**Applicant Capability Declaration**

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| Applicant Name:  |       |
| Applicant ABN:  |       | Applicant ACN:  |       |
| 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 Demand Response Service Providers (DRSPs) to meet their NER obligations are:
* understanding bidding, rebidding and dispatch concepts and systems, including:
	+ formulating and submitting dispatch bids including understanding validation rules, taking into account forecasts of their WDRU loads assuming no WDRU response is dispatched;
	+ understanding the relationship between dispatch bids and dispatch targets
	+ receiving and following dispatch targets; and
	+ managing availability in the NEM Market Management System (MMS), including:
		- submitting and updating PASA information for wholesale demand response units (WDRUs); and
		- Use of MMS bidding systems for DRSPs, including MMS portal.
* 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 loads (ASLs);
* monitoring the compliance of individual WDRUs with the baseline eligibility requirements and acting in accordance with the NER when non-compliance is identified.
* awareness, management and communication to AEMO of circumstances in respect of WDRUs or 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.

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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 DRSP obligations in the NER include:
* NER clauses NER 2.3.5(e)(2) and 2.3.6(e)(4) require the DRSP to have adequate communications and/or telemetry in place to support the issuing of dispatch instructions in respect of the relevant load, with specific telemetry and communications requirements for WDRUs outlined in the WDR Guidelines; and
* NER clause 4.9.2B(d) requires the DRSP to ensure that appropriate personnel or electronic facilities are available at all times to receive and immediately act upon dispatch instructions from AEMO (24/7 operational coverage).[[1]](#footnote-2)
	+ Accordingly, the DRSP must provide the details which are required in the Application Form.
1. This document is not an exhaustive list of obligations but identifies the general capabilities Applicants require to meet their NER obligations.[[2]](#footnote-3) Each registered DRSP is responsible for maintaining current awareness of its regulatory obligations and ensuring it is able to comply with them.

I, <Full Name>, <Position>, declare that the Applicant has established prior to registration, and will maintain while registered, all necessary capabilities for compliance with the NER as a DRSP 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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| Signature: |  | Date: | 5/01/2024 |

1. Example 1: appropriate systems are in place to receive and follow dispatch instructions via bidding systems and backup by AEMO’s MMS portal.

Example 2: necessary arrangements are in place to find out when the ancillary services are enabled for the relevant ASL/WDRU by AEMO’s market systems. [↑](#footnote-ref-2)
2. The compliance requirements outlined in this declaration and in AER’s *Summer Readiness Checklist* are intended to give a basic understanding of key requirements. [↑](#footnote-ref-3)