







Draft Report – Expedited consultation for the National Electricity Market

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© AEMO 2025 Page 2 of 9



Explanatory statement and consultation notice

The publication of this draft report commences AEMO's expedited consultation on proposed Primary Frequency Response Test Guidelines for Semi-Scheduled Plant (**Guidelines**) (the **proposal**), under the National Electricity Rules (**NER**).

This consultation is undertaken as required by NER 4.4.2A(a), following the procedure in NER 8.9.3. AEMO considers that the expedited rules consultation procedure is appropriate because the proposal is non-material for the following reasons:

- The proposed Guidelines streamline the Primary Frequency Response Requirements (PFRR) testing
 process currently undertaken by registered participants. The responsibilities of Scheduled and SemiScheduled Generators and Scheduled Integrated Resource providers regarding the PFRR are set
 out in NER 4.4.2(c1). These requirements were developed after consultation and revision in
 accordance with NER 4.4.2A, most recently in June 2024.
- To evaluate the performance of Scheduled and Semi-Scheduled Generators and Scheduled Integrated Resource providers against the PFRR, it is mandatory for them to perform Primary Frequency Response (PFR) testing. Industry experience regarding the implementation of PFRR indicates that certain semi-scheduled units have not successfully demonstrated PFRR performance as stipulated in NER 4.4.2(c1). The proposed draft Guidelines aim to clarify the specifications for testing and the anticipated outcomes, promoting a more uniform approach across all semi-scheduled projects without altering the existing PFRR. The proposed draft Guidelines have been developed in accordance with NER 4.4.2A(b)(4) and are based on current practices and experiences derived from PFR testing.

Consultation notice

If any person considers that AEMO should follow the standard (rather than expedited) consultative procedure for this proposal, they can submit a request for AEMO to do so (a **procedure change request**) within 10 business days after publication of this draft report. Any procedure change request must be sent to operationsstakeholders@aemo.com.au by 5:00pm (Melbourne time) on 16 July 2025. In accordance with NER 8.9.3(b), a request must include reasons why the person considers the proposal is not a 'Non-material Proposal' as defined in NER 8.9.1 – that is, why it would have a significant effect on the National Electricity Market (NEM) or on the activities of a relevant group of registered participants.

AEMO invites written submissions from interested persons on this draft report and the draft proposal to operationsstakeholders@aemo.com.au by 5:00pm (Melbourne time) on 13 August 2025.

Submissions may include alternative or additional proposals you consider may better meet the objectives of this consultation and the national electricity objective in section 7 of the National Electricity Law. Please include supporting reasons.

Before making a submission (including a procedure change request), please read and take note of AEMO's consultation submission guidelines, which can be found at https://aemo.com.au/consultations. Subject to those guidelines, submissions will be published on AEMO's website.

Please identify any parts of your submission that you wish to remain confidential, and explain why.

AEMO may still publish that information if it does not consider it to be confidential, but will consult with

© AEMO 2025 Page 3 of 9



you before doing so. Material identified as confidential may be given less weight in the decision-making process than material that is published.

Submissions received after the closing date and time will not be valid, and AEMO is not obliged to consider them. Any late submissions should explain the reason for lateness and the detriment to you if AEMO does not consider your submission.

Interested persons can request a meeting with AEMO to discuss any particularly complex, sensitive or confidential matters relating to the proposal. Please refer to NER 8.9.1(k). Meeting requests must be received by the end of the submission period and include reasons for the request. AEMO will try to accommodate reasonable meeting requests but, where appropriate, may hold joint meetings with other stakeholders or convene a meeting with a broader industry group. Subject to confidentiality restrictions, AEMO will publish a summary of matters discussed at stakeholder meetings.

© AEMO 2025 Page 4 of 9



Contents

Expl	anatory statement and consultation notice	3
1.	Stakeholder consultation process	
2.	Background	7
2.1.	Context for this consultation	
2.2.	NER requirements	
2.3.	3. The national electricity objective	
3.	Proposal discussion	8
3.1.	Description of proposal	
3.2.	How the proposal meets the objectives	8
4.	Draft determination	8
4.1.	Draft determination	
4.2.	Effective date	8
Appe	endix A. Glossary	9
Ta	bles	
Table	e 1 Consultation process and timeline	6



1. Stakeholder consultation process

As required by National Electricity Rules (**NER**) 4.4.2A(a), AEMO is consulting on proposed Primary Frequency Response Test Guidelines for Semi-Scheduled Plant (**Guidelines**) (the **proposal**) in accordance with the expedited rules consultation procedure in NER 8.9.3. The proposed Guidelines are developed in accordance with NER 4.4.2A(b)(4) to provide clarity on Primary Frequency Response Requirements (**PFRR**) testing for semi-scheduled plant.

Note that this document uses terms defined in the NER, which are intended to have the same meanings.

AEMO's process and expected timeline for this consultation are outlined below. Future dates may be adjusted, and additional steps may be included as needed, as the consultation progresses.

Table 1 Consultation proc	ess and timeline
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Consultation steps (previously completed items shown in italics)	Dates
First stage PFRR consultation paper published – previous consultation	6 December 2022
Final Report on PFRR published – previous consultation	3 June 2024
Draft report published	2 July 2025
Procedure change request deadline	16 July 2025
Submissions due on draft report	13 August 2025
Final report published	24 September 2025

AEMO considers that the expedited rules consultation procedure is appropriate for the proposal because:

- The proposed draft Guidelines are unlikely to have a significant impact on the National Electricity Market (**NEM**) or the activities of the Registered Participants to which the proposed amendments will apply, as they intend to streamline PFRR tests process currently undertaken by registered participants thereby enhancing the overall results of PFRR implementation throughout the NEM.
 - The proposed Guidelines clarify the specifications for testing and the anticipated outcomes, promoting a more uniform approach across all semi-scheduled projects to meet the existing PFRR obligation as stipulated in NER 4.4.2(c1).
 - The proposed Guidelines have been developed in accordance with NER 4.4.2A(b)(4) and are based on current practices and experiences derived from PFRR testing.

At any time before the final report is published and based on information received through submissions to this draft report, any procedure change requests under NER 8.9.3(b) or otherwise, AEMO may decide that the proposal can no longer be considered non-material. If so, AEMO will switch to the standard consultation procedure by publishing a notice under NER 8.9.3(f).

AEMO's consultation webpage for the proposal is at **AEMO | Current and closed consultations**, which will contain all previous published papers and reports, written submissions, and other consultation documents or reference material (other than material identified as confidential).

© AEMO 2025 Page 6 of 9



2. Background

2.1. Context for this consultation

NER 4.4.2(c1) sets out the responsibilities of Scheduled and Semi-Scheduled Generators and Integrated Resource Providers to operate their scheduled and semi-scheduled plant in accordance with the PFRR.

To evaluate the performance of Scheduled and Semi-Scheduled Generators and Scheduled Integrated Resource providers against the PFRR, it is mandatory for them to perform PFRR testing. Industry experience regarding the implementation of PFRR indicates that certain semi-scheduled plant have not successfully demonstrated PFRR performance as stipulated in 4.4.2(c1).

These Guidelines clarify the specifications for testing and the anticipated outcomes, promoting a more uniform approach across all semi-scheduled plant. The objective is to standardise the validation process for PFRR implementation for semi scheduled plant, given this is a current focus area, however the principles can also be applied to testing of scheduled plant.

2.2. NER requirements

NER 4.4.2A(b)(4) specifies that all compliance and testing requirements must be incorporated into the PFRR. As part of this process, AEMO has developed and will publish the Guidelines post consultation.

2.3. The national electricity objective

Within the specific requirements of the NER applicable to this proposal, AEMO will seek to make a determination that is consistent with the national electricity objective (**NEO**) and, where considering options, to select the one best aligned with the NEO.

The NEO is expressed in section 7 of the National Electricity Law as:

to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system; and
- (c) the achievement of targets set by a participating jurisdiction—
 - (i) for reducing Australia's greenhouse gas emissions; or
 - (ii) that are likely to contribute to reducing Australia's greenhouse gas emissions.

© AEMO 2025 Page 7 of 9



3. Proposal discussion

3.1. Description of proposal

The proposed draft Guidelines are designed to assess a semi-scheduled plant's capability to effectively manage and coordinate active power responses to frequency changes, alongside active power control through the central dispatch process. The objective is to standardise and streamline the validation and testing of PFRR for semi-scheduled plant, which have faced challenges in demonstrating their performance as per the PFRR. The principles set out in the Guidelines are also applicable to scheduled generating plant.

3.2. How the proposal meets the objectives

The proposed Guidelines are developed in accordance with NER 4.4.2A(a) to include information to be provided by Scheduled Generators, Semi-Scheduled Generators and Scheduled Integrated Resource Providers to verify compliance with the PFRR and any compliance audits or tests to be conducted by AEMO, in accordance with NER 4.4.2A(b)(4). The proposed Guidelines facilitate a more consistent testing and validation approach for PFRR across all semi-scheduled plant in the NEM.

4. Draft determination

4.1. Draft determination

AEMO has prepared draft Guidelines reflecting the proposal, as published with this draft report. AEMO's draft determination is to make the Guidelines in that form.

4.2. Effective date

AEMO's proposed effective date for the Guidelines is 24 September 2025.

© AEMO 2025 Page 8 of 9



Appendix A. Glossary

Term or acronym	Meaning
Guidelines	Primary Frequency Response Test Guidelines for Semi-Scheduled Plant
NEM	National Electricity Market
NEO	National electricity objective, as expressed in section 7 of the National Electricity Law
NER	National Electricity Rules; NER followed by a number refers to that numbered rule or clause of the NER
PFR	Primary Frequency Response
PFRR	Primary Frequency Response Requirements
proposal	Proposed Primary Frequency Response Test Guidelines for Semi-Scheduled Plant

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