

# DRAFT Terms of Reference

## Integrating Energy Storage Systems Working Group

### 1. Context

Forming part of the [Energy Security Board's \(ESB\) National Electricity Market \(NEM\) 2025 reforms](#) portfolio, the Integrating Energy Storage Systems (IESS) rule seeks to better integrate storage and hybrid systems into the National Electricity Market (NEM). The rule was made by the Australian Energy Market Commission on 2 December 2021, with an interim release on 31 March 2023, and final release on 3 June 2024.

The Australian Energy Market Operator (AEMO) is working with the industry to carry out the procedure and system changes arising from the IESS rule. It has established the IESS Working Group (IESS WG) for affected participants and other related bodies to support the IESS rule implementation.

### 2. Objectives

- To enable effective consultation between AEMO and stakeholders on matters relating to the IESS rule implementation
- To provide stakeholders and AEMO with the opportunity to raise and address issues relating to procedure changes and NEM systems development required because of the IESS rule
- To provide stakeholders with an opportunity to share information and insights that will contribute to achieving the IESS program's objectives.

### 3. Scope

The following activities are the core scope of the IESS WG:

- Monitor the progress of project milestones, risks and issues, such as those relating to procedure changes, NEM system development and implementation, industry testing and market trials
- Consider issues and provide feedback on the procedure changes that are required because of the IESS rule
- Contribute to and provide feedback on the NEM system changes needed to effect the IESS rule, including consideration of industry testing and market trial
- Provide guidance to and oversight of IESS focus groups
- Facilitate discussions on IESS rule implementation issues.

Specific focus groups may be formed as required to contribute to the areas above.

## 4. Representation

The IESS WG is an open forum for all interested industry stakeholders. Members may request to attend. In the interests of facilitating effective discussions on defined project deliverables, each organisation may have one primary member and one alternative member. An organisation's membership can change, as appropriate, through the life of the IESS WG.

AEMO expects IESS WG members to:

- Have a thorough understanding of the NEM and the IESS program
- Have a detailed understanding of their own program's timelines, deliverables and business impacts and how their program interfaces with AEMO's program
- Be prepared to participate in discussion and provide detailed responses to matters under discussion
- Have the authority to consider Working Group matters and provide official views and commitments on behalf of their business
- Provide Working Group outcomes back into their business.

These conditions of participation may include third party representatives of organisations on request.

## 5. Coordination with other industry reforms

The IESS WG is a project-specific forum led by AEMO and will form part of AEMO's broader engagement on the implementation of Post 2025 ESB reforms. Where practicable, the IESS project may combine efforts with other market reform projects on the implementation of specific system or procedure changes.

The IESS project team may, when relevant, provide project updates to other existing AEMO Forums and Working Groups for coordination purposes. These instances may be initiated by AEMO or the IESS WG.

## 6. Meetings

Meetings will be held monthly.

AEMO will confirm the meeting date and details at least 5 days prior via email and endeavour to provide meeting materials prior to the meeting.

AEMO is conducting meetings via Microsoft Teams until further notice as part of its COVID-19 pandemic response. Details for joining each meeting via Microsoft Teams will be contained in the meeting invitation.

## 7. Administration

AEMO will:

- Provide a Chair, secretariat services and subject matter expert(s) for each IESS WG meeting and any Focus Group meeting
- Prepare and distribute all meeting calendar invitations, agendas, meeting papers and meeting notes via email
- Publish meeting records on its website.

For more information or for other enquiries, please email the IESS inbox: [IESS@aemo.com.au](mailto:IESS@aemo.com.au)

## Version control

Version	Effective Date	Comments
0.1	29 March 2022	Draft document for feedback
1	25 May 2022	Final document