

# NOTICE OF FIRST STAGE OF CONSULTATION

National Electricity Rules – Rule 8.9

## CONSTRAINT FORMULATION GUIDELINES AND SCHEDULE OF CONSTRAINT VIOLATION PENALTY FACTORS

Constraint Formulation Guidelines

Schedule of Constraint Violation Penalty Factors

**Date of Notice: 21/11/2022**

This notice informs all Registered Participants and interested parties (**Consulted Persons**) that AEMO is conducting a consultation on the Constraint Formulation Guidelines (**CFG**) and the Schedule of Constraint Violation Penalty Factors (**SCVPF**) for the NEM.

This consultation is being conducted under clause 3.8.10(c) of the National Electricity Rules (**NER**), in accordance with the Rules consultation requirements detailed in clause 8.9 of the NER.

### Matter under Consultation

AEMO needs to develop and consult on a new version of the Constraints Formulation Guidelines and an updated version of the Schedule of Constraint Violation Penalty Factors.

AEMO would particularly welcome consideration and feedback on the following matters described below:

- Updates to the CFG for the 1 second FCAS to be introduced in October 2023.
- Updating the SCVPF with a new value for the 1 second FCAS services – the proposed value is 9.
- Updates to the CFG to meet the Integrating energy storage systems rule changes (due to come into effect in June 2024).

AEMO has also proposed a number of minor drafting changes to the CIR Guidelines to improve readability, remove redundant text and transition to an updated format.

### The Consultation Process

The consultation process is outlined below. Dates are indicative only and subject to change.

| Consultation steps                              | Dates            |
|-------------------------------------------------|------------------|
| Draft consultation documents published          | 21 November 2022 |
| Submissions due on draft consultation documents | 20 December 2022 |
| Updated version of draft documents published    | 13 March 2023    |
| Submissions due on updated draft documents      | 12 April 2023    |
| Final documents published                       | 22 June 2023     |

## Invitation to Make Submissions

AEMO invites written submissions on the matters under consultation or any other relevant issues that you consider need to be addressed, consistent with the objectives of this consultation and the national electricity objective in section 7 of the National Electricity Law.

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.

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

## Meetings

In your submission, you may request a meeting with AEMO to discuss the matter under consultation, stating why you consider a meeting is necessary or desirable.

If appropriate, meetings may be held jointly with other Consulted Persons. Subject to confidentiality restrictions, AEMO will generally make details of matters discussed at a meeting available to other Consulted Persons and may publish them.

## Closing Date and Time

Submissions in response to this Notice of First Stage of Rules Consultation should be sent by email to **cfg.consultation@aemo.com.au**, to reach AEMO by **5.00pm (AEDT) on 20 December 2022**.

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.