# **Applicant Capability Declaration – *Market Small Generation Aggregator* – classifying *ancillary service load***

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| **Applicant Name:** |  |
| **Applicant ABN:** |  |
| **DUID** |  |

As a duly authorised representative of the Applicant, I acknowledge that I have read and understand the following statements:

1. AEMO relies on timely and accurate information and responses from all Registered Participants in line with their obligations under the National Electricity Rules (NER). Failure to do this can cause power system security breaches, reliability issues and significant additional costs for the market.
2. The Australian Energy Regulator (AER) monitors and enforces compliance with the NER and AEMO may report identified or suspected non-conformance to the AER.
3. As examples, some of the high-level general capabilities required for Market Small Generation Aggregators to meet their NER obligations are:

* understanding bidding, rebidding and dispatch concepts and systems, including:
  + formulating and submitting dispatch bids
  + understanding the relationship between dispatch bids and dispatch targets
  + receiving and following electronic or verbal dispatch instructions
  + a 24/7 point of operational contact to immediately respond to verbal dispatch instructions
  + use of NEM Market Management System (MMS) bidding systems for Market Small Generation Aggregators, including the MMS portal.
  + awareness of the power system operating procedures on the AEMO website.
* understanding telemetry and communications systems requirements.
* monitoring and maintaining the relevant plant and equipment to ensure compliance with relevant performance standards and performance parameters, and requirements identified, in the Market Ancillary Services Specification (MASS) in respect of *ancillary service load* (ASL) (if applicable).
* if applicable, awareness, management and communication to AEMO of circumstances in respect of ASLs, including amendments to plant, that could affect AEMO’s management of power system security;
* submitting information to AEMO’s Demand Side Participation Information (DSPI) portal as required in accordance with AEMO’s DSPI Guidelines; and
* understanding of settlements and prudential information and requirements within the settlement timetable.

1. The operation of the NEM power system requires participants to have robust communication mechanisms and 24-hour operational response capabilities in place prior to registration:

* Some of the key Market Small Generation Aggregator obligations in the NER include:
* the NER Integrating energy storage systems into the NEM consequential rule 11.145.15 allows Market Small Generation Aggregators to provide market ancillary services using their small generating units. SGAs may apply to AEMO for approval to:
  + - to classify the connection point for the generating unit as an ancillary service load in accordance with NER clause 2.3.5.
    - to aggregate their ancillary services loads in accordance with NER clause 3.8.3(a1).
* clause 2.3.5(e)(2) of the NER which requires Market Small Generation Aggregators to have adequate communications and/or telemetry in place to support the issuing of dispatch instructions in respect of the relevant load. These instructions may be electronic or verbal.
* clauses 4.9.3 and 4.9.3A of the NER which requires Market Small Generation Aggregators, to ensure that appropriate personnel or electronic facilities are always available to receive and immediately act upon dispatch instructions from AEMO.
* clause 4.11.3 of the NER –which requires all Market Participants (including Market Small Generation Aggregators*)* to advise AEMO of their nominated persons (for the purposes of giving or receiving operational communications in relation to each of its facilities) and who are also responsible for operating that Market Participant’s relevant equipment.
  + Accordingly, the Market Small Generation Aggregator must provide the details which are required in the Application Form.

1. This document is not an exhaustive list of obligations placed on Market Small Generation Aggregators by the NER, but it identifies some general capabilities Applicants require in order to meet their NER obligations.[[1]](#footnote-2) Every Market Small Generation Aggregator is responsible for maintaining awareness of its legal and regulatory obligations as a Market Small Generation Aggregator (as these apply from time to time) and for ensuring they are able to comply with them.

I declare that prior to applying for registration, the Applicant has established and will maintain, at all times while registered as a Market Small Generation Aggregator, all necessary capabilities for compliance with the NER as a Market Small Generation Aggregator in the NEM. I also understand that failure to meet NER obligations may result in consequences including action by the AER.

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(insert name)

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(insert title)

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Signature Date

1. The compliance requirements outlined in this declaration and in AER’s *Summer Readiness Checklist* are intended to give a high-level summary of certain key requirements of the NER. [↑](#footnote-ref-2)