

Rule modification title	Enabling Battery Energy Storage Systems (“ BESS ”) to participate in the Demand Response/Interruptible Load (“ DR/IL ”) programmes
Submitted By: Date:	Energy Market Authority (“ EMA ”) 30 July 2025
Rules Version/ Chapter/ Section	<u>Market Rules</u> (Version 1 July 2025): <ul style="list-style-type: none"> Chapter 2 Section 5.1
Description of Market Rules	Please refer to Annex 1 for the proposed modifications to the market rules.
Reasons for amendment	<p>The EMA issued an Addendum to the Final Determination Paper on Enabling Battery Energy Storage Systems to participate in the Demand Response and Interruptible Load programmes (available here).</p> <p>Under this revised approach, BESS with a nameplate rating of 1MW or more but below 10MW may participate in DR/IL programmes and BESS installations participating in the DR/IL programmes are to be registered as part of a Load Registered Facility (“LRF”).</p> <p>Modifications to the Market Rules are proposed to facilitate the implementation of this new participation framework.</p>
Impact of proposed amendment on MP, MO, PSO and general public	<p>BESS installations with a nameplate rating of 1MW or more but below 10MW participating in the DR/IL programmes shall now register as part of a LRF. Before the proposed amendment, such BESS installation was required to register as generation settlement facility (“GSF”) and was subject to GSF market charges.</p> <p>Under the proposed rule changes, if registered as a part of a LRF, these BESS installations will be subject solely to LRF-specific compliance thresholds and market charges. Such BESS will only receive DR/IL payments and shall not be eligible for energy payouts.</p>
EMC’s Comments	<p>The proposed modifications are made pursuant to the EMA’s directive made under Section 46(3)(b) of the Electricity Act.</p> <p>Comments that are related to policy issues will be submitted to the EMA for decision.</p> <p>The EMA approved the proposed modifications on 4 February 2026.</p> <p>The modifications will take effect on 6 February 2026.</p>

Annex 1: Proposed Rule Modification

Existing Market Rules (1 Jul 2025)	Proposed Rule Change (Deletions represented by strikethrough text and additions represented by double underlined text)	Reasons for Modification
Chapter 2	Chapter 2	
5 FACILITIES REGISTRATION	5 FACILITIES REGISTRATION	
<p>5.1 REQUIREMENT FOR REGISTRATION</p> <p>5.1.4 A person that intends to participate in the <i>real-time markets</i> or cause or permit a <i>physical service</i> to be conveyed into, through or out of <i>the transmission system</i> from any <i>generation facility</i> that is not an <i>intermittent generation facility</i>, which together with all other <i>generation facilities</i> that are not <i>intermittent generation facilities</i> at the same <i>generating station</i> (if any) have an aggregate name-plate rating of 10 MW or more, shall register all the <i>generation facilities</i> of such <i>generation station</i> as one or more <i>generation registered facilities</i> in accordance with Appendix 2B.</p>	<p>5.1 REQUIREMENT FOR REGISTRATION</p> <p>5.1.4 A person that intends to participate in the <i>real-time markets</i> or cause or permit a <i>physical service</i> to be conveyed into, through or out of <i>the transmission system</i> from any <i>generation facility</i> that is <u>neither not an intermittent generation facility nor an embedded energy storage facility registered as part of a load registered facility</u> in accordance with section 5.1.5A, which together with all other <i>generation facilities</i> that are <u>neither not intermittent generation facilities nor embedded energy storage facilities registered as part of a load registered facility</u> in accordance with section 5.1.5A at the same <i>generating station</i> (if any) have an aggregate name-plate rating of 10 MW or more, shall register all the <i>generation facilities</i> of such <i>generation station</i> as one or more <i>generation registered facilities</i> in accordance with Appendix 2B.</p>	<p>To establish that embedded energy storage facility intended for participation in demand response and/or interruptible load programmes shall not register as a generation registered facility and shall be registered as part of a load registered facility in accordance with section 5.1.5A.</p> <p>Consequently, the name-plate rating of these embedded battery energy storage systems which are registered as part of a load registered facility, are excluded from the aggregate name-plate rating calculation of non-intermittent generation</p>

<p style="text-align: center;">Existing Market Rules (1 Jul 2025)</p>	<p style="text-align: center;">Proposed Rule Change (Deletions represented by strikethrough text and additions represented by double underlined text)</p>	<p style="text-align: center;">Reasons for Modification</p>
		<p>facilities intended for registration as generation registered facilities.</p>
<p>5.1.5 Unless otherwise provided in section 5.1.6 or 5.1.10, a person that intends to participate in the <i>real-time markets</i> or cause or permit a <i>physical service</i> to be conveyed into, through or out of the <i>transmission system</i> from any <i>generation facility</i> that is not an <i>intermittent generation facility</i>, which together with all other <i>generation facilities</i> that are not <i>intermittent generation facilities</i> at the same <i>generating station</i> (if any) have an aggregate name-plate rating of 1 MW or more but less than 10 MW, shall register all the <i>generation facilities</i> of such <i>generating station</i> as one or more <i>generation settlement facilities</i> in accordance with Appendix 2B.</p>	<p>5.1.5 Unless otherwise provided in section <u>5.1.5A</u>, 5.1.6 or 5.1.10, a person that intends to participate in the <i>real-time markets</i> or cause or permit a <i>physical service</i> to be conveyed into, through or out of the <i>transmission system</i> from any <i>generation facility</i> that is <u>neither</u> not an <i>intermittent generation facility</i> <u>nor an embedded energy storage facility</u> registered as part of a <u>load registered facility</u> in accordance with section <u>5.1.5A</u>, which together with all other <i>generation facilities</i> that are <u>neither</u> not <i>intermittent generation facilities</i> <u>nor embedded energy storage facilities</u> registered as part of a <u>load registered facility</u> in accordance with section <u>5.1.5A</u> at the same <i>generating station</i> (if any) have an aggregate name-plate rating of 1 MW or more but less than 10 MW, shall register all the <i>generation facilities</i> of such <i>generating station</i> as one or more <i>generation settlement facilities</i> in accordance with Appendix 2B.</p>	<p>To establish that embedded energy storage facility intended for participation in demand response and/or interruptible load programmes shall not register as a generation settlement facility and shall be registered as part of a load registered facility in accordance with section 5.1.5A.</p> <p>Consequently, the name-plate rating of these embedded battery energy storage systems which are registered as part of a load registered facility, are excluded from the aggregate name-plate rating calculation of non-intermittent generation facilities intended for registration as</p>

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		generation settlement facilities.
<p>5.1.6 Notwithstanding section 5.1.5, if a person intends that any one or more of the <i>generation facilities</i> at a <i>generating station</i> described in section 5.1.5 be subject to <i>dispatch</i> by the PSO, that person shall register such <i>generation facilities</i> as one or more <i>generation registered facilities</i> in accordance with Appendix 2B.</p>	<p><u>5.1.5A Notwithstanding section 5.1.5 or 5.1.6, if a person intends that any <i>generation facility</i>, that is an embedded <i>energy storage facility</i> at a <i>generating station</i> with a name-plate rating of 1 MW or more but less than 10 MW, provide or withdraw a <i>physical service</i> through a <i>load facility</i> in the <i>real-time markets</i> and for which the <i>EMC</i> has <i>published a notice indicating that load facilities</i> may be registered as <i>registered facilities</i> for the purpose of providing or withdrawing that <i>physical service</i>, that person shall register such embedded <i>energy storage facility</i> as part of a <i>load registered facility</i>.</u></p> <p>5.1.6 Notwithstanding section 5.1.5, if a person intends that any one or more of the <i>generation facilities</i> at a <i>generating station</i> described in section 5.1.5 be subject to <i>dispatch</i> by the PSO, that person shall register such <i>generation facilities</i> as one or more <i>generation registered facilities</i> in accordance with Appendix 2B.</p>	<p>To provide that embedded battery energy storage systems with name-plate rating between 1 MW and 10 MW that participate in demand response and/or interruptible load programmes through a load facility shall be registered as part of a load registered facility.</p>