Industry readiness approach:

## IPRR READINESS REPORTING & GO-LIVE CRITERIA MANAGEMENT

### IPRR readiness reporting

- Formalised **participant readiness reporting is not required**, as there are no mandatory participant transition or preparatory activities that would affect technical readiness for the NEM or other participants.
- AEMO will report to industry via NEM Reform Program forums:
  - Progress against agreed milestones
  - Any changes to confirmed L1/L2 industry milestones and their impacts on industry
  - Checkpoints on go-live criteria in the lead-up to implementation.

### Go-live criteria management

- AEMO will confirm the IPRR go-live criteria with participants in mid 2026.
- AEMO will also take formal checkpoints against go-live criteria to provide assurance of implementation preparations ahead of industry test period and go-live, allowing time for finalising AEMO's and Participants business preparations:
  - 6-month Checkpoint – 23 Nov 2026
  - 3-month Checkpoint – 23 Feb 2027
  - 1-month Checkpoint – 23 Apr 2027

# 5(g). Industry readiness approach: Risk & contingency management


## RISK & CONTINGENCY MANAGEMENT

- Risk and contingency management will be developed in consultation with industry where this is identified as necessary during IPRR implementation, for example at go-live checkpoints.

# Appendices

- A. HOW TO KEEP INFORMED
- B. IPRR KEY TERMS AND GENERAL INFORMATION
- C. GLOSSARY

# A. How to keep informed: NEM Reform program engagement

Forums	Forum focus 	Cadence	Approach
Executive Forum	Program overview and status update	3 per Year	Nomination
Reform Delivery Committee (RDC)	Long term implementation planning perspective	Quarterly	Nomination
Program Consultative Forum (PCF)	Inflight initiatives status & co-ordination	Monthly	Open
Implementation Forum	Implementation of reforms	Monthly	Open
Electricity Wholesale (EWCF) & Electricity Retail (ERCF) Consultative Forums	Procedures working groups	Monthly	Open
Industry Testing Working Group	Testing	Monthly	Open
Working Groups	Inflight	As appropriate	As appropriate



To learn more, please visit:

- [AEMO | NEM Reform Program Forums](#)
- [AEMO | NEM Reform Program Initiatives](#)
- [AEMO | Industry Meetings Calendar](#)
- or contact the program at [NEMReform@aemo.com.au](mailto:NEMReform@aemo.com.au).

Subscribe to the NEM Reform Newsletter [here](#)

Focus / working groups for inflight initiatives include:

Initiative working groups

Market Integration Technology Enhancement WG (IDX/IDAM/PC)

Industry Testing Working Group (ITWG) – IT technical implementations

# B. IPRR key terms & general information

\*Please refer to the National Electricity Rules for the meanings of the defined terms.

TERM	DESCRIPTION
<b>Voluntarily Scheduled Resource (VSR)</b>	An aggregation of price responsive resources that can be scheduled and dispatched in the NEM
<b>Voluntarily Scheduled Resource Provider (VSRP)</b>	The operator of a VSR
<b>Dispatch mode</b>	The new voluntary framework set up by the IPRR rule to allow VSRs to participate in central dispatch the NEM
<b>VSR participation modes</b>	<ul style="list-style-type: none"> <li>• <b>ACTIVE</b> – full VSR participation in dispatch mode</li> <li>• <b>INACTIVE</b> – partial VSR opt out of dispatch mode</li> <li>• <b>HIBERNATED</b> – full VSR opt out of dispatch mode (available for a minimum of 30 days to a maximum of 18 months)</li> </ul>

<b>For more information visit:</b>	<a href="#">AEMO   NEM Reform   IPRR</a>	<a href="#">VSR Guidelines</a>	<a href="#">VSR Incentive Mechanism procedure</a>	<a href="#">AEMC   IPRR rule development</a>
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# C. Glossary

Term	Definition
<b>AEMO</b>	Australian Energy Market Operator
<b>AEMC</b>	Australian Energy Market Commission
<b>CER</b>	Consumer Energy Resources
<b>DM</b>	Data Model
<b>ESB</b>	Energy Security Board
<b>HLIA</b>	High Level Implementation Assessment
<b>ITWG</b>	Industry Testing Working Group
<b>MSUG</b>	Market Systems User Group
<b>NEM</b>	National Electricity Market
<b>NER</b>	National Electricity Rules
<b>NSP</b>	Network Service Provider
<b>UPRR</b>	Unscheduled Price Responsive Resource
<b>VIM</b>	VSR Incentive Mechanism
<b>VSR</b>	Voluntarily Scheduled Resource
<b>VSRP</b>	Voluntarily Scheduled Resource Provider



For more information visit

[aemo.com.au](http://aemo.com.au)