

ESTIMATED PRICE METHODOLOGY

MARKET SUSPENSION PRICING

NATIONAL ELECTRICITY RULES 3.14.5

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VERSION RELEASE HISTORY

Version	Effective Date	Summary of Changes
1.0	30/03/2001	Final determination by NEMMCO under National Electricity Code clause 3.14.5(g)(2)
1.1	21/07/2004	Incorporated in first issue of Automation of Market Suspension Pricing Schedules – Business Specification
1.2	05/07/2017	Republished by AEMO under National Electricity Rules clause 3.14.5(l) as a standalone document

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1. INTRODUCTION

1.1. Purpose and scope

- (a) This document contains the 'estimated price methodology' (**Methodology**) under clause 3.14.5(l) of the National Electricity Rules (**NER**), used to prepare and update schedules containing reasonable estimates of typical market prices during the periods to which the schedules relate (**estimated price schedules**).
- (b) The Methodology has effect only for the purposes set out in the NER. The NER and the National Electricity Law prevail over the Methodology to the extent of any inconsistency.

1.2. Definitions and interpretation

1.2.1. Glossary

- (a) Terms defined in the NER have the same meanings in the Methodology. Those terms are intended to be identified in these Procedures by italicising them, but failure to italicise a defined term does not affect its meaning.
- (b) The words, phrases and abbreviations set out below have the meanings set out opposite them when used in the Methodology.

Term	Definition
AEMO	Australian Energy Market Operator Limited
FCAS	Frequency Control Ancillary Service
Methodology	The estimated price methodology as defined in clause 3.14.5(l) of the NER
MMS	Market Management System
NER	National Electricity Rules

1.2.2. Interpretation

The Methodology is subject to the principles of interpretation set out in Schedule 2 of the National Electricity Law.

1.3. Development

- (a) The Methodology was determined by NEMMCO in a final report titled 'Schedule for Pricing during Market Suspension' published on 31 March 2001 under what was then clause 3.14.5(g)(2) of the National Electricity Code, following consultation substantially in accordance with the *Rules consultation procedures*.
- (b) Implementation of the Methodology was automated in 2004 and its requirements were incorporated in a document titled 'Automation of Market Suspension Pricing Schedules - Business Specification' published on 21 July 2004. The Business Specification deals with several other aspects relating to market suspension.
- (c) This document reproduces the Methodology as a standalone document, comprising NEMMCO's final determination of 31 March 2001, and the requirements originally contained in the Business Specification relevant to the methodology for determining *estimated price schedules*.

1.4. Related documents

Title	Location
Estimated Price Schedules	AEMO website: Market Suspension Pricing Schedules

Title	Location
Guide to Market Suspension Pricing Schedule	AEMO website: https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Data/Market-Management-System-MMS/Market-Suspension-Pricing-Schedule

2. ESTIMATED PRICE METHODOLOGY

2.1. General statement of methodology

- (a) Pricing schedules to be used under 3.14.5(l) of the NER will comprise of two sets of 48 values for each *region*. One set represents the *trading interval* prices to apply for all weekdays that are not public holidays in the majority of that *region*. The other set applies for all weekend days and public holidays in the majority of that *region*.
- (b) These schedules will be calculated and published each week and will be based on average values for each *trading interval* over the previous four completed weeks prior to the calculation. In calculating these values, allowance will be made for any changes to and from daylight saving time aligning values at local time.

2.2. Detailed requirements

- (a) Each Market Suspension Pricing Schedule report file consists of two sets of 48 *trading interval* prices for each *region*, for the *energy* and eight FCAS markets.
- (b) One set consists of *region trading interval* prices that apply to all weekdays (excluding those that are not public holidays for the majority of that *region*), and the other set applies to weekend days (including those that are public holidays for the majority of that *region*).
- (c) Day-types are managed through an internal MMS calendar.
- (d) Each *region* weekday price is calculated as the historical average of prices in the MMS database for that *region*, market and *trading interval* for all weekdays within the previous 28 days up to the end of the *billing period* (midnight Saturday) prior to the report's publication date.
- (e) Each *region* weekend price is calculated as the historical average of prices in the MMS database for that *region*, market and *trading interval* for all weekend days within the previous 28 days up to the end of the *billing period* (midnight Saturday) prior to the report's publication date.