



## Fact Sheet

This fact sheet explains, as at June 2024, the role of an Integrated Resource Provider (IRP) in its capacity as a Small Resource Aggregator (SRA) (that is, an IRP-SRA).<sup>1</sup>

An IRP-SRA purchases or sells electricity from one or more small resource connection points (SRCPs) to the NEM and is the financially responsible Market Participant (FRMP) for the electricity provided.<sup>2</sup>

## Frequently asked questions

### What is an IRP-SRA?

An SRA is an IRP who has classified a small resource connection point as a market connection point in accordance with NER 2.2.8.

A small resource connection point is a connection point that connects one or more small generating units<sup>3</sup> or small bidirectional units<sup>4</sup> (or any combination)

<sup>1</sup> AEMO has taken all reasonable care in the preparation of this Fact Sheet. However, the information in this Fact Sheet should not be construed as advice. This Fact Sheet is a summary of the IRP-SGA arrangements. Registration applicants are responsible for ensuring they understand the relevant provisions of the NER and other applicable instruments, which prevail in the case of any inconsistency with this Fact Sheet.

<sup>2</sup> AEMO may have a relationship with the IRP-SRA. However, AEMO is not involved or privy to the IRP-SRA's relationship with the owner of a small resource connection point.

<sup>3</sup> An SGU is a generating unit:

- with a nameplate rating that is less than 30MW; and

to the national grid, where the only supply to the connection point is:

- for use by a small bidirectional unit connected at the connection point; or
- auxiliary load of a small generating unit or small bidirectional unit connected at the connection point.

The connection point cannot be used to supply a retail customer load.

Each small generating unit or small bidirectional unit must have a NEM compliant type 1-4 metering installation.

An IRP-SRA must satisfy the relevant NER and State/Territory requirements when it classifies a small resource connection point as a market connection point, so that the IRP-SRA can purchase or sell electricity in the spot market.

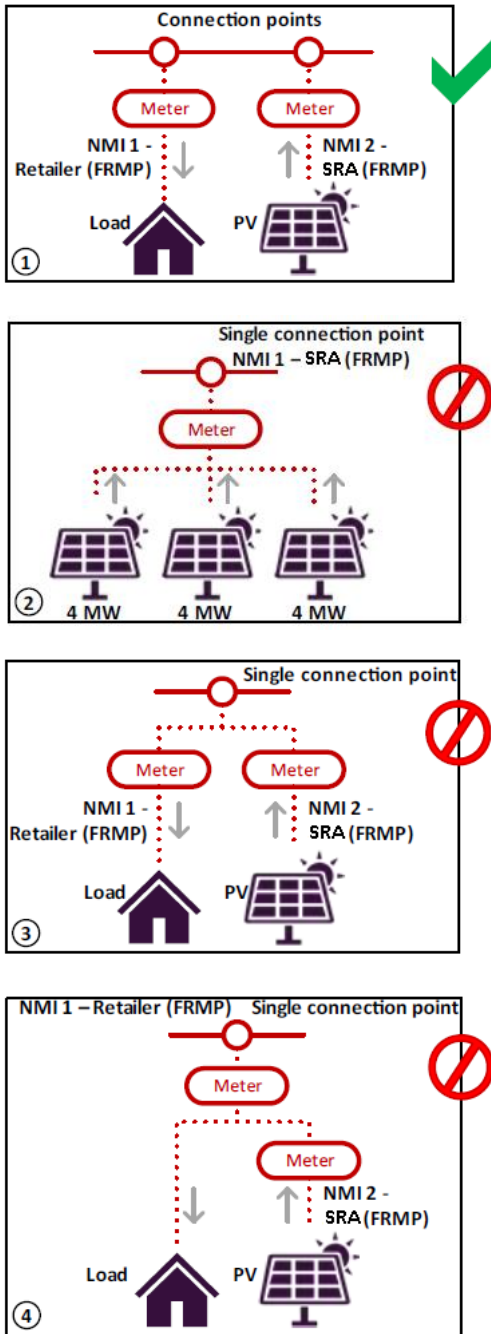
Figure 1 below demonstrates configurations that meet and do not meet these requirements.

- that is incorporated in a generating system or an integrated resource system in relation to which AEMO has given an exemption under NER 2.1A.2 from the requirement to register as a Generator or IRP (in which respect, AEMO's website includes the [Guide to Exemptions and Production Unit Classification](#)).

<sup>4</sup> An SBDU is a bidirectional unit:

- with a nameplate rating that is less than 5 MW; and
- that is incorporated in an integrated resource system in relation to which AEMO has given an exemption under NER 2.1A.2 from the requirement to register as an IRP (in which respect, AEMO's website includes the [Guide to Exemptions and Production Unit Classification](#)).

Figure 1 IRP-SRA Configurations



## What can an IRP-SRA Aggregate?

An IRP-SRA can aggregate small generating units or small bidirectional units.

## What services can an IRP-SRA provide?

An IRP-SRA can provide energy services and ancillary services to the NEM.<sup>5</sup> An IRP-SRA can provide contingency market ancillary services but not regulation market ancillary services.

## How does an IRP-SRA participate in the NEM?

After AEMO approves an IRP-SRA registration application, the IRP-SRA is given access to the NEM market systems. The IRP-SRA classifies the small market connection points it is financially responsible for as:

- Market connection points through AEMO’s Market Settlement and Transfer Solution (MSATS) system.
- Ancillary service units through AEMO’s Portfolio Management System (PMS).

The IRP-SRA:

- is paid by AEMO for the electricity which it sells from its market connection point through the spot market;
- pays AEMO for its purchased electricity supplied to its market connection point from the spot market; and
- is paid the market price by AEMO for the market ancillary services which it provides using its ancillary service units.

<sup>5</sup> In this regard, an ancillary service unit (ASU) is a generating unit, bidirectional unit or other connected plant that has been classified in accordance with NER Chapter 2 as an ASU.

### Can an IRP-SRA supply electricity from a small generating unit or a small bidirectional unit connected to an embedded network?

The embedded network framework was established to provide customers in embedded networks access to retail competition. An IRP-SRA can supply electricity to the NEM from a small generating unit or small bidirectional unit connected to an embedded network.

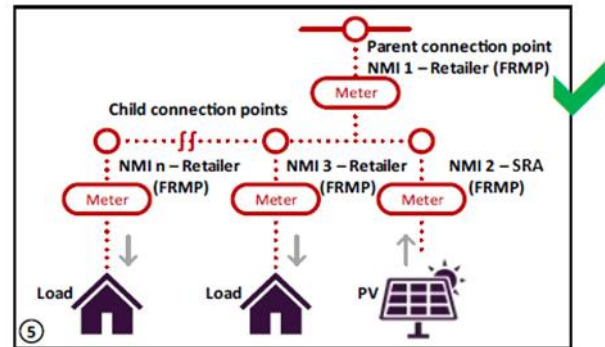
The following conditions must be met:

- the relevant site must be established in the NEM as an embedded network with a parent connection point and a child connection point;
- the embedded network must meet the AER's requirements and conditions to be an exempt network<sup>6</sup>;
- an accredited Embedded Network Manager (ENM) must be appointed by an Exempt Embedded Network Service Provider<sup>7</sup>; and
- Each connection point must have a FRMP and a NEM compliant metering installation.

AEMO's guide to embedded networks provides further information on these arrangements.

Figure 2 demonstrates a typical embedded network configuration for an IRP-SRA.

Figure 2 Embedded network



### Does NER 7.8.13 indicate that more than one Market Participant can share a single metering installation at one connection point, i.e., at a household or commercial premise?

Clause 7.8.13 of the NER relates to interconnectors.<sup>8</sup>

Such an interconnector is a single connection point that has two metering installations to account for the interconnector flow between the jurisdictions (e.g. for the NSW-Victorian interconnector there is a metering installation at the NSW and Victorian end).

This provision allows AEMO (on behalf of the market) to identify the Metering Coordinator for the data from that connection point, particularly if the Market Participants have not notified AEMO of the responsible Metering Coordinator.

This approach is consistent with the NER policy that each connection point has a single FRMP.

### What information does an IRP-SRA applicant need to provide on a particular small generating unit or small bidirectional unit at registration?

AEMO does not require specific information on a particular small generating unit or small bidirectional unit. However, AEMO does require an IRP-SRA applicant to provide evidence of how the small

<sup>6</sup> AER Electricity Network Service Provider – Registration Exemption Guideline.

<sup>7</sup> AER Electricity Network Service Provider – Registration Exemption Guideline.

<sup>8</sup> The NER definition is "A transmission line or group of transmission lines that connects the transmission networks in adjacent regions."

generating unit or small bidirectional unit would be connected.

This information helps AEMO to determine whether the IRP-SRA applicant:

- intends to classify a small resource connection point as a market connection point within a reasonable time period; and
- will be able to comply with the NER more generally, particularly regarding connection point metering and installation requirements.

### **How do I apply to register as an IRP SRA?**

[Visit AEMO's website and complete the IRP-SRA application form with the support of the IRP-SRA Registration Guide.](#)

### **I have registered with AEMO as an IRP-SRA, why can't I classify a customer market connection point in MSATS?**

An Integrated Resource Provider that registers with AEMO to classify a customer market connection point will have full access to MSATS retail systems.

To ensure an Integrated Resource Provider that has registered with respect to a generating system, an integrated resource system or small resource connection point, does not unintentionally classify a customer market connection point prior to gaining the required jurisdictional licence to do so, AEMO has implemented a restriction on MSATS classification. If you have secured the required jurisdictional licence and wish to classify a customer market connection point, you need to contact the Support Hub to organise for the system restriction to be removed.

An integrated Resource Provider, Small Resource Aggregator, wishing to classify market connection points, other than small resource connection points, must register in an Integrated Resource Provider category that is allowed to do so.



### Where can I find more information?

See AEMO's website for the Guide to Exemptions and Classification of Generating Units.

See the AEMC's website for a copy of Chapter 2 of the National Electricity Rules.

For any further enquiries, please contact AEMO's Information and Support Hub via

- [supporthub@aemo.com.au](mailto:supporthub@aemo.com.au) or
- call 1300 236 600.

For clarification on registration matters consult AEMO, for individual connection proposals consult the relevant Network Service Provider and Metering Coordinator.