

Amended template for generator compliance programs

Reliability Panel publishes final report and amended template The Reliability Panel has reviewed the template for generator compliance programs, and has published its final report and amended template.

Purpose of the template for generator compliance programs

The template aims to provide assistance and clarity to registered electricity market participants, particularly generators, to develop performance standards compliance programs that include monitoring procedures they consider to be consistent with good electricity industry practice. It also assists the Australian Energy Regulator with the enforcement and monitoring of generators' compliance with the technical requirements under the National Electricity Rules. Effective compliance with performance standards consumers.

Role of the Reliability Panel in this review

The National Electricity Rules require the Reliability Panel to determine, modify as necessary, and publish the template. The Panel must review the template at least every three years, or at such other times as the Australian Energy Market Commission may request.

The Commission provided the Panel with the standing terms of reference for this review on 15 September 2014, which required the Panel to consult with stakeholders and complete this review by 31 July 2015.

Panel's final report and recommendations

The Reliability Panel's final report details amendments the Panel has made to the template to improve its clarity and to reflect changes in generation technology, new monitoring techniques and changes in plant operational modes.

The Panel's final recommendations for the template are as follows:

- update the introductory text;
- include a general overview of the compliance framework;
- clarify that the testing and monitoring requirements for older generators as specified in their connection agreements, in some cases, may be based on the need to maintain compliance with older versions of the National Electricity Rules or National Electricity Code that applied at the time when such connection agreements were established;
- include information on continuous plant monitoring;
- include general information on dry stored generators;
- make provision in Table 1 of the template for large scale solar generation; and
- make provision in Table 1 of the template for testing to be carried out following a 'plant change'.

The Panel considers that its final recommendations have the potential to contribute to improvements in the efficiency with which compliance obligations are carried out by generators and the Australian Energy Regulator. This, in turn, has the potential to provide confidence to customers that generators are contributing to the delivery of a secure and reliable power system.

Also, arising from this review, the Panel has decided to submit a rule change request to the Australian Energy Market Commission proposing to amend the National Electricity Rules in order to extend the review frequency period from "at least three years" to "at least five years".

Action required by registered participants

The National Electricity Rules require registered participants to modify their performance standards compliance programs to be consistent with the amended template within six months of it being published by the Reliability Panel (that is, by 18 December 2015).

Consultation process

On 13 November 2014, the Reliability Panel published an issues paper for this review. Four submissions were received from stakeholders. The Panel also facilitated a stakeholder workshop on 18 February 2015, which enabled discussion about issues raised in the issues paper and in submissions.

On 26 March 2015, the Panel published a draft report, which included draft recommendations to amend the template. Four submissions were received from stakeholders.

All relevant information for this review, including the Panel's final report and amended template (both in 'clean' and 'tracked change' formats), is available from <u>www.aemc.gov.au</u>.

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18 June 2015

The Reliability Panel has published its amended template; participants have six months to modify their compliance programs for consistency.