

9 October 2026

Ms Violette Mouchaileh
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Australian Energy Market Operator
By email: marketreform@aemo.com.au

Dear Ms Mouchaileh

Market Visibility Framework for price-responsive resources

The Australian Energy Market Commission welcomes the opportunity to provide feedback on AEMO's consultation paper on a Market Visibility Framework (MVF).

The Commission continues to recognise the increasing role that price-responsive resources will play in the National Electricity Market in the future, and supports efforts to improve visibility where this leads to better forecasting, operational decision-making and consumer outcomes. The Commission also recognises the importance of ensuring evolving forms of demand-side participation can continue to develop and deliver value to consumers.

AEMO's proposed phased implementation of the framework is broadly consistent with previous Commission decisions in this area, which emphasised evidence gathering and proportionate interventions before more extensive obligations are considered.¹

AEMO has highlighted that Phase 1 would build the evidence base and operational capability needed to support any future visibility and participation obligations. We support work to better understand how AEMO can enhance forecasting methodologies and to identify what information would improve demand forecasting and consequential price formation.

The Commission therefore supports AEMO's proposed Phase 1 capability development and validation activities. In particular, we support efforts to:

- maximise the use of existing information sources
- improve demand forecasting capability
- test visibility information arrangements
- understand the costs and benefits of data provision
- build evidence regarding which resources, the underlying behaviour and the data that would help improve forecasting and operational outcomes.

¹ The final Integrating price-responsive resources into the NEM (IPRR) rule introduced a monitoring and reporting framework to allow AEMO and the AER to identify the presence and issues created by increased unscheduled price-responsive resources. This helps to understand how unscheduled price-responsive resources are changing and their impact on market outcomes. It also provides evidence for the AEMC to consider whether to introduce structural changes to demand forecasting or a visibility market model. AEMC, Rule determination, IPRR, 19 December 2024, p.vii.

The Commission also supports the exploration of further visibility and participation modes. However, we note that in the absence of Phase 1 being completed, there remains significant uncertainty regarding:

- what information is most useful and who is best placed to provide it. Phase 1 should be used to inform whether further visibility obligations are required, the form those obligations should take, and the classes of resources to which they should apply.
- how information should be integrated into forecasting systems. Any future visibility obligations should be clearly linked to demonstrable forecasting or operational benefits and should be activated only where evidence indicates that benefits are likely to outweigh implementation and compliance costs.
- whether additional obligations will deliver benefits that exceed their cost. Where participants are required to provide additional information, there should be a clear and visible connection between the information collected and the operational decisions, forecasting improvements or market benefits it enables.

The Commission also supports continued coordination between the MVF, Integrating Price Responsive Resources implementation and Operational Integration and Visibility of Large Inverter-Based Loads rule change processes, data centre reforms, and broader CER initiatives. These reforms are closely related, and should develop in a complementary manner to avoid duplication, minimise costs and support efficient market evolution.

We encourage AEMO to continue applying a principles-based and proportionate approach. We therefore would encourage Phase 1 to progress, but establishing arrangements for later Modes and Phases to wait until the requirements are better understood. Through Phase 1 alternative solutions and mechanisms could materialise that are outside of the scope of the currently designed framework. These potential solutions should not be excluded before the problem is fully understood. We are happy to work with AEMO at future stages to design appropriate rule changes.

Yours sincerely



Geoffrey Rutledge
Chief Executive