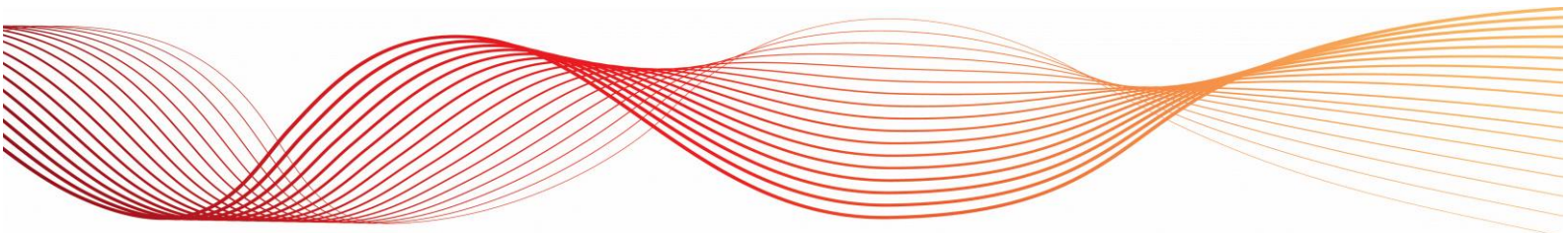


RELIABILITY STANDARD IMPLEMENTATION GUIDELINES

DRAFT REPORT AND DETERMINATION

Published: October 2015



NOTICE OF SECOND STAGE CONSULTATION – RELIABILITY STANDARD IMPLEMENTATION GUIDELINES

NATIONAL ELECTRICITY RULES – RULE 8.9

Date of Notice: 30 October 2015

This notice informs the Reliability Panel, Registered Participants and interested persons (**Consulted Persons**) that AEMO is commencing the second stage of its consultation on the Reliability Standard Implementation Guidelines.

This consultation is being conducted under clause 3.9.3D of the National Electricity Rules (**NER**), in accordance with the Rules consultation requirements detailed in rule 8.9 of the NER.

Matter under Consultation

The matter for consultation is the Reliability Standard Implementation Guidelines (RSIG). NER clause 3.9.3D requires AEMO to develop and publish the RSIG. NER clause 11.78.1 requires the RSIG commence by 31 December 2015.

NER clause 3.9.3D requires the RSIG to detail its approach and a number of assumptions in the context of how AEMO implements the *reliability standard*, which is now specified in NER clause 3.9.3C.

AEMO proposes that the RSIG will set out in a single document how AEMO implements the reliability standard.

AEMO seeks comment on the draft Reliability Standard Implementation Guidelines in Attachment 1.

Invitation to make Submissions

AEMO invites written submissions on this Draft Report and Determination (Draft Report).

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 you before doing so.

Consulted Persons should note that material identified as confidential may be given less weight in the decision-making process than material that is published.

Closing Date and Time

Submissions in response to this Notice of Second Stage of Rules Consultation should be sent by email to leigh.atkins@aemo.com.au, to reach AEMO by 5.00pm (Melbourne time) on **Friday 13 November 2015**.

All submissions must be forwarded in electronic format (both pdf and Word). Please send any queries about this consultation to the same email address.

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.

Publication

All submissions will be published on AEMO's website, other than confidential content.

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EXECUTIVE SUMMARY

The publication of this Draft Report and Determination (Draft Report) commences the second stage of the Rules consultation process conducted by AEMO to publish the *reliability standard implementation guidelines* (RSIG) under clause 3.9.3D of the National Electricity Rules (NER).

AEMO commenced this consultation by publishing a First Stage Notice on 15 June 2015 with an overview of how it intended to draft the first version of the RSIG. Submissions in response to the First Stage Notice were due by 30 September 2015. Only one submission was received, which provided suggestions on the content of the RSIG.

After consideration of the submission received, AEMO's draft determination is to make the *reliability standard implementation guidelines* in the form published with this Draft Report.

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1 Stakeholder Consultation Process

As required by clause 3.9.3D of the NER, AEMO is consulting on the draft of Reliability Standard Implementation Guidelines in accordance with the Rules consultation procedures in rule 8.9.

AEMO's indicative timeline for this consultation is outlined below. Future dates may be adjusted depending on the number and complexity of issues raised in submissions.

DELIVERABLE	INDICATIVE DATE
Notice of first stage consultation and appendix published	11 June 2015
First stage submissions closed	17 July 2015
Draft Report & Notice of second stage consultation published	30 October 2015
Submissions due on Draft Report	13 November 2015
Final Report published	31 December 2015

The publication of this Draft Report marks the commencement of the second stage of consultation.

Note that there is a glossary of terms used in this Draft Report at **Appendix A**.

2 Background

2.1 NER requirements

Under NER clause 3.9.3D, AEMO must develop, publish and amend from time to time *reliability standard implementation guidelines* (RSIG) that set out how AEMO will implement the *reliability standard*.

2.2 Context for this consultation

NER clause 3.9.3D requires AEMO to develop and *publish* the RSIG. NER clause 11.78.1 requires the first RSIG commence by 31 December 2015.

2.3 First stage consultation

AEMO issued a First Stage Notice of consultation on 11 June 2015, seeking comments on the level of detail to which the RSIG should prescribe how AEMO implements the *reliability standard*.

AEMO received one submission in response to the First Stage Notice, a copy of which is published on AEMO's website¹.

3 Summary & Discussion of Material Issues

The only submission received was from GDF Suez Australian Energy (GDFSAE). The submission advocated that all of the processes involved in the implementation of the *reliability standard* should be in the one document, namely the RSIG, citing comments from the AEMC's report published with Amending Rule 3 of 2015 that the RSIG will improve methodological transparency and guide the implementation of the *reliability standard*.

AEMO considers that GDFSAE's suggestion is not the only way that methodological transparency can be improved. The manner in which AEMO has drafted the RSIG guides the implementation of the *reliability standard* by providing a high level description of the various processes and then points the reader to the detailed descriptions of each in other documents.

AEMO considers that the manner in which it has prepared the draft RSIG is NER-compliant and easy to use.

¹ See AEMO web page: <http://aemo.com.au/Consultations/National-Electricity-Market/Reliability-standard-implementation-guidelines>

4 Draft Determination

Having considered the matters raised in the submission, AEMO's draft determination is to make the *reliability standard implementation guidelines* in the form of **Attachment 1** in accordance with clause 3.9.3D of the NER.

Appendix A - Glossary

TERM OR ACRONYM	MEANING
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
NEM	National Electricity Market
NER	National Electricity Rules
RSIG	<i>Reliability standard implementation guidelines</i>

Attachment 1 – Draft Reliability Standard Implementation Guidelines