

Decision Notice

On 27 March 2024, EnelX submitted three new proposed wholesale demand response (WDR) baseline methodologies for AEMO’s consideration. The proposal was consulted on under the Wholesale Demand Response Guidelines. This Decision Notice concludes the Baseline methodology development process set out in the guidelines by:

- stating the Final Decision to approve or reject a proposed baseline methodology;
- if the Final Decision is to approve the proposed BM, stating AEMO’s estimate of the date by which the proposed BM will be developed and able to be applied to a WDRU; and
- advising the location of the Final Report.

Final Decision

Summary of decisions in relation to initial proposals by Enel X

Proposed baseline methodology	Summary	AEMO decision
CAISO 10 of 10 (all days) with new settings	Proposed to better accommodate seasonal and solar PV loads. New settings: <ul style="list-style-type: none"> • 20-day lookback window for eligibility and compliance • uncapped negative day-of adjustments • open End of Period Date for compliance assessment 	Approve new CAISO 10 of 10 baseline methodology options with a shorter 20-day lookback period for eligibility and compliance, to better accommodate seasonally varying loads. This will be implemented in All Days and Business Days Only options. Not approve uncapped negative day-of adjustments and open end-of-period date for compliance assessment.
High 3 of 10 (all days)	Proposed to better accommodate temperature-sensitive loads.	Not approve a High 3 of 10 option.
High 3 of 10 (business days only)	Includes the same three settings as above. Selects the three highest consumption (kWh) days out of the preceding ten eligible days for the baseline.	Approve an alternative High 5 of 10 baseline methodology option (All Days and Business Days) to better accommodate weather-sensitive loads. Given the higher complexity of introducing this option, implementation will be part of a second stage.
Further Consultation matters		
Solar PV focused baseline methodology	CAISO 10 of 10 baseline methodology option with adjustments to better accommodate solar PV sites, including changes to the Eligibility/Compliance Trading Intervals (TI) Window (from 3pm to 8pm, to 5pm to 9pm) and a reduction in the duration of the adjustment window.	Approve new methodology option, with intent to monitor closely and review as required in response to adverse outcomes or relevant policy changes.

In addition to the above decisions on new baseline methodology options, AEMO will also introduce an alternative baseline methodology accuracy metric of 30% on a trial basis, with the following evaluation criteria:

- reliability of response to dispatch instructions, controlled for factors surrounding any non-conformance
- change in volume of participation (number of participants and WDRUs entering the mechanism)
- degree of change in baseline accuracy (average and volume weighted)
- changes in number of exclusion days.



Timing

At the time of writing, AEMO is performing internal testing on new baseline methodology options that involve parameter changes only, and the new baselines are anticipated to be available for WDR participants from September 2025. This includes four new baseline methodology options:

- new CAISO 10 of 10 baseline methodology option with a 20-day lookback period – All Days and Business Days Only.
- new solar PV focused CAISO 10 of 10 baseline methodology option with a later eligibility/compliance window and a shorter adjustment window – All Days and Business Days Only.

AEMO will publish a notice informing stakeholders of indicative effective dates for implementation of more complex baseline methodology options (i.e. High 5 of 10 methodologies) once these have been confirmed as part of AEMO's broader prioritisation and implementation process.

Location of consultation documents

Please refer to the AEMO's Final Report and other consultation documents for all relevant background and additional decisions, which are available on the consultation page at AEMO's website¹.

¹ <https://aemo.com.au/consultations/current-and-closed-consultations/wdr-baseline-methodology-consultation-enelx-proposals>