#### Wholesale Demand Response Project: High-Level Impact Assessment

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| Document Title | Credit Limit Procedures | | |
| Rule Consultation Req. | Yes | Priority | Medium |
| Prepared by | Katalin Foran | Business Owner | Prudentials |
| Consultation Group | WDR CG | Consultation Package | WP 2 |
| Link | [Credit Limit Procedures v5.0](https://www.aemo.com.au/-/media/files/electricity/nem/settlements_and_payments/prudentials/2019/credit-limit-procedures-v5.pdf?la=en) | | |

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| Description of Document | The National Electricity Rules Clause 3.3.8 requires AEMO to publish the Credit Limit Procedures for the determination of prudential settings for market participants in the National Electricity Market (NEM). | | |
| Precedent Procedures / External Documents | N/A | Dependent Procedures / External Documents | N/A |
| Summary of Changes – Wholesale Demand Response | * DRSPs will be a new type of market participant in the NEM for the purposes of WDRM. * Under the Rules, DRSPs can have negative demand response, meaning a DRSP may be a pool price payer rather than a pool price recipient (i.e. have a negative settlement amount). To deal with this risk, the prudential requirements of DRSPs have to be assessed. The effects of WDRM on market customer prudentials also needs to be considered. * Procedure changes:   + Outline of prudential requirements for new market participant type (DRSPs) – proposing flat 10K prudential requirement for all DRSPs (similar to new Market Customers).   + Effects of WDRM on Market Customer Prudentials – proposing no changes to prudential requirements (or processes) for Market Customers as an outcome of WDRM. | | |
| External Stakeholder Impacted | Yes (DRSPs) | AEMO Business Units Impacted | Yes (Prudentials) |
| Issues for Stakeholder Consultation | * Prudential requirements for DRSPs * Effects of WDRM on Market Customer Prudentials | | |
| System Impact | Yes (minor) | | |