



# NEM2025

## Reform Newsletter

Issue: 2 | **February 2023**

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## Welcome to the NEM2025 Reform newsletter!

Each quarter, AEMO's NEM2025 Program will bring you practical, up-to-date information to help support you through the energy transition and manage the impacts and opportunities of implementing the comprehensive National Electricity Market (NEM) reform program currently underway.

This edition covers:

- Welcome back
- Implementations underway
- Spotlight on Integrating Energy Storage Systems March Go-Live
- Consultations update
- Upcoming forums, and
- Structure of participant fee's for AEMO's NEM2025 Program Consultation
- Information on how to get involved and stay in touch with the program

This year will be a busy reform year. We encourage stakeholders to continue to engage with our program to understand the opportunities and implications the reform initiatives will have on their organisations and how best to prepare for their implementation.

Stakeholders can subscribe to our Newsletter [here](#). Enquiries about the NEM Reform program can be sent to [NEM2025@aemo.com.au](mailto:NEM2025@aemo.com.au).

Enjoy!

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## Welcome Back!

*Happy New Year and hope you have enjoyed some rest over the summer period.*

*2023 will be another big year in the energy transition and that is certainly true for the NEM2025 Program where several reforms will be progressing through go-live preparation aligned with reform timelines. AEMO has worked closely with the market bodies and industry on the planning, mobilisation and implementation of the program and will continue to do so. Looking forward to the year ahead!*

**Ms Violette Mouchaileh, Executive General Manager Reform Delivery, AEMO.**

To learn more, visit the NEM2025 Program [webpage](#).

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## Implementations underway

This year, AEMO will work with stakeholders on the implementation of a number of reform initiatives. These initiatives are currently being progressed through procedures, consultations, and technical implementation of changes to systems, industry testing, go-live planning and transition leading up to scheduled release dates in advance of rule commencement dates. If your organisation participates in the energy market, directly or indirectly, it is important to consider the reform initiatives underway and the preparations and change required to be ready for go-live dates in 2023 and beyond.

The current initiatives being progressed include:

Release Date	Initiative	Likely impacted stakeholders
31 March 2023	Integrating Energy Storage Systems (Interim release)	Market Small Generation Aggregators
30 May 2023	Standalone power systems (SAPS), Consumer Data Right (CDR), 82B v.3.8, MSAIS Standing Data Review (MSDR)*	DNSPs, Retailers, Metering Providers, Metering Data Providers
9 August 2023	Integrating Energy Storage Systems (Aggregated dispatch conformance (ADC))	Aggregate systems, connecting NSPs, control system vendors/developers
9 October 2023	Fast Frequency Response	Generators, Market Customers, Traders
	Increased MT PASA Information	Scheduled Generators
02 / 03 June 2024	Integrating Energy Storage Systems (Final release)	Financially responsible market participants (FRMPs), Metering Service Providers, Bidirectional Unit participants, Bidding system vendors/developers
8 June 2025	Frequency Performance Payments	Generators, Market Customers

*\*Metering exemptions have been removed from this release schedule, new release date tbc.*

## Spotlight on Integrating Energy Storage Systems March Go-Live

On 31 March this year, the Program marks its first Go-Live milestone with the [Integrating Energy Storage Systems \(IESS\) rule](#). Overall, the IESS rule is designed to better leverage energy storage and aggregators of generating and storage units in the energy market to help firm up the increasing amounts of renewable energy being connected as part of the energy transition.

At the March Go-Live specifically\*, it will be possible for around thirty aggregators currently registered as Market Small Generation Aggregators (SGAs) to register to provide ancillary services in the NEM.

Applications are accepted from 31 March and forms for SGAs wishing to register to provide Contingency FCAS are available on the AEMO Website: [AEMO | Register as a Customer in the NEM](#) . Participants will be notified by email when registrations open.

Further supporting information on the IESS application process including guides and FAQs can be found at [AEMO | Integrating Energy Storage Systems Participant Toolbox](#).

An IESS industry Q&A session following the Go-live will be scheduled if there is sufficient demand. Questions are also welcome via email

to [IESS@aemo.com.au](mailto:IESS@aemo.com.au).

\*The IESS rule has further Go-Live dates in 2023 and 2024. Refer to the project's webpage for more information. Refer to the project's webpage for up to date information: [AEMO | Integrating Energy Storage Systems Project](#).

## Consultations update

The following consultations are underway specifying the guidelines methodologies required to implement key reform initiatives. Impacted stakeholders are encouraged to engage with these consultations.

Please refer to the consultation section of the AEMO website for a full list of all consultations: [AEMO | Current and closed consultations](#)

Initiative	Consultation	Next key milestone	Impacted stakeholders
<a href="#">Integrated Energy Storage Systems</a>	<a href="#">Dispatch procedure (SO OP 3705) (Dynamic Aggregated Dispatch Conformance (ADC))</a>	Final draft procedure published 10 February 2023	Financially responsible market participants (FRMPs), Metering Service Providers, Bidirectional Unit participants, Bidding system vendors/developers
	<a href="#">Guide to Generator Exemptions and Classifications of Generating Units</a>	Draft report published 13 February 2023	
	<a href="#">NEM Reliability Forecasting Guidelines and Methodology Consultation</a>	Consultation submissions due 24 February 2023	
<a href="#">Fast Frequency Response</a>	<a href="#">Constraints Formulation Guidelines</a>	Draft report published 13 March 2023	Generators, Market Customers, Traders
	<a href="#">Constraints Implementation Guidelines</a>	Consultation opens 2 February 2023	
	<a href="#">Market Suspension Pricing Methodology</a>	Consultation submissions due 3 February 2023	

<a href="#">Frequency Performance Payments</a>	<a href="#">Frequency Contribution Factor Procedure</a>	Draft report published 7 February 2023	Generators, Market Customers
	<a href="#">Primary Frequency Response Requirements</a>	Draft report published 20 February 2023	
<a href="#">MT PASA</a>	<a href="#">NEM Reliability Forecasting Guidelines and Methodology Consultation</a>	Final NEM Procedures Published 30 April 2023	Scheduled generators

## Upcoming forums

The NEM2025 Program has established an engagement framework to support stakeholders through the implementation of NEM2025 Reform program initiatives.

The following calendar outlines our upcoming forums.



To learn more about these events, please visit [AEMO's Industry meeting calendar](#) or contact the program at [NEM2025@aemo.com.au](mailto:NEM2025@aemo.com.au).

## Structure of participant fee's for AEMO's NEM2025 Program Consultation

AEMO has initiated its [consultation](#) to determine the Participant Fee structure for the NEM2025 Reform Program. This program was determined as meeting the criteria to be a [declared NEM project](#) on 29 September 2022 following a consultation process.

The consultation provides stakeholders with the opportunity to have input into the development of the structure of Participant fees, including the Registered Participants that will be charged the fees, and will also determine the start date for recovery and the period or periods over which recovery will occur.

Submission to AEMO's Consultation Paper is due by 3 March 2023.

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## Getting involved

If your organisation participates in the energy market, directly or indirectly, it is important to consider the reform initiatives underway and the preparations and change required to be ready for go-live dates in 2023 and beyond.

A number of artefacts have been prepared in order to provide stakeholders with an opportunity to assess the impact of each of the core NEM2025 program reforms. The Regulatory Implementation Roadmap and Participant Impact Assessments are available on the [NEM2025 Program](#) website.

Moreover, AEMO has established a NEM2025 Program engagement framework to work with industry on implementation. The framework facilitates overarching coordination across reform initiatives as well as effective engagement in each reform phase from implementation design, solution delivery and through to industry testing.

Key NEM2025 Program forums include:

- [Reform Delivery Committee \(RDC\)](#)
  - Focus on prioritising and sequencing reform implementation
- [NEM2025 Program Consultative Forum \(PCF\)](#)
  - Focus on overarching implementation program oversight and monitoring
- [NEM2025 Electricity Wholesale Consultative Forum \(EWCF\)](#) and [Electricity Retail Consultative Forum \(ERCF\)](#)
  - Focus on procedural impacts and updates
- [NEM2025 Implementation Forum](#)

- Focus on Industry testing, system changes, participant transitional activities and preparations

Don't hesitate to contact the team at [NEM2025@aemo.com.au](mailto:NEM2025@aemo.com.au) if you wish to discuss approaches, potential impacts and to understand which program forum may be relevant to your organisation. You can also stay in touch with us via the [NEM2025 Program](#) website.

Regards,

NEM Reform Program Team