

INFORMATION

Demand side obligations to bid into central dispatch

Consultation starts on rule change request

The Australian Energy Market Commission has started consultation on a rule change request received from Snowy Hydro Limited (Snowy Hydro) that seeks to amend the National Electricity Rules (NER) in relation to scheduled loads participation in the central dispatch process.

The rule change request

Snowy Hydro has submitted a rule change request that seeks to amend clause 2.3.4 of the NER. Under the proposed rule, all market customers with market loads 30 MW or greater, that are responsive to, or intend to be responsive to, the electricity spot price would be required to become scheduled and participate in the central dispatch process. Snowy Hydro is not proposing any changes to the requirements or obligations associated with being a scheduled load, including but not limited to, submitting bids, conforming to good faith bidding requirements and complying with dispatch instructions.

Issues for consultation

A consultation paper has been prepared to facilitate stakeholder comment on the issues raised by the rule change request, in particular:

- Application of the proposed rule in respect of size of the load and the requirement for the load to be responsive to, or intend to be responsive to, the electricity spot price;
- Incentives and obligations of various participants in the market and how these may be affected by the proposed rule;
- Impacts to the market in relation to behaviour of participants, price signals and system security and reliability issues;
- Implications on the derivatives market of the proposed rule;
- Technical requirements for scheduled loads and whether the requirements are able to be satisfied by market customers with market loads; and
- Costs and benefits to market participants of non-scheduled market loads and the proposed rule;

The consultation paper should be read in conjunction with the rule change request, which is available on the project page for this rule change request.

Submissions are due by 3 December 2015.

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