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Updates to the AER's Rebidding and Technical Parameters Guideline – March 2026

EnergyAustralia is one of Australia's largest energy companies with around 2.2 million electricity and gas accounts across eastern Australia. We also own, operate and contract a diversified energy generation portfolio across Australia, including coal, gas, battery storage, demand response, wind and solar assets, with control of over 5,000MW of generation capacity.

EnergyAustralia welcomes the opportunity to provide feedback on the Consultation Paper on proposed updates to the Rebidding and Technical Parameters Guideline (Guideline).

New and emerging technologies are reshaping how participants generate, store, price, and trade electricity in the market. The central regulatory challenge is not whether to regulate these technologies, but how to do so in a way that supports market integrity while enabling efficient investment and operation.

EnergyAustralia proposes the following principles for the AER to draw upon:

- **Regulatory proportionality**: obligations should be scaled to demonstrated risk and based on evidence of harm.
- **Outcome-oriented**: the Guideline should set conduct standards, not prescribe how participants achieve them. Enforcement should focus on bids that are false, misleading, or not grounded in genuine material changes in conditions, rather than how bids are generated.
- **Investment signal preservation**: regulation should support, not deter, efficient investment in the flexible assets the NEM requires.
- **Accountability clarity**: where new forms of participation introduce complexity, accountability should be clearly defined, including who is responsible and under which provisions.
- **Auditability**: transparency obligations should focus on what participants can demonstrate on request, rather than what must be continuously disclosed.

- **Collaborative and adaptive regulation**: the framework should evolve through ongoing industry engagement and regular review.

- **Customer-focused outcomes**: changes to the Guideline should be assessed against their contribution to lower costs and improved outcomes for consumers.

Below, we outline two key concerns, followed by responses to the remaining consultation questions, grouped by topic.

Battery energy limits and availability across timeframes

In our view, battery energy limits and availability across timeframes warrant additional guidance and are not directly addressed in the consultation paper. Participant approaches currently vary. Some shape availability in pre-dispatch based on expected targets, state of charge, and energy constraints. Others maintain constant availability and manage positions through energy limits alone. These differing approaches create inconsistency in how AEMO and participants interpret BDU availability signals.

This issue is compounded by the non-uniform relationship between availability and energy across battery types. For some, MW capacity is directly derived from stored MWh; for others, the relationship is less direct. This variation makes it difficult to interpret availability signals consistently across different battery registrations.

Without guidance, these inconsistencies will persist and grow as the BDU fleet expands. The Guideline is the appropriate mechanism to address this.

Suggested recommendation

The AER should investigate current practices and provide high-level guidance on BDU energy limits and availability, including:

- The merit of establishing a preferred or uniform approach

- Expectations for bids across pre-dispatch, dispatch, and PASA timeframes

- Worked examples for different battery types, including where MW and MWh are directly linked and where they are not

Battery rebid volume – quality over quantity

EnergyAustralia acknowledges the AER's concern regarding rebid volumes and agrees this is a legitimate focus area. While batteries are operationally distinct, they are subject to the same rules as other generation types.

Core rebidding principles should apply regardless of technology: rebids must be brief, specific, verifiable, and not misleading. They must also be made in good faith and honoured unless there is a material change in conditions.

The key issue is whether automated battery rebids comply with existing rules, not the number of rebids. Where rebids reflect genuine market changes and meet quality requirements, volume is less relevant. However, where rebids arise from optimisation or energy reallocation, with reasons constructed retrospectively, compliance risks emerge.

EnergyAustralia also notes that only the final rebid prior to gate closure is used by NEMDE. However, all rebids within a dispatch interval must comply with existing rules, regardless of whether they are ultimately dispatched.

A battery legitimately rebidding in response to state-of-charge changes across multiple intervals may generate many substantively similar notes. Applying a uniform contemporaneous note requirement to high-frequency rebidding creates compliance burden without commensurate regulatory value. Participants without documented trigger frameworks would continue to face full requirements, creating an incentive for stronger governance.

Suggested recommendation

The AER should emphasise rebid quality as the primary compliance signal and avoid blunt or disproportionate mechanisms that may penalise efficient, well-governed battery participation.

The AER could explore whether a pre-documented trigger framework—where participants maintain a register of conditions that generate automated rebids—could serve as the contemporaneous record for systematic patterns, supplemented by interval-specific notes only where triggers are novel or non-standard.

IPRR rule change

Autobidding accountability for small aggregated resources

The IPRR has enabled participation by smaller, often aggregated assets that rely on third-party autobidding platforms. This introduces complexity in accountability across asset owners, operators, offtakers, and software providers.

Established participants typically operate in-house systems with clear governance, including defined triggers, testing protocols, override capability, and audit trails. Newer entrants may lack clarity on how NER and NEL obligations apply in outsourced arrangements.

Suggested recommendation

The AER should include a dedicated section clarifying accountability where third-party autobidding services are used, explicitly referencing relevant NER/NEL provisions. Governance expectations should apply equally to third-party and in-house systems.

Treatment of VSR passive load and alternative approaches

The AER's proposal to classify VSR passive load during supply scarcity events as an "other abnormal operating requirement" is an acceptable interim solution. We note AEMO's related rule change request seeks a more structural solution.

Using a ramp-rate-to-zero mechanism as an alternative would conflate two distinct issues: inability to follow dispatch due to metering limitations, and physical ramping capability. Addressing a settlement and metering issue through ramp rate parameters would set an unhelpful precedent and may create unintended interactions with existing ramp rate obligations.

Suggested recommendation

The AER should work with AEMO to ensure alignment with the IPRR small changes rule change, avoiding duplication or inconsistency.

MSOL, ramp rates and availability concepts

MSOL definition, materiality and communication

The current Guideline guidance on MSOL is insufficient given the diversity of technologies in the NEM. For batteries, MSOL reflects battery management systems, state-of-charge limits, and inverter constraints. For aggregated resources, the concept is even more diffuse.

The AER correctly identifies ambiguity around the obligation to submit a ROC rebid when output materially exceeds MSOL. The term "material" is undefined, creating uncertainty for real-time operations. Addressing this definitional gap is as important as defining MSOL itself.

Price Band 1 is also increasingly inadequate as a proxy for communicating MSOL, particularly under minimum system load conditions.

The Guideline should also clarify whether BDUs are treated as aggregated or non-aggregated for minimum ramp rate requirements. This distinction materially affects applicable ramp rate floors and is not clearly articulated. Participants should not need to infer obligations from AEMO systems.

Finally, the Guideline should clearly state that ramp rate parameters must reflect physical plant characteristics and cannot be used to manage commercial exposure.

Suggested recommendation

The AER could:

- Develop technology-specific MSOL guidance supported by principles and worked examples
- Define "materiality" using quantitative thresholds (MW or percentage)
- Shift toward more structured MSOL communication
- Clarify how minimum ramp rate requirements apply to BDUs

ST PASA Recall Period

A key concern is that ST PASA Procedures do not fully capture operational complexity in real bidding scenarios. Edge cases—such as overlapping outages with different recall periods—are common and require judgement where compliance risks are significant.

The AER's Guideline review represents a meaningful opportunity to address gaps between principles and concepts, and how it applies in operations.

We encourage the AER to treat this not merely as an exercise in cross-referencing the ST PASA Procedures, but as an opportunity to provide genuinely additive guidance where those procedures leave room for interpretation.

Suggested recommendation

The AER should work with AEMO to develop jointly maintained worked examples covering key edge cases, including overlapping outages, rapid transitions, and interactions between recall and capacity categories. These should be updateable without requiring full Guideline amendments.

Auto-bidding governance and transparency

Governance expectations

EnergyAustralia supports a clear framework for autobidding governance. Participants using third-party services must retain the ability to verify, adjust, or override bids. Direct submission to AEMO without participant oversight creates unacceptable compliance risk.

Suggested recommendation

The AER could structure auto-bidding guidance around three tiers of expectation:

1. Accountability: who is responsible for bids regardless of how they are generated
2. Oversight: what capability the registered participant must maintain to monitor and intervene in automated bid submission
3. Risk management: what internal processes a participant should have to ensure automated systems operate within their intended parameters

This approach provides structure without prescribing technical solutions.

Transparency

EnergyAustralia supports the AER's proposal to include a transparency flag in rebid category codes to identify auto-bidder-generated rebids. The purpose is to ensure that automated systems produce rebids that are grounded in genuine, identifiable changes in conditions, and that the rebid record provides a meaningful basis for compliance assessment.

While we consider that the category code approach is proportional and implementable, we would like to raise one issue. Any requirement for participants to publicly disclose the logic, parameters or strategic design of their automated systems would be disproportionate and counterproductive. Competitive differentiation in bidding strategy is a feature of a well-functioning market. The AER's oversight interest is best served by access to conduct data, such as what rebids were submitted, when, and under what conditions, rather than by access to proprietary system design.

Suggested recommendation

The AER should work with industry to define standards for well-informed automated rebid reasons and explore whether additional data, such as pre-dispatch signals or flags, could support interpretation.

AI and Technological Developments

EnergyAustralia recognises that machine-learning driven systems represent a meaningful evolution in how the NEM operates. AI-driven bidding can improve accuracy and responsiveness, better reflect real-time asset capabilities, and support the orchestration of distributed resources at a scale unachievable manually. For the energy transition to succeed, these technologies are not optional, they are essential tools for integrating the flexible assets the NEM needs.

The regulatory priority should be maintaining the AER's capability to detect and respond to conduct that causes genuine harm, not pre-emptively constraining technology that drives market efficiency. The existing NER framework, including prohibitions on false or misleading bids, already provides a meaningful foundation for assessing AI-generated conduct. Any future amendments should be evidence-based, technology-neutral and outcomes-focused.

EnergyAustralia proposes three principles:

- **Responsibility:** the registered participant remains accountable
- **Auditability:** the AER can access what is needed to assess conduct
- **Proportionality:** routine disclosure should not extend to proprietary systems

In practice this means the AER's requirements should focus on what participants can demonstrate on request, such as documented systems, override capability, audit trails, rather than continuous reporting. At the Guideline level, the most immediate step is confirming that existing rebidding standards apply fully to AI-generated rebids. A genuine, specific, verifiable rebid reason is required regardless of how it was produced.

Suggested recommendation

The AER should establish an industry working group to build shared understanding of how these systems operate before designing detailed regulatory responses, ensuring any framework that follows is grounded in how the technology is shaping the NEM.

The right framework is one that establishes clear principles, resolves genuine ambiguity, scales obligations to demonstrated risk, and gives the AER the tools it needs to act when conduct causes real harm. EnergyAustralia is committed to working constructively with the AER to achieve that outcome.

If you would like to discuss this submission, please contact me via email on [redacted].

Regards

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