

AEMO

Via email to marketreform@aemo.com.au

13 October 2026

Re: A market visibility framework for price responsive resources

Thank you for the opportunity to provide a submission in response to the *A market visibility framework for price responsive resources* consultation paper.

The Energy Efficiency Council (EEC) is the peak membership association for organisations that are unlocking the power of efficiency, electrification and energy flexibility to deliver a prosperous, net zero Australia. Our members include technology suppliers, energy service providers, major energy users, governments, education providers and NGOs.

Introduction

The EEC supports the objective of improving the visibility of price-responsive resources across the national electricity market (NEM). As electrification, storage, consumer energy resources (CER), virtual power plants and flexible demand become increasingly important components of the energy system, improved visibility of their behaviour will support more accurate forecasting, more efficient market outcomes and more effective system operation. The EEC therefore supports the development of a market visibility framework (MVF) that improves transparency and operational awareness while maintaining participation opportunities for emerging demand-side resources.

The EEC particularly welcomes the evolution of the policy approach from a primary focus on mandatory dispatch participation towards a more graduated visibility-based framework. In its submission to the [NEM Review Draft Report](#), the EEC supported improved visibility of demand-side resources but cautioned against approaches that would require all resources to participate through central dispatch. Many flexible loads and consumer-facing resources can deliver substantial system value despite possessing operational characteristics that make full dispatch participation impractical or inefficient. A visibility-focused approach better recognises the diversity of demand-side resources and is more likely to support innovation, participation and consumer benefits while still delivering the information required by AEMO.

Responses to consultation questions

Question 1: Dependencies and interaction with other reforms

The EEC considers the *Integrating price-responsive resources into the NEM* (IPRR) reforms, the proposed *Operational integration and visibility of large inverter-based loads* (OIV) rule change and the *CER Roadmap* work on distribution system roles and data sharing to be particularly relevant to the MVF.

AEMO should provide a clearer account of how these reforms are intended to operate together. In particular, the final framework should explain the relationship between the MVF's

visibility modes and the participation pathways introduced through IPRR, including when a resource would remain subject to visibility requirements and when it could be expected to enter dispatch. The objective should be a coherent architecture in which visibility and dispatch are distinct but complementary, rather than overlapping frameworks that impose duplicative obligations.

Similarly, the MVF should be coordinated with the OIV rule change process. The final framework should clarify the boundaries between the two initiatives, including which resources are covered, who must provide information and whether common telemetry, data or reporting requirements could be used. AEMO's paper itself recognises the IPRR, OIV and the CER Roadmap as parallel reforms relevant to implementation. To the extent that the OIV rule change sets a high operational bar for a small set of very large loads, this should not translate into a standard that is applied to a broader class of most demand-side resources. Instead, the MVF should continue to operate from first-principles in determining the obligations for the varied demand-side resources.

The MVF should also be capable of informing the development of distribution system operator (DSO) capabilities. Both reforms respond to the need for better visibility of increasingly dynamic distributed resources, but at different levels of the system. The MVF should improve AEMO's visibility of behaviour affecting the wholesale market, while future DSO functions are likely to focus on distribution-level visibility, constraints and coordination. It would be premature to delay the MVF until a final DSO model is settled. However, the framework should be interoperable with emerging DSO arrangements and avoid creating separate or duplicative information requirements.

Question 2: Definition of visibility modes

The EEC broadly supports the proposed continuum of visibility modes. It is a significant improvement on an approach that assumes resources must ultimately become dispatchable and appropriately recognises that some resources can provide valuable information without being suited to central dispatch.

The final framework should make clear that the modes are tools that may be applied according to need, rather than a mandatory progression through which every resource must pass. Movement to a more onerous mode should only occur where evidence demonstrates that existing and future forecasting and visibility arrangements are inadequate and that the additional obligation is likely to deliver net consumer benefits.

AEMO should provide practical examples for different resource classes, including flexible industrial loads, aggregated household batteries, EV charging, VPPs and standalone battery portfolios. The examples should explain how predictability, controllability, materiality and the party coordinating the response affect the applicable mode.

Question 3: Defining size and coordination

Thresholds should take account of both resource size and the degree of coordination. A large number of individually small resources may have little market impact when acting independently but become material when deliberately coordinated through a common platform, retailer, aggregator or control system.

The framework should therefore assess materiality at the level at which the response is coordinated, rather than solely at the level of an individual connection point or device. However, aggregation should not extend across unrelated resources merely because the same participant has a commercial relationship with them. The relevant portfolio should be one over which the obligated party can reasonably anticipate or influence coordinated price-responsive behaviour.

Question 4: Initial threshold for material resources

The EEC supports commencing with relatively high thresholds that capture the largest and most clearly material coordinated resources, followed by review as better evidence becomes available.

A staged approach beginning with larger resources would allow AEMO to test whether the information collected improves forecasts and operational decisions before extending obligations to a wider range of participants.

Any lowering of thresholds should be based on published evidence that material problems remain, that smaller resources are contributing to those problems and that the proposed obligation is likely to provide benefits exceeding its cost. AEMO should also consider whether improved statistical forecasting or aggregate information could address the issue before imposing resource-specific requirements.

Question 5: Assignment of obligations

The EEC supports assigning obligations by reference to the relevant resource or coordinated aggregation, with responsibility placed on the party best able to provide accurate information about its intended behaviour.

In many cases this may be an aggregator, retailer, site operator or registered service provider. It should not automatically be the Financially Responsible Market Participant (FRMP) where another party controls the relevant response and holds the necessary information. Automatically assigning responsibility to the FRMP could produce inaccurate reporting, duplicate obligations or reinforce retailer-centric participation arrangements that disadvantage independent aggregators and other service providers.

The NER should establish clear accountability and enable obligations to apply to the appropriate party. AEMO guidelines could then identify the responsible party for different resource and contractual arrangements. Where information moves through an intermediary, responsibilities for data quality, timeliness and correction should be clear, but the framework should avoid requiring the same information from multiple parties.

Question 6: Price-responsive pre-dispatch sensitivity

The EEC supports testing a separate price-responsive pre-dispatch sensitivity as a practical way to improve visibility while limiting the circularity problem. Retaining the base pre-dispatch run as the principal market signal, with a separate sensitivity illustrating the possible effects of price-responsive behaviour, appears preferable to embedding uncertain responses directly into the principal forecast at the outset.

The sensitivity should initially be tested to determine whether it is accurate, decision-useful and capable of publication without weakening the price signal against which participants plan

their response. AEMO should be transparent about the information included, confidence levels, any derating applied and the circumstances in which the sensitivity may inform operational decisions.

This should not preclude alternative approaches. Scenario ranges or confidence bands may prove more useful than a single deterministic sensitivity where the timing or quantity of response is uncertain. AEMO should test different presentation methods with market participants before settling the design.

Question 7: Staged implementation and allocation between the NER and guidelines

The EEC supports staged implementation using monitoring, trials and consultation before mandatory obligations are activated. This reduces the risk that obligations are imposed before AEMO has demonstrated that the information can be provided reliably and used to improve decisions.

Guidelines may appropriately specify technical details such as data formats, cadence, thresholds, testing arrangements and resource-specific requirements. However, guidelines should not allow fundamental policy choices or materially new obligations to be introduced without appropriate consultation and oversight.

Question 8: Decision to activate obligations

AEMO should not have an unconstrained discretion to activate significant new obligations solely through publication of guidelines.

AEMO is best placed to assess the operational evidence and advise whether additional visibility is needed. However, the NER should establish clear activation criteria, procedural safeguards and consultation requirements. These should include publication of the evidence supporting activation, an assessment of likely consumer benefits and compliance costs, consideration of less onerous alternatives, and a reasonable implementation period.

Question 9: Translating intended behaviour into bid-based information

The EEC does not consider that all resource types should be presumed capable of translating their intended behaviour into conventional bid-based information.

Bid-based information may be appropriate for resources that are centrally controlled, highly predictable and capable of expressing their response through stable price-quantity relationships. Other demand-side resources respond only when operational, commercial or customer conditions permit. Their behaviour may be conditional, infrequent or not readily represented through conventional bid bands.

The framework should therefore allow alternative forms of structured intent information, including expected quantities, availability ranges, trigger prices, confidence levels or notification of an intended response. The appropriate format should be established through trials for each resource class. The objective should be to obtain decision-useful information, not to reproduce dispatch requirements.

Question 10: DSPI, reporting cadence and alternative data channels

The EEC supports improving the content, format and usability of Demand Side Participation Information (DSPI), provided the information collected has a clearly identified use and existing data is used wherever possible.

More frequent reporting may improve the relevance of DSPI for rapidly changing portfolios, but quarterly reporting should not be applied uniformly without first assessing the compliance costs and forecasting value for different resource classes. Standing information that changes infrequently should not need to be resubmitted each quarter. The system should instead allow participants to confirm unchanged information or update only fields that have changed.

Wholesale price responsiveness could potentially be flagged through MSATS or another existing channel, but only where the relevant information can be accurately maintained and appropriately interpreted. A simple flag may identify a potentially responsive cohort without revealing the scale, conditions or timing of its response. It should therefore be treated as an input for calibration and aggregate forecasting, not as a substitute for more targeted information where that is demonstrably necessary.

Any changes should improve the user experience of the DSPI portal, avoid duplicate reporting and clearly explain how the information will be used.

Question 11: Feasibility of assigning obligations to the FRMP or a registered service provider

There are circumstances in which the FRMP may not control the resource or possess reliable information about its intended behaviour. Examples may include independently operated aggregations, third-party energy management systems, equipment controlled by an original equipment manufacturer or service provider, and large customer sites where operational decisions are made by the customer rather than the retailer.

In these cases, assigning the obligation automatically to the FRMP could require it to report information it does not hold or cannot verify. The framework should enable responsibility to sit with the party coordinating the response, including where that party is not the FRMP.

Question 12: Portfolio structuring and gaming below thresholds

Thresholds should be applied to resources under common control or coordination so that an obligated party cannot avoid requirements by dividing a coordinated portfolio among multiple nominal groupings. At the same time, anti-avoidance provisions should not capture genuinely independent resources or require broad aggregation of unrelated customer portfolios.

The EEC supports using less onerous visibility obligations to reduce incentives for avoidance. For battery portfolios exceeding the relevant threshold, commencing with Mode 2 would allow AEMO to obtain forward-looking information and test its value before considering scheduling or dispatch participation. Mode 4 should not be an automatic consequence of size alone. It should only be considered where visibility has been shown to be insufficient and closer dispatch integration would produce net benefits.

Question 13: Demonstrating consumer value

The EEC agrees that the costs and benefits of visibility obligations will be difficult to assess with precision before the framework has been tested in practice. We therefore support AEMO's



proposal to adopt a staged implementation approach that builds evidence before more onerous obligations are introduced.

The key test should not be whether additional information can be collected, but whether it leads to materially better operational, forecasting or market outcomes for consumers. Before introducing new obligations, AEMO should be able to demonstrate that the information sought is likely to improve decision-making in a way that delivers tangible consumer benefits, such as improved forecasting accuracy, more efficient dispatch outcomes, reduced intervention costs or better price formation.

Conclusion

The EEC supports the overall direction of the draft MVF. In particular, the shift from an approach centred on mandatory dispatch participation towards one founded on fit-for-purpose visibility represents a significant improvement in policy design. The proposed framework better reflects the diverse characteristics of price-responsive resources and provides a stronger foundation for integrating flexible demand, CER and storage into the NEM while preserving innovation, competition and consumer value.

If you would like to discuss the matters raised in this submission, please email me at Jeremy.Sung@eec.org.au.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeremy Sung", with a stylized flourish at the end.

Jeremy Sung
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Energy Efficiency Council