



# Power System Model Guidelines and Data Sheets

Draft Report – Expedited consultation  
for the National Electricity Market

**Published: 14 August 2025**

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New South Wales | Queensland | South Australia | Victoria | Australian Capital Territory | Tasmania | Western Australia

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## Explanatory statement and consultation notice

The publication of this draft report commences AEMO's expedited consultation on changes to the Power System Model Guidelines, Power System Design Data Sheet and Power System Settings Data Sheet (the **proposal**) under the National Electricity Rules (**NER**).

This consultation is undertaken as required by NER S5.5.7, following the expedited consultation procedure under NER 8.9.3. AEMO considers that the proposed changes are non-material as they will not have a significant effect on the national electricity market (NEM) or on the activities of registered participants to which the consulted documents relate. This is because the proposal is limited to changes needed to:

- Align the consulted documents with the NER as it will be amended by the *National Electricity Amendment (Improving the NEM access standards – Package 1) Rule 2025 No. 6<sup>1</sup> (Package 1 Rule)*, which will take effect on 21 August 2025.
- Improve consistency with changes previously made to NER in relation to registered participant and plant definitions, and access standards for system strength.
- Make minor corrections, clarifications and formatting improvements.

AEMO is required to update the Power System Model Guidelines to be consistent with the Package 1 Rule by 21 December 2025.

AEMO has published, with this notice, its draft amendments to the Power System Model Guidelines in marked-up form, and a revised draft of the Data Sheets. AEMO's draft proposal is to amend those documents in the form published with this draft report, with a proposed effective date of 9 October 2025.

### Consultation notice

If any person considers that AEMO should follow the standard (rather than expedited) consultative procedure for this proposal, they can submit a request for AEMO to do so (a **procedure change request**) within 10 business days after publication of this draft report. Any procedure change request must be sent to [PSMGReview@aemo.com.au](mailto:PSMGReview@aemo.com.au) by 5:00pm (Melbourne time) on 28 August 2025. In accordance with NER 8.9.3(b), a request must include reasons why the person considers the proposal is not a 'Non-material Proposal' as defined in NER 8.9.1 – that is, why it would have a significant effect on the NEM or on the activities of a relevant group of registered participants.

AEMO invites written submissions from interested persons on this draft report and the draft proposal to [PSMGReview@aemo.com.au](mailto:PSMGReview@aemo.com.au) by 5:00pm (Melbourne time) on 11 September 2025.

Submissions may include alternative or additional proposals you consider may better meet the objectives of this consultation and the national electricity objective in section 7 of the National Electricity Law. Please include supporting reasons.

Before making a submission (including a procedure change request), please read and take note of AEMO's consultation submission guidelines, which can be found at <https://aemo.com.au/consultations>. Subject to those guidelines, submissions will be published on AEMO's website.

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<sup>1</sup> Available at: <https://www.aemc.gov.au/rule-changes/improving-nem-access-standards-package-1>

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

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.

Interested persons can request a meeting with AEMO to discuss any particularly complex, sensitive or confidential matters relating to the proposal. Please refer to NER 8.9.1(k). Meeting requests must be received by the end of the submission period and include reasons for the request. AEMO will try to accommodate reasonable meeting requests but, where appropriate, we may hold joint meetings with other stakeholders or convene a meeting with a broader industry group. Subject to confidentiality restrictions, AEMO will publish a summary of matters discussed at stakeholder meetings.

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# Contents

<b>Explanatory statement and consultation notice</b>	<b>2</b>
<b>1. Stakeholder consultation process</b>	<b>5</b>
<b>2. Background</b>	<b>6</b>
2.1. Context for this consultation	6
2.2. NER requirements	6
2.3. The national electricity objective	7
<b>3. Proposal discussion</b>	<b>8</b>
3.1. Description of proposal	8
3.2. How the proposal meets the objectives	9
3.3. Alternatives and issues	9
<b>4. Draft determination</b>	<b>9</b>
4.1. Draft determination	9
4.2. Effective date	9

# Tables

Table 1 Consultation process and timeline .....	5
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# 1. Stakeholder consultation process

As required by National Electricity Rules (**NER**) S5.5.7, AEMO is consulting on proposed amendments to the Power System Model Guidelines (**PSMG**) and the Power System Design and Settings Data Sheets (**Data Sheets**) (the **proposal**) in accordance with the expedited rules consultation procedure in NER 8.9.3.

Note that this document uses terms defined in the NER, which are intended to have the same meanings. Additional terms and abbreviations are defined where they first appear in this consultation paper.

AEMO's process and expected timeline for this consultation are outlined below. Future dates may be adjusted and additional steps may be included as needed, as the consultation progresses.

**Table 1 Consultation process and timeline**

Consultation steps	Dates
Draft report published	14 August 2025
Procedure change request deadline	28 August 2025
Submissions due on draft report	11 September 2025
Final report published	Expected 9 October 2025

AEMO considers that the expedited rules consultation procedure is appropriate for the proposal as it is not expected to have a significant impact on either:

- the NEM wholesale market or power system; or
- the activities of the groups of registered participants and other parties that the proposal relates to,

because the proposal is limited to changes needed to make the PSMG consistent with the NER, as amended by rules already determined by the Australian Energy Market Commission (**AEMC**), and to make other minor corrections and clarifications.

At any time before the final report is published, and based on information received through submissions to this draft report, any procedure change requests under NER 8.9.3(b) or otherwise, AEMO may decide that the proposal can no longer be considered non-material. If so, AEMO may switch to the standard consultation procedure by publishing a notice under NER 8.9.3(f), or make a final determination that addresses only non-material aspects of the proposal.

AEMO's consultation webpage for the proposal is at <https://www.aemo.com.au/consultations/current-and-closed-consultations>, which will contain all previous published papers and reports, written submissions, and other consultation documents or reference material (other than material identified as confidential).

## 2. Background

### 2.1. Context for this consultation

The AEMC made the Package 1 Rule on 22 May 2025, to come into operation on 21 August 2025. The rule is extensive, and impacts the PSMG and Data Sheets in three main ways:

- Expands the group of participants (including non-registered participants) that are potentially required to comply with the PSMG and submit Data Sheets, based on the nature of the plant they have connected or intend to connect. In particular:
  - NER schedule 5.2 will extend to new standalone synchronous condenser systems (whether or not operated as part of a regulated network), as well as generation and integrated resource systems (excluding non-bidirectional load components).
  - NER schedule 5.3a will apply to new high voltage direct current links that are regulated, as well as market network service facilities.
  - Information and modelling requirements can apply to non-registered ‘Schedule 5 Participants’ who own, control or operate plant that may have material adverse impacts on quality of supply or as required by registration exemption conditions.
- Amends several aspects of the technical access standards for plant connection, mainly in schedules 5.2 and 5.3a of the NER.
- Changes some terminology used for participants and plant subject to the access standards, and some other defined terms used in the standards.

The Package 1 Rule includes a transitional requirement (11.186.7) for AEMO to update the PSMG within 4 months of the operational date – that is, by 21 December 2025. AEMO’s preference is to make the necessary amendments as early as possible, to minimise the period of inconsistency with the NER.

The PSMG and Data Sheets were last amended in July 2023 to account for NER changes made by the *National Electricity Amendment (Integrating energy storage systems into the NEM) Rule 2021 No. 13<sup>2</sup> (IESS Rule)*, which took effect on 3 June 2024. This proposal also includes minor changes to reflect IESS Rule terminology changes that were omitted from the July 2023 update, as well as references to the access standard in NER S5.2.5.15, introduced by the *National Electricity Amendment (Efficient management of system strength on the power system) Rule 2021 No. 11<sup>3</sup> (System Strength Rule)*.

### 2.2. NER requirements

The PSMG and Data Sheets are made under NER S5.5.7, to specify the information and models AEMO requires from the owners, operators or controllers of various types of plant to meet their obligations under various provisions of the NER.

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<sup>2</sup> Available at: <https://www.aemc.gov.au/rule-changes/integrating-energy-storage-systems-nem>

<sup>3</sup> Available at: <https://www.aemc.gov.au/rule-changes/efficient-management-system-strength-power-system>

The requirements specified in the PSMG and Data Sheets are intended to allow mathematical modelling of relevant plant with sufficient accuracy to quantify appropriate power system operating limits, assess proposed negotiated access standards, and support the efficient procurement of system services.

## 2.3. The national electricity objective

Within the specific requirements of the NER applicable to this proposal, AEMO will seek to make a determination that is consistent with the national electricity objective (NEO) and, where considering options, to select the one best aligned with the NEO.

The NEO is expressed in section 7 of the National Electricity Law as:

to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system; and
- (c) the achievement of targets set by a participating jurisdiction—
  - (i) for reducing Australia’s greenhouse gas emissions; or
  - (ii) that are likely to contribute to reducing Australia’s greenhouse gas emissions.

## 3. Proposal discussion

### 3.1. Description of proposal

#### 3.1.1. Power System Model Guidelines

AEMO proposes to amend the PSMG to make the content and terminology consistent with the NER (including the amendments made by the Package 1 Rule, IESS Rule and System Strength Rule), and improve the clarity and formatting of the document, by making the following changes:

- Update references to the various categories of participants (collectively called ‘Applicants’) and plant to be covered by the PSMG from 21 August 2025 using terminology in the Package 1 Rule. This includes appropriate use of the terms ‘Schedule 5 [5.2, 5.3 or 5.3a] Participants’, ‘schedule 5.2 [5.3 or 5.3a] plant’.
- Reduce duplication of terms that cover overlapping participant groups or plant types, unless necessary to align with the different NER provisions that require compliance with the PSMG<sup>4</sup>.
- Use the term ‘Applicants’ (as defined in the PSMG) consistently throughout the document, noting this term refers to all participants required to comply with the PSMG.
- For PSMG requirements in section 4 that apply generally across all types of plant, remove or expand references to NER clauses and terms specific to a single plant category (for example, replacing ‘generating system or integrated resource systems with ‘plant’, expanding references to NER S5.2.4 to include corresponding clauses in schedules 5.3 and 5.3a, or removing unnecessary NER references).
- Where applicable, update synchronous machine information requirements to incorporate standalone synchronous condensers.
- Adding references in section 6.3.3 to the short circuit ratio access standard in NER S5.2.5.15, introduced by the System Strength Rule.
- Clarify section 7.4 to better distinguish between the type of person requesting information and the type of power system equipment for which model information may be disclosed, and consolidate similar provisions for streamlining purposes.
- Update other terms to be consistent with definition changes in the Package 1 Rule and the IESS Rule where appropriate, and apply italicisation of NER-defined terms consistently.
- Remove references to future matters that have since occurred (note in section 2.1 referring to the IESS Rule and example in section 4.3 of a future fast frequency response requirement).

The PSMG must be amended to take account of the Package 1 Rule by 21 December 2025 (NER 11.186.7 in the Package 1 Rule). AEMO’s preference is to make the amendments earlier if possible, and is currently targeting an effective date of 2 October 2025, subject to stakeholder feedback.

#### 3.1.2. Data Sheets

AEMO proposes to amend the Data Sheets to be consistent with the PSMG (as amended following this consultation) and the NER (including the Package 1 Rule, IESS Rule and System Strength Rule). The nature of the

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<sup>4</sup> For example, the new term ‘Schedule 5.2 Participant’ applies to NER model obligations in the context of plant connections and alterations. Although Schedule 5.2 Participants include both Generators and Integrated Resource Providers, those terms are retained in the draft PSMG because separate NER obligations apply to those participants in different contexts.

proposed amendments aligns with those described above for the PSMG, where relevant to the content of the Data Sheets.

### **3.2. How the proposal meets the objectives**

AEMO considers that the changes proposed will achieve the objective of consistency with the NER and added clarity of meaning, without changing any substantive rights or obligations of NEM participants – recognising that obligations to comply with the PSMG and submit completed Data Sheets are established under the NER, and not by the documents themselves.

Accordingly AEMO does not consider that the proposal itself will impose any material additional costs.

### **3.3. Alternatives and issues**

AEMO has not identified any alternative options to achieve the objectives of the proposal (namely, consistency with the NER and improved clarity). AEMO is not aware of any material issues that the proposal may raise.

Stakeholders are invited to raise any issues with, or make suggestions for improvement of, the draft amendments proposed, explaining their reasons.

## **4. Draft determination**

### **4.1. Draft determination**

AEMO has prepared a draft of amendments to the PSMG reflecting the proposal, as published with this draft report in mark-up format from the current version. Draft amended versions of the Data Sheets are also published with this draft report. AEMO's draft determination is to amend the PSMG and Data Sheets in those forms.

### **4.2. Effective date**

AEMO's proposed effective date for the determination is 9 October 2025.