

# Global Settlement (GS)

## Glossary of key terms and abbreviations

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### 1. Glossary of abbreviations

GS	Global Settlement
AGE	Adjusted gross energy, which is the quantity (in MWh) that is used to calculate a FRMPs TA
ADME	The aggregate of the amounts represented by (ME x DLF) for that trading interval for each connection point assigned to the transmission network connection point or virtual transmission node i.e. sum of all NMI energy flows within a local area adjusted by DLF
ADMEA	Adjusted distribution metered energy for a LA quantity, is the sum of DMEs for a LA, for a TI and is subject to the Floored Load
DME	Distribution metered energy quantity, is the sum of single and bi-directional flows at a NMI, and is subject to the Floored Load Equals: ME- x DLF
DDME	Is the amount of electrical energy flowing at each of the distribution network connection points in the local area which are connected to an adjacent local area i.e. sum of all Cross Boundary metered energy into and out of a local area
DLF	DLF Distribution loss factor
FRMP	Financially responsible market participant
FRC	Full Retail Contestability
LA	Local area is a collection of Transmission Node Identifier (TNI) codes through which energy flows into or out of a distribution area.
LR	Local retailer
ME-	The ME- quantity is the Net Energy quantity for a distribution network connection point for a TI but only when it is negative (i.e. has load). So, ME- is subject to the 'Floored Load' and is zero for (a) GENERATR or NREG NMI classification codes and (b) NMIs where local generation (e.g. from solar panels) exceeds the load.
NMI	National metering identifier, which is used to identify a specific connection point

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NEM	National Electricity Market - the wholesale electricity market for Australia's eastern and south-eastern coasts of Australia.
RM 16	Is an aggregated TNI settlement data report providing interval data for each FRMP, LR & MDP combination
RM17	Is a NMI level settlement data report providing interval data
RM 27	Is a NMI level daily settlement data report providing total daily NMI data
RM43	Is a UFE Factor report providing a UFE factor for each time interval
RM46	Is a UFE and factor calculation report listing all the components used to calculate UFE and UFEF values for each trading interval for local area.
RRP	Regional reference price
TA	Trading amount, which is payable by (or to) a FRMP Equals: AGE x TLF x RRP
TI	Trading interval
TLF	Transmission loss factor
TNI	Transmission node identifier, which is used to identify a transmission network connection point
TME	Transmission metered energy, which is the quantity of energy flowing at a TNI for a trading interval.
UFE	Unaccounted for Energy. The difference between the metered flows into and out of a Local Area for a trading interval.
UFEA	Unaccounted for energy allocated, is the quantity of UFE allocated to an individual NMI.
UFEF	Unaccounted for energy factor, is used to allocate the UFE for a local area to one or many loads at NMIs that have FRMPs (i.e. market connection points), for a trading interval. It is the ratio of UFE to the total load for a local area (adjusted by DLF) and is not rounded.

## 2. Glossary of key terms

Global Settlements	Global settlement (GS) will replace 'settlement by difference' framework on 1 May 2022. Under a global settlement framework every retailer is billed for the loss-adjusted metered electricity that is consumed by their customers within the area. The unaccounted for energy (UFE) is then allocated to market customers (mainly retailers) in the local area, pro-rated based on their 'accounted-for' energy.
Settlement by difference	The settlement by difference framework was designed at a time when local retailers supplied electricity to all small customers. Under this approach, electricity within a distribution area is billed to the local retailer except for the loss-adjusted metered electricity that is consumed by the customers of independent retailers within their local area. This means that the local retailer for an area bears the risk of all residual electricity losses in that area — known as unaccounted for energy (UFE).