



Rebecca Holland
A/g General Manager, Compliance & Enforcement
Australian Energy Regulator
GPO Box 520
Melbourne, VIC, 3001

31 March, 2026

Dear Ms Holland,

Updates to the AER's Rebidding and Technical Parameters Guideline

ENGIE Australia & New Zealand (ENGIE) appreciates the opportunity to respond to the Australian Energy Regulator's (AER) Updates to the Rebidding and Technical Parameters Guideline Consultation Paper.

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet which includes renewables, gas-powered generation, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

ENGIE is supportive of the AER's review of the Guideline to ensure it remains fit for purpose and up to date, particularly in light of the recent changes to the National Electricity Rules arising from the Integrating price-responsive resources into the NEM (IPRR) rule change.

At the same time, ENGIE considers several topics raised in the consultation paper, particularly those relating to rebidding practices and emerging technologies (including auto-bidding and AI), go beyond the proper scope of a compliance-focused guideline and risk pre-empting broader policy work that is more appropriately progressed by the AEMC as recommended in the NEM Review.

Additionally, ENGIE is cautious around introducing additional prescriptive guidance in response to the market changes and emerging risks the AER has outlined. Any consideration of further guidance, particularly on ramp rate rebidding and the minimum safe operating level (MSOL), should remain principles-based and applied flexibly, recognising the need for an operating regime that can take account of a range of relevant factors and support the safe, reliable and secure operation of critical plant.

ENGIE responds to the key themes and questions of the consultation paper in greater detail below:

Updates responding to key market changes and emerging risks

In the consultation paper, the AER outlines several concerns regarding the potential for market participants to utilise ramp rate rebid for commercial purposes and is seeking views on what further clarity the guideline could provide in respect of what constitutes a unit's MSOL and how this can be evaluated.

While ENGIE acknowledges the AER's concerns, ENGIE is cautious of creating additional guidance around MSOL. Should the AER seek changes in this area, ENGIE believes any additional guidance should remain flexible and principles-based. This to ensure that the operating regime can take into account a range of relevant factors to more dynamically consider the safe, reliable and secure operation of a plant. By contrast, more detailed or conditional guidance in this area risks adding additional complexity, given factors relevant to the MSOL for any particular plant is highly technical, unit specific and may vary with operating conditions. ENGIE would welcome further engagement with the AER on these issues.

Utilisation of Auto-bidding and rebidding of batteries

Market participants have long used software tools to support the formation and submission of bids since before the creation of the NEM in 1998. As acknowledged by the consultation, in recent years, large numbers of utility-scale battery energy storage systems (BESS) have entered the NEM. The operational characteristics of these systems, including rapid response capability and frequent changes in state of charge, can necessitate more frequent rebidding and has contributed to increased use of auto-bidders and optimisation tools to ensure bids remain aligned with physical capability in real time.

ENGIE does not entirely share the AER's concerns around auto-bidders and the increase in rebids but appreciates the desire to ensure that the appropriate arrangements are in place to monitor their use. Nonetheless, ENGIE considers that the review of these Guidelines is not the appropriate forum for considering these issues. As noted previously, the NEM review already has established a recommendation that market bodies should "develop a broader understanding of the risks and opportunities created by algorithmic bidding to inform regulatory responses, including rule changes if needed", with the AEMC already asked to conduct such work.¹ ENGIE believes that it is premature for such issues to be contemplated in the guideline prior to this work.

With regard to the specific proposals raised by the AER raised here, ENGIE believes it would be inappropriate to consider extending compliance obligations to third parties. The National Electricity Rules already set out extensive compliance mechanisms for market participants in this area, creating a strong and efficient incentive to ensure that their bidding systems form bids in a way that remains compliant. This incentive already flows through to these third-party providers. Penalising these providers would be inconsistent with other international and domestic markets where compliance liability sits firmly with

¹ Nelson, T, et.al, 2025, 'National Electricity Market wholesale market settings review: Final Report,' December, pp.115-118

market participants and would create additional risks for these vendors to offer these technologies to the Australian market.

Additionally, ENGIE is not opposed to further measures for transparency. However, ENGIE does not believe that the proposal for a minimal addition to the 'category' of a rebid to denote it was performed by an auto-bidder will add any meaningful additional transparency in the market.

AI utilisation in the NEM

ENGIE does not consider that there are AI issues that are directly relevant to this Guideline that need to be addressed by the AER.

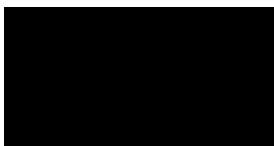
More broadly, ENGIE has previously noted that is insufficient information to suggest that risks around AI are likely to eventuate and are largely theoretical.² It is ENGIE's understanding that the type of technology used in bidding systems is fundamentally different to the form of AI that is the cause of concern. Indeed, the concerns raised by the AEMC and NEM Review have largely been focused on uninterpretable AI models which are wholly impractical in the context of the NEM, where consideration of modelled constraints, market rules and trading strategies are paramount. As such, the risk of 'potential collusion' is not occurring in the NEM today, nor is likely to in the future. ENGIE, therefore, does not believe there is a need for additional requirements in this instance.

Concluding Remarks

ENGIE welcomes continued engagement with the AER to ensure that the Rebidding and Technical Parameters Guideline remains fit-for-purpose in helping market participants meet their compliance obligations.

Should you have any queries in relation to this submission please do not hesitate to contact me on, telephone on [REDACTED]

Yours sincerely,



Braeden Keen

Regulatory Advisor



Matthew Giampiccolo

Manager, Regulation and Policy

² ENGIE 2026, Submission to 'Strengthening the Prohibiting Energy Market Misconduct provisions in the Competition and Consumer Act 2010 – Consultation paper' 30 January, pp.6 Page 3