

Five Minute Settlements Project: High-Level Impact Assessment

Document Title	NEM Settlements Revisions Policy		
Rule Consultation Req.	Yes	Priority	High
Prepared by	Christine Kang	Business Owner	Settlements
Consultation Group	PWG - Settlements	Consultation Package	Settlements Misc
Link	https://www.aemo.com.au/-/media/Files/Electricity/NEM/Settlements_and_Payments/Settlements/2017/NEM-Settlement-Revisions-Policyv11.pdf		

Description of Document	The policy outlines detailed procedures around how AEMO prepares and issues routine and special revised statements under the National Electricity Rules (NER) 3.15.19.		
Precedent Procedures / External Document	N/A	Dependent Procedures / External Document	N/A
Summary of Changes – Five Minute Settlements	<ul style="list-style-type: none"> • Content changes due to the five-minute settlements (5MS) to include: <ul style="list-style-type: none"> ○ Insert a new chapter <i>5MS transition</i> to clearly outline that any routine and special revised statements for billing weeks until 1 July 2021 will be based on 30-minutes. Also, to clarify that any settlement statement amount change arising from 30-minute to five-minute price change will not entitle market participants a dispute or a special revised statement • Other changes to include: <ul style="list-style-type: none"> ○ Current content transfer to the new AEMO external procedure template ○ Amend the policy to clearly reflect the NER and streamline to remove any unnecessary content ○ Amend the chapter <i>5.2 Principles</i> to clearly note the NER requirement for the policy ○ Delete NEM calendar as the figure provides old information and the source calendar link has been corrected and provided 		
Summary of Potential Changes – Global Settlements	<ul style="list-style-type: none"> • Content changes due to the global settlements (GS) to include: <ul style="list-style-type: none"> ○ Insert a new chapter <i>GS transition</i> to clearly outline that any routine and special revised statements for billing weeks until 1 July 2021 will be based on 'settlement by differencing'. Also, to clarify that any settlement statement amount change arising 		

	<p>from 'settlement by differencing' to GS framework will not entitle market participants a dispute or a special revised statement</p> <ul style="list-style-type: none"> • Reviews of unaccounted for energy (UFE) volumes, as envisaged under the draft rule, may result in settlement revisions. As these would need to be handled in the same way as revisions resulting from other input changes, specific amendments to address UFE should not be necessary. 		
External Stakeholder Impacted	<ul style="list-style-type: none"> • Market participants • MDPs 	AEMO Business Units Impacted	Settlements, Metering
Issues for Stakeholder Consultation	No major issues		
System Impact	Changing the policy has no direct impact on the IT system, however, the calculation of the routine and special revised settlements will change from 30-minutes to five minutes as part of the 5MS rule change.		