

# 5MS/GS & CUSTOMER SWITCHING B2M CONSULTATION

DRAFT REPORT AND DETERMINATION

Published: **March 2021**





## **NOTICE OF SECOND STAGE CONSULTATION – 5MS/GS & CUSTOMER SWITCHING B2M CONSULTATION**

### **National Electricity Rules – Rule 8.9**

#### **Date of Notice: 18 March 2021**

This Notice of Second Stage Consultation (Notice) informs all Registered Participants, Metering Providers, Metering Data Providers, Embedded Network Managers, Ministers and the Australian Energy Regulator (AER) (Consulted Persons) that AEMO is commencing its second stage consultation on proposed changes to various metering procedure documents which relate to the National Electricity Market (NEM), to implement process improvements.

This consultation is being conducted under clause 7.16.7 of the National Electricity Rules (NER), in accordance with the Rules consultation requirements detailed in NER 8.9.

#### **Invitation to Make Submissions**

AEMO invites written submissions on this Draft Report and Determination (Draft Report).

Please identify any parts of your submission that you wish to remain confidential and explain why. AEMO may still publish that information if it does not consider it to be confidential, but will consult with you before doing so.

Consulted Persons should note that material identified as confidential may be given less weight in the decision-making process than material which is published.

#### **Closing Date and Time**

Submissions in response to this Notice should be sent by email to [NEM.Retailprocedureconsultations@aemo.com.au](mailto:NEM.Retailprocedureconsultations@aemo.com.au), to reach AEMO by 5.00pm (Melbourne time) on 1 April 2021.

All submissions must be forwarded in electronic format (both pdf and Word). Please send any queries about this consultation to the same email address.

Submissions received after the closing date and time will not be valid, and AEMO is not obliged to consider them. Any late submissions should explain the reason for lateness, as well as the detriment to you, if AEMO does not consider your submission.

#### **Publication**

All submissions will be published on AEMO's website, other than confidential content.

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## **EXECUTIVE SUMMARY**

The publication of this Draft Report and Determination (Draft Report) commences the second stage consultation (Second Stage Consultation) by AEMO on proposed changes to the following retail electricity market procedures (Procedures):

- Meter Data File Format Specification NEM12 & NEM13 (MDFF Specification).
- Metrology Procedure: Part B (Metrology Procedure).
- Market Settlements and Transfer Solution (MSATS) Procedures: CATS Procedure Principles and Obligations (CATS Procedure).
- MSATS Procedures – MDM Procedure (MDM Procedure).

The key changes proposed to the Procedures in this consultation relate to Five Minute Settlement/Global Settlement (5MS/GS) and Customer Switching.

Following publication of the Notice of First Stage Consultation and the Issues Paper on 12 January 2021, AEMO received 8 submissions from Retailers, Local Network Service Providers (LNSPs), Meter Providers (MPs), Metering Data Providers (MDPs) and intending participants.

Overall, respondents indicated broad support for the proposed changes and based on these submissions, as well as its own analysis, AEMO has identified no material issues.

AEMO's draft determination is to amend the Procedures in the form published with this Draft Report.



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## 1. STAKEHOLDER CONSULTATION PROCESS

AEMO is consulting on the proposed changes to the Procedures in accordance with the Rules consultation procedures in the National Electricity Rules (NER) section 8.9, as required by NER section 7.16.7.

AEMO's indicative timeline for this consultation is outlined below. Future dates may be adjusted depending on the number and complexity of issues raised in submissions.

Deliverable	Indicative date
Issues Paper published	12 January 2021
Submissions due on Issues Paper	18 February 2021
Draft Report published	18 March 2021
Submissions due on Draft Report	1 April 2021
Final Report published	17 May 2021

The publication of the Draft Report marks the commencement of the Second Stage Consultation.

A glossary of terms used in this Draft Report is at Appendix A.

## 2. BACKGROUND

### 2.1. NER requirements

AEMO is responsible for the establishment and maintenance of metering procedures specified in Chapter 7 except for procedures established and maintained under Rule 7.17.

The procedures authorised by AEMO under Chapter 7 must be established and amended by AEMO in accordance with the Rules consultation procedures.

### 2.2. Context for this consultation

AEMO engages on its Retail Electricity Market Procedures through the Electricity Retail Consultative Forum (ERCF). The forums and groups specific to the National Electricity Market (NEM) retail sector are detailed on AEMO's website: <http://www.aemo.com.au/Stakeholder-Consultation/Industry-forums-and-working-groups>.

Within this context, AEMO has identified the proposed changes to the Procedures which relate to 5MS/GS and Customer Switching, as set out in Table 1.

**Table 1 Proposed changes**

	Subject	Document changing
5MS/GS	Changes resulting from review of 5MS/GS	MDM Procedure Metrology Procedure MDFP Specification
Customer Switching	Changes resulting from review of Customer Switching Reversal Change Requests (CRs) CR1060 and CR1061	CATS Procedure MSATS Procedures: Procedure for the Management of WIGS NMI (WIGS Procedure) (version only)



## 2.3. First stage consultation

On 12 January 2021, AEMO issued the Notice of First Stage Consultation, the Issues Paper and the initial draft amended Procedures. This information is available on [AEMO's website](#).

The Issues Paper included a summary of the proposed changes, as well as details on AEMO's stakeholder engagement, including through the ERCF.

In response, AEMO received 8 submissions.

AEMO has published copies of all written submissions (excluding any confidential information) on AEMO's website at: <https://www.aemo.com.au/consultations/current-and-closed-consultations/5ms-gs-customer-switching-b2m-consultation>.

## 3. SUMMARY OF MATERIAL ISSUES

No material issues were identified.

A detailed summary of the issues raised by Consulted Persons in submissions, together with AEMO's responses, is contained in Appendix B.

## 4. OTHER MATTERS

A number of respondents have proposed additional minor amendments to the Procedures.

AEMO has:

- Amended the Procedures, as shown in the track changed versions published with this Draft Report, where the proposed changes provide clarity or consistency, without changing the meaning of the relevant obligation; or
- Not amended the Procedures, where the proposed change is outside of the scope of this consultation. Instead, AEMO suggests that an ICF be submitted to the appropriate forum, for initial stakeholder assessment.

AEMO proposes that the amended Procedures will come into effect in line with the effective dates in respect of 5MS/GS and Customer Switching, respectively.

## 5. DRAFT DETERMINATION

AEMO's draft determination is to amend the following Procedures in the form published with this Draft Report, in accordance with NER Chapter 7:

- MSATS Procedures: CATS v4.912 Draft Determination Change Marked
- MSATS Procedures: CATS v4.912 Draft Determination Clean
- MSATS Procedures: WIGS v4.912 Draft Determination Change Marked
- MSATS Procedures: WIGS v4.912 Draft Determination Clean
- Metrology Procedure: Part B v7.21 Draft Determination Change Marked
- Metrology Procedure: Part B v7.21 Draft Determination Clean
- Meter Data File Format Specification v2.3 Draft Determination Change Marked
- Meter Data File Format Specification v2.3 Draft Determination Clean
- MSATS Procedures – MDM Procedure v4.2 Draft Determination Change Marked
- MSATS Procedures – MDM Procedure v4.2 Draft Determination Clean



## APPENDIX A. GLOSSARY

Term or acronym	Meaning
5MS	Five Minute Settlement
AER	Australian Energy Regulator
CATS	Consumer Administration and Transfer Solution, a part of MSATS.
CR	Change Request
DDME	Distribution to Distribution Metered Energy
FRMP	Financially Responsible Market Participant
GS	Global Settlement
ICF	Issue / Change Form
LNSP	Local Network Service Provider
MC	Metering Coordinator
MDP	Metering Data Provider
MP	Metering Provider
MPB	Metering Provider Category B
MSATS	Market Settlements and Transfer Solution
NEM	National Electricity Market
NER	National Electricity Rules
NERL	National Energy Retail Law
NMI	National Metering Identifier
PoC	Power of Choice
RoLR	Retailer of Last Resort
RP	See MC
WIGS	Wholesale, Interconnector, Generator and Sample



## APPENDIX B. SUMMARY OF SUBMISSIONS AND AEMO RESPONSES

**Table 2 MSATS Procedures: CATS**

No.	Section	Consulted person	Issue	AEMO response
1.	7.1.4(b)	AGL	AGL agrees with including a field for a proposed change date field.	AEMO notes the respondent's support for the proposed change.
2.	7.1.4(b)	Jemena	Agree with the inclusion of the Proposed Change Date [Mandatory] as it is logical and is in line with the format of all other CRs in the 1000 series. Additionally, it is recommended for the role of RP to be defined as mandatory as per the MSATS 47.00 Section 4.3(8) for CR 1060 and 1061.	AEMO notes the respondent's support for the proposed change. AEMO notes that in the Customer Switching version of the procedure the field is 'Required'. These changes have removed the need to make the RP role mandatory.
3.	7.1.4(b)	Origin Energy	New field noted as part of reversing change requests (CR1060 & CR1061 - customer switching reversals)	AEMO notes the respondent's comment.
4.	7.1.4(b)	Powermetric Metering	No comment	
5.	7.1.4(c)	AGL	AGL suggests that additional text should be associated with the proposed date field to clarify that the CR operates on the actual date of the initial change, rather than the date proposed in the transaction. AGL suggest that the (c) be amended in some fashion like: <i>(c) A date is required for transaction validity. May be any date. Note however that the transaction will operate on the actual date of the transaction being reversed, <u>not</u> the date in the proposed date field.</i> <del>May align the Proposed Change Date to the Current Date or the Actual Change Date of the initial Change Request.</del>	AEMO notes the respondent's comment AEMO notes that the suggested clause does not form an obligation clause on the initiating FRMP as it should. AEMO will add the proposed wording as a note to the current clause (c) for further clarification.
6.	7.1.4(c)	Essential Energy	EE believe that the value of the FRMP who is "winning" the NMI back through the reversal should be explicitly included in the CR1060. The new FRMP value needs to be an explicit instruction from MSATS to the Market Participant's Systems, e.g. in field called "Previous FRMP" or similar.	AEMO notes the respondent's comment AEMO notes that both current and new FRMPs gets notified of this transaction as per the notification rules in 7.1.7 and see no need to add a Previous FRMP field into the CR.



No.	Section	Consulted person	Issue	AEMO response
7.	7.1.4(c)	Jemena	Jemena suggests the narrative 'May align' is changed to 'Must align' as it is a reversal transaction where the Proposed Change Date must be exactly the same as the proposed date in the Original Change Request transaction. Additionally, there is already an MSATS Error Code (1015) for use when the reversal date does not match the actual change date of the related CR. By allowing Current Date to be used, it creates ambiguity for interpretation of data provided in the 'Current Date' by the rest of the industry. Please note there is no definition in the RETAIL ELECTRICITY MARKET PROCEDURES – GLOSSARY AND FRAMEWORK v3.0 which has an effective date of 1 July 2021.	AEMO notes the respondent's comment and refers to its response in Table 2, Item 5.
8.	7.1.4(c)	Origin Energy	Noted the allowable dates for use by the FRMP in this field	AEMO notes the respondent's comment.
9.	7.1.4(c)	Powermetric Metering	No comment	
10.	7.1.4(d)	Jemena	Description: The initiating FRMP: (d) may withdraw a reversal of retailer transaction at any time prior to the reversal being completed Suggest the following narratives: The initiating FRMP: (d) may withdraw a reversal of retailer transaction at any time before the CR status in MSATS has reached one of the following Status: REJECTED, CANCELLED, COMPLETED	AEMO notes the respondent's comment. AEMO notes that the current clause mentions " <u>at any time</u> prior to the reversal being completed" which includes all the different statuses prior to the completion of transaction, and it is not consistent with other clauses to list the different statuses as suggested.
11.	7.1.7 Table 7-B	AGL	AGL agrees with the change.	AEMO notes the respondent's support for the proposed change.
12.	7.1.7 Table 7-B	Jemena	Agree	AEMO notes the respondent's support for the proposed change.
13.	7.1.7 Table 7-B	Origin Energy	New notification for RP/MC noted	AEMO notes the respondent's comment.
14.	7.1.7 Table 7-B	Powermetric Metering	No comment	



No.	Section	Consulted person	Issue	AEMO response
15.	7.1.7 Table 7-C	AGL	AGL agrees with the change.	AEMO notes the respondent's support for the proposed change.
16.	7.1.7 Table 7-C	Jemena	Agree	AEMO notes the respondent's support for the proposed change.
17.	7.1.7 Table 7-C	Origin Energy	New notification for RP/MC noted	AEMO notes the respondent's comment.
18.	7.1.7 Table 7-C	Powermetric Metering	No comment	

**Table 3 MSATS Procedures: WIGS**

No.	Section	Consulted person	Issue	AEMO response
1.	Version	AGL	AGL supports the Version numbering update.	AEMO notes the respondent's support for the proposed change.
2.	Version	Jemena	Agree	AEMO notes the respondent's support for the proposed change.
3.	Version	Origin Energy	No comment	
4.	Version	Powermetric Metering	No comment	

**Table 4 Meter Data File Format Specification**

No.	Section	Consulted person	Issue	AEMO response
1.	3.3.1(b)	AGL	AGL agrees with the change.	AEMO notes the respondent's support for the proposed change.
2.	3.3.1(b)	CitiPower Powercor	Our only feedback is around the change to the 'N' quality flag obligations. If these are mandated as part of the final determination for this consultation, they	AEMO notes the respondent's comment.



No.	Section	Consulted person	Issue	AEMO response
			will result in system changes and will require development from our vendors. Considering the final determination will not be published until May and our vendors require a minimum of 12 month's lead time to ensure compliant delivery, particularly during the current busy period where the focus is on the development of all known changes, CitiPower Powercor recommends that the commencement date for these obligations be no earlier than May 2022.	AEMO notes that the changes made as part of this draft report is to make the clause consistent with the changes made as part of 5MS consultation. They are not new obligations. Its effective date relates to the 5MS commencement and remains unchanged.
3.	3.3.1(b)	Jemena	Agree	AEMO notes the respondent's support for the proposed change.
4.	3.3.1(b)	Origin Energy	Origin recognises that the prior drafting may have led to misinterpretation and we support the proposed change to this clause.	AEMO notes the respondent's support for the proposed change.
5.	3.3.1(b)	Powermetric Metering	No comment	
6.	3.3.1(b)	United Energy	Our only feedback is around the change to the 'N' quality flag obligations. If these are mandated as part of the final determination for this consultation, they will result in system changes and will require development from our vendors. Considering the final determination will not be published until May and our vendors require a minimum of 12 month's lead time to ensure compliant delivery, particularly during the current busy period where the focus is on the development of all known changes, United Energy recommends that the commencement date for these obligations be no earlier than May 2022.	AEMO notes the respondent's comment and refers to its response in Table 4, item 2.

**Table 5 MSATS Procedure: MDM Procedure**

No.	Section	Consulted person	Issue	AEMO response
1.	3.2.3(b)	AGL	AGL agrees with the change, although would like clarification as to whether the cross boundary outflows are clearly captured in this clause 3.2.3 or clarification as to where these outflows are captured.	AEMO notes the respondent's support for the proposed change. AEMO notes that the clause is applied for each profile area separately. The energy inflow is accounted for in subclause (b) and outflow for cross boundary is accounted for in subclause (c).



No.	Section	Consulted person	Issue	AEMO response
2.	3.2.3(b)	Jemena	Changes are not applicable for Jemena as we are not MDP or MPB for the Cross Boundary meters	AEMO notes the respondent's comment.
3.	3.2.3(b)	Origin Energy	Noted addition of requirement to include energy in-flows in Profile Area for the NSLP calculation	AEMO notes the respondent's comment.
4.	3.2.3(b)	Powermetric Metering	No comment	
5.	9.2	TasNetworks	MDM RM9 Report Title of report missing 'A' from word 'Actual'.	AEMO agrees with respondent's comment and will amend the report title in the procedure as it is a spelling error.
6.	9.11	TasNetworks	MDM RM37 Report MDP is shown as information that must be submitted, however MSATS Tech Spec 46.98 shows the MDP field as optional.	AEMO notes the respondent's comment. AEMO notes that in the MSATS technical specification AEMO is providing the IT characteristics to enable a push or pull and in the MDM procedures the pull scenario by a participant requires the MDP to be nominated in the report request.
7.	9.12	TasNetworks	MDM RM38 Report MDP is shown as information that must be submitted, however MSATS Tech Spec 46.98 shows the MDP field as optional.	AEMO notes the respondent's comment and refers to its response in Table 5, item 6.
8.	9.13	TasNetworks	MDM RM39 Report MDP is shown as information that must be submitted, however MSATS Tech Spec 46.98 shows the MDP field as optional.	AEMO notes the respondent's comment and refers to its response in Table 5, item 6. AEMO will also add the text 'The report will be pushed to MDPs' in the clause 9.13 to make it consistent with clauses 9.11 and 9.12.

**Table 6 Metrology Procedure: Part B**

No.	Section	Consulted person	Issue	AEMO response
9.	11.3.3(c)	AGL	AGL agrees with the change, but would however like to see a clear obligation for AEMO to review those scaling factors every 5 years to ensure their validity,	AEMO notes the respondent's support for the proposed change



No.	Section	Consulted person	Issue	AEMO response
			especially as the number of sample meters may change and increased information resulting from interval meters and 5ms may show changes.	AEMO notes that the clause has been updated to reflect the existing process and there has been no change to this process since start of the market. As there has been no jurisdictional change to the number of sample meters required for a distribution area, reviewing the scaling factor every 5 years is unnecessary. Any jurisdictional change will be reflected when the change occurs.
10.	11.3.3(c)	Origin Energy	Noted weighting factor updates for Controlled Load Profile.	AEMO notes the respondent's comment.
11.	11.3.3(c)	Powermetric Metering	No comment	
12.	11.4(b)	AGL	AGL agrees with the change but would like to understand how cross border outflows fit into the equation.	AEMO notes the respondent's support for the proposed change. AEMO refers to its response in Table 5, item 1. The outflows will be in row 3 of the formulation of clause 11.4(b)
13.	11.4(b)	Jemena	NSLP calculation by Profile Area has been modified to include Cross Boundary inflow levels. Changes are not applicable for Jemena as we are not MDP or MPB for the Cross Boundary meters	AEMO notes the respondent's comment.
14.	11.4(b)	Origin Energy	Noted equation inclusion of energy in-flows for calculation of NSLP.	AEMO notes the respondent's comment.
15.	11.4(b)	Powermetric Metering	No comment	

**Table 7 Other Issues Related to Consultation Subject Matter**

No.	Heading	Consulted person	Issue	AEMO response
1.	Are there better options to accommodate the change proposals, that better achieve the required objectives? What are the pros and cons of these options? How would they be implemented?	Origin Energy	None discovered	AEMO notes the respondent's comment.
2.	Are there better options to accommodate the change proposals, that better achieve the required objectives? What are the pros and cons of these options? How would they be implemented?	Powermetric Metering	Powermetric has no comments to make.	
3.	What are the main challenges in adopting these proposed changes? How should these challenges be addressed?	Origin Energy	Aggregation with other more significant changes but on the surface appears an efficient approach for these proposed minor changes.	AEMO notes the respondent's comment.
4.	What are the main challenges in adopting these proposed changes? How should these challenges be addressed?	Powermetric Metering	The implementation date is unclear but assuming these changes will be required for 1 October then these changes will require addition IT resourcing at a time when IT software development is in high demand.	AEMO notes the changes proposed in this consultation are to clarify previously consulted changes and that they are not introducing additional obligations. AEMO notes that the changes relevant to GS in the MDM and Metrology Part B procedures have an effective date of May 2022 and the changes relevant to Customer Switching in the MSATS CATS procedure and the 5MS N quality flag changes in the MDFF procedure have an effective date of October 2021.