Five Minute Settlements Project: High-Level Impact Assessment

Document Title	NEM Settlements Process		
Rule Consultation Req.	No	Priority	Medium
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Consultation Group	PWG	Consultation Package	Settlements – Miscellaneous
Link	https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Settlements-and-payments/Prudentials-and-payments/-/media/E426F899A8124D988815A96DEF0FF298.ashx		

Description of Document	The guide provides an overview of the financial settlement service for the billing and clearance of all market trading transactions under Chapter 3 of the Rules. It includes: • Data Collection and Energy Settlement process • Settlements by difference • Statement Production • Financial Settlements		
Precedent Procedures / External Document	N/A	Dependent Procedures / External Document	N/A
Summary of Changes – Five Minute Settlements	• Update definition of trading interval to 5-minute from 30-minute • Update broken links • Include additional reference to relevant procedures and policies where applicable • Update reference to old technology • Update revised processes (Shortfall and Surplus) and contact details (AEMO support hub) • Cosmetic changes to update the current document to the new AEMO external template		
Summary of Potential Changes – Global Settlements	Update 2.2 Retail Transfer Process to reflect Global Settlements; currently it explains the concept of Local Retailer and settlements by difference		
External Stakeholder Impacted	*Market Participant*	AEMO Business Units Impacted	Settlements
Issues for Stakeholder Consultation	AEMO proposes clarification on the definition of trading interval (pre and post 1 July 2021) in the document. No other changes are impacted by 5MS.		

System Impact	Changes in database and settlement supporting data to reflect increased amounts of trading intervals (from 48 to 288).
	Changes for Global Settlements (aggregation of metering data etc.) will occur at Metering Settlement and Transfer Solution (MSATS); no changes to Settlements process.