



420 Flinders Street, Townsville QLD 4810  
PO Box 1090, Townsville QLD 4810

[ergon.com.au](http://ergon.com.au)

27 August 2019

Australian Energy Market Operator  
GPO Box 2008  
Melbourne VICTORIA 3001

By e-mail to: [5ms@aemo.com.au](mailto:5ms@aemo.com.au)

Dear Sir/Madam

**Declared National Electricity Market (NEM) Project – 5 Minute Settlement (5MS) Program**

Ergon Energy Queensland Limited (Ergon Energy Retail) welcomes the opportunity to provide comment to the Australian Energy Market Operator (AEMO) on its *Declared NEM Project – 5MS Program Consultation*.

Ergon Energy acknowledges that AEMO, as an industry funded entity, will need to recover costs it has incurred in preparing for 5MS from market participants. Consequently, and in the interest of transparency, we support AEMO's intent for the 5MS Project to be declared a NEM project under clause 2.11.1(ba) of the National Electricity Rules due to the changes required to AEMO's computer software and systems to enable it to settle the market in five minute trading intervals.

While the Australian Energy Market Commission has made a final rule to amend the National Electricity Rules to enable implementation of the 5MS in 2021, the more detailed work on procedures and systems is now being undertaken by AEMO. As per our previous submission, it is critical that these procedures take account of small participants' ability to actively interact. Equally, the value for customers is paramount and does need to be clearly articulated.

We await AEMO's consultation on the fee structure for the proposed recovery of the costs associated with this project

Should you require additional information or wish to discuss any aspect of this submission, please do not hesitate to contact myself or Andrea Wold on (07) 3664 4970.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Trudy Fraser'.

Trudy Fraser  
**Manager Policy and Regulatory Reform**

Telephone: (07) 3851 6787 / 0467 782 350

Email [trudy.fraser@energyq.com](mailto:trudy.fraser@energyq.com)