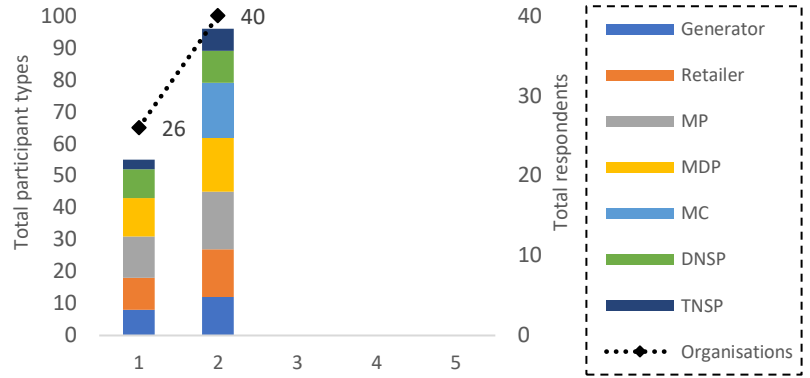


## 5MS GS Market Readiness Report - Round 2

### Submissions

Strong survey response with a large increase in respondents in round 2 of reporting. Level of industry coverage provides sound basis for overall readiness assessment.

|                   | This round | Prev. round | Δ (#) | Trend |
|-------------------|------------|-------------|-------|-------|
| Respondents       | 40         | 26          | 14    | ↑     |
| Participant types | 96         | 55          | 41    | ↑     |
| Generator         | 12         | 8           | 4     | ↑     |
| Retailer          | 15         | 10          | 5     | ↑     |
| MP                | 18         | 13          | 5     | ↑     |
| MDP               | 17         | 12          | 5     | ↑     |
| MC                | 17         | -           | -     | -     |
| DNSP              | 10         | 9           | 1     | ↑     |
| TNSP              | 7          | 3           | 4     | ↑     |

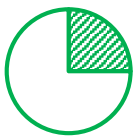



### Industry coverage




















|           | % Industry coverage | Industry coverage methodology                             |
|-----------|---------------------|---|
| Generator | 88.6%               | Generator respondents' capacity / NEM capacity            |
| Retailer  | 94.6%               | Retailer respondents' settlement vol. / NEM vol.          |
| MP        | 99.9%               | MP respondents' total type 1-4 NMIs/ total type 1-4 NMIs  |
| MDP       | 100.0%              | MDP respondents' total type 1-4 NMIs/ total type 1-4 NMIs |
| MC        | 99.8%               | MC respondents' total type 1-4 NMIs/ total type 1-4 NMIs  |
| DNSP      | 100%                | Number of DNSP survey respondents / Total DNSPs           |
| TNSP      | 100%                | Number of TNSP survey respondents / Total TNSPs           |

| # | Topic                                | Observation / Actions   |
|---|--------------------------------------|---|
| 1 | Response rate, All participant types | A total of 40 organisations responded to the second round of readiness reporting, representing an even mix of participant types. An additional 16 new organisations participated in round 2 of reporting, due to AEMO's increased efforts in engaging with participants and encouraging survey responses. |
| 2 | Response rate, Metering Co-ordinator | In response to a requests from the RWG, Metering Coordinators(MCs) were invited to report on their readiness in the second round of reporting and future rounds of reporting.   |













## 5MS GS Market Readiness Report - Round 2

| Overall Status   | Trend   | Commentary   |
|--|---|--|
| <br><b>1 - 25%</b> |  | <p>The second round of readiness reporting commenced on 14 April 2020, a few days after a rule change to defer 5MS was submitted to the AEMC on 9 April 2020. For this round of reporting, AEMO requested that the industry provide responses according to the existing commencement dates and plans.</p> <p>Responses were received by 23 April 2020, since then AEMO is aware that some organisations may have chosen to make changes to their programs that reflect the possibility of a 12-month deferral to 5MS and GS. This report presents information gathered as of 23 April 2020, and does not reflect any subsequent changes to participants' programs. These changes will likely be identified through the next round of reporting on 7 July 2020.</p> <p>Round 2 of reporting had a strong coverage of 88% to 100% of the industry. Results indicated that respondents are generally on track, and progressing with capability implementation and metering transition activities. The downtrend reflects the number of response categories where subsets of participants are indicating emergent risks, issues and heightened uncertainty in comparison to the previous survey.</p> <p>The AEMO program successfully implemented 5-minute reallocations capability on 1 April 2020. The delivery day for the MDM implementation has been moved to 9th March 2021, requiring replanning of a number of industry test activities, with an overall impact assessment in progress.</p> <p>An emerging theme among responses highlights the uncertainty created because of the rule change proposal, and varying degrees of impact from COVID-19. At the time of publication, AEMO notes that AEMC is still finalising rule change timelines, and that various 5MS working groups have are currently considering the potential impacts of the rule change.</p> |

### Summary Readiness - Round 2

|                   | Generator  | Retailer  | DNSP   | TNSP  | MP   | MDP   | MC  | Total   |
|-------------------|--|---|--|---|--|---|---|---|
| General Criteria  |        |   |        |   |   |   |   |  #3,4 |
| Specific Criteria |  ↑ #5 |  |  ↑ #5 |  | n/a  | n/a   | n/a   |      |
| MTP Criteria      | n/a  | n/a   |       |  |  |  |  |  #6  |

| # | Topic   | Observation / Actions  |
|---|---|--|
| 3 | General criteria, All participant types             | <p>Majority of participants have secured project funding, established project plans and project governance, and have onboarded project teams. The proportion of established programs is comparable to round 1, due to new respondents in round 2 having comparatively less established programs.</p> <p><b>Action:</b> AEMO to establish overall impact of funding delays</p>  |
| 4 | General criteria, All participant types             | <p>A few organisations noted that a lack of clarity and extended timeline to determine outcome of the 12 month deferral rule change creates uncertainty in project timelines, costs and resourcing. It was noted that a speedy resolution of the pending rule change was paramount. As this represents an emergent risk to industry readiness to current timeframes, AEMO will monitor and manage this risk in the 5MS industry risk and issues register.</p> <p><b>Action:</b> AEMO to monitor and manage uncertainty to industry project timelines, costs and resourcing as a result of pending rule change in the 5MS risks and issues register</p> |
| 5 | Specific criteria, Generator and Retailer           | All participant types have commenced implementing capability for 5MS and GS commencements. Generators and DNSPs are the most progressed participant type, averaging 25-49% progress compared 1-24% progress for other participant types.   |
| 6 | Metering Transition Plan criteria, All participants | Participants are progressing with activities in the metering transition plan, with a few items requiring AEMO confirmation and follow up to address recovery approaches for delayed activities.  |

| Legend: | Yes   | No  | Completed   | In progress   | Not started   | Status: On track  | Completed   | In progress  | Not started   | Status: At risk   | Completed   | In progress   | Not started   | Status: Late  | Complete  | On track (started)  | On track (not started)  | At risk   | Late  | n/a   |
|---------|---|---|---|---|---|---|---|--|---|---|---|---|---|---|---|---|---|---|---|---|
|         |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

