

# Implementation of RC\_2019\_04: Administrative Improvements to Settlement

June 2020

The Minister approved the Amending Rules for the [Administrative Improvements to Settlement Rule Change \(RC\\_2019\\_04\)](#) on 17 June 2020 and these rules will commence at 8:00 AM on Thursday 2 July 2020.

The changes in RC\_2019\_04 include improvements to settlement processes performed by AEMO designed to ensure accurate settlements in the WEM and assist Market Participants.

This fact sheet provides a short summary of the changes and operational impacts for Market Participants. Please refer to the latest WEM Rules for the complete changes.

## **Allow AEMO to use updated input data for settlement adjustments**

Previously some information, including information prepared by AEMO, was not able to be taken into account in the Adjustment Process for Non-STEM Settlement Statements even if it was identified as incorrect. The WEM Rules have been updated to allow AEMO to take into account any "revised value that AEMO reasonably considers to be in compliance with these Market Rules and accurate." This will allow AEMO to correct observed errors in settlements through the Adjustment Process without requiring a Notice of Disagreement to be submitted or incurring a non-compliance. [clause 9.19.1(a)vii]

## **Notify Rule Participants of updated input data used in Final Adjustments**

If AEMO decides to use a revised value in the final Adjustment Process, AEMO must notify the relevant Rule Participant of the proposed revised value and the reason for its decision as soon as practicable. [clause 9.19.1B]

Generally, this notification will be provided by email to the main contact user and will provide Rule Participants visibility of any changes prior to publication of final Adjustment Process.

## **Revised processes for Notice of Disagreements**

Previously, there were restrictions on the timeframes and content of a Notice of Disagreement that were tied to each Adjustment Process. These restrictions have been amended to support the accuracy of settlements as follows:

- Introducing a new, single Notice of Disagreement deadline for the Non-STEM Settlement Statements for a Trading Month. For example, for January 2021 Rule Participants will have until 1 December 2021 to lodge a Notice of Disagreement.
- Allowing Rule Participants to disagree with any value in the Settlement Statements at any point until the new single disagreement deadline.
- Reducing the timeframe for AEMO to respond to a Notice of Disagreement from three months to 20 business days, with the ability to extend the deadline if required.
- Allowing the format of a Notice of Disagreements to be specified in a Market Procedure.

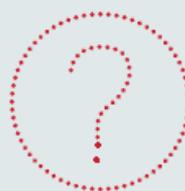
Market Participants are encouraged to take note of the updated requirements and the updated Notice of Disagreement timeframes summarised in the updated [Settlement Cycle Timeline](#) published on AEMO's website.

Until the Market Procedure is updated, Notice of Disagreement should be submitted as per current processes (by email to [wa.operations@aemo.com.au](mailto:wa.operations@aemo.com.au) including the information under clause 9.20.4 of the WEM Rules.)

## **Create a Minimum Transaction Cost**

Previously settlement transactions at or below \$1 were not actioned. The transaction cost charged by AEMO's EFT facility Austraclear is greater than \$1. Therefore, a 'Minimum Transaction Cost' has been introduced in the WEM Rules.

AEMO has published the Minimum Transaction Cost as \$6.05 under [Clearing Payments](#). Transactions at or below \$6.05 do not need to be actioned. This applies to the single aggregated transaction for adjustments.



Rule Participants are advised to contact AEMO for any questions on the process changes or any related matters.

**For any further enquiries, please contact WA Market Operations at 1300 989 797 (Option 1) or [wa.operations@aemo.com.au](mailto:wa.operations@aemo.com.au).**