

# 5MS Executive Forum No.3 Meeting Notes

MEETING: Five-Minute Settlement Executive Forum  
DATE: Tuesday 13 November 2018  
TIME: 10:00 – 11:30 AM (AEST)  
LOCATION: AEMO Offices Melbourne, Sydney, Brisbane, Adelaide-  
Video/Teleconference

Attendees:

Attendee		Office
David Warman	CS Energy	Brisbane
Paul Simshauser	Infigen	Brisbane
Wally Borovac	Hydro Tasmania	Dial in
Corinna Woolford	Aurora Energy	Dial in
Panos Priftakis	Snowy Hydro	Dial in
Mark Maiolo	Hansen	Dial in
Louise Pretty	Energy Australia	Dial in
Glenn Pallesen	Evo Energy	Dial in
Peter Geers (Chair)	AEMO	Melbourne
Joe Locandro	AEMO	Melbourne
Graeme Windley	AEMO	Melbourne
Peter Carruthers	AEMO	Melbourne
Jennifer Fikret (Secretariat)	AEMO	Melbourne
Gary Butcher	Select Solutions	Melbourne
James Barton	Simply Energy	Melbourne
Robert Lo Giudice	Acumen Metering	Melbourne
Chris Muffett	AEMO	Sydney
Gary Swinburne	Origin Energy	Sydney
Darren Pace	Alinta Energy	Sydney

## 1.0 WELCOME AND INTRODUCTION

Attendees were welcomed. Due to technical difficulties the attendee list was not called.

## 2.0 MINUTES AND ACTIONS FROM THE PREVIOUS MEETING – P. Geers

The Minutes from Executive Forum 1 held on 18 July were confirmed.

## 3.0 PROGRAM OVERVIEW & UPDATE – G. Windley (Slides 5-7)

Systems work is on track with architecture, requirements and design work underway. Development work will commence in Dec/Jan.

The Global Settlement rule change release is scheduled for 6 December and will be incorporated as part of the 5MS program.

The Distributed Energy Rule change may impact 5MS solution design and resources.

Procedures work is planned to be completed by Dec 19 and systems June 30, 2020. Early completion will allow 7 months for testing from AEMO's perspective to avoid fixing critical defects at the last minute.

Stakeholder engagement is also on track and progressing well.

#### **4.0 INDUSTRY RISKS AND ISSUES – G. Windley (Slides 8-10)**

Risk and Industry Register can be viewed [here](#).

#### **5.0 TECHNOLOGY APPROACH – J. Locandro (Slides 11-13)**

J. Locandro informed the forum AEMO are looking for a new platform-based metering solution. The 5MS data requirements (currently transacting 8.8 billion per annum) will increase to over 2 trillion per annum by 2025. Enhancing AEMO's internal systems will lead to Operational Risk due to the big data issue. "Off the shelf products" were considered, however required more than 50% modification. AEMO have now gone out to market to request new build of a metering system with strategic technologies, based on research with other Market Operators solving 5MS rule changes and other industry managing big data issues..

Slide 13, demonstrating the new architecture, was discussed. The new platform is to be capable of allowing participants to easily interact via API, with flexibility from mobile and web, and will reduce the cost to serve via connectivity and lowering industry testing timelines and costs.

AEMO needs to consider how data is obtained, stored, analysed and served. New emerging technologies (such as blockchain and sensors) will be taken into consideration. Current cloud and infrastructure technology can enhance solution scalability therefore reducing unit costs of computing. This is to be a more user-friendly approach.

Cyber Security will be incorporated in the design aiding mitigation as much as possible.

The plan is for AEMO to allow participants to migrate over time to the new platform. The technology platform choice will be made in December. The Settlements & Dispatch current solutions will remain in place but will receive tactical uplifts where feasible.

AEMO will provide both sandbox and market test environments for participants. Concerns were raised regarding the large workload and short timeframe for implementing 5MS. AEMO needs to ensure the market systems and trial environments are ready well in advance of go live for participant testing.

A query was made on participant costs being high and why AEMO cannot keep dispatch and metering at 5-minute intervals, by running an algorithm and still settle at 30 minutes. This

would be contrary to the AEMC rule change which clearly states 5 Minute settlement by law be implemented in July 2021.

AEMO were questioned if they have looked at a minimum option that will alleviate a lot of expenditure on industry rather than a new platform. P. Geers is happy to discuss this offline if requested.

J. Locandro spoke of AEMO's digital strategy and encompassing technology to cope with future changes, targeting future reductions.

W. Borovac (Hydro Tasmania) stated the rule change was based on a business case to reduce costs for customers and queried the benefits to customers. He noted AEMO's internal costs are passed on via fees, thus impacting on industry and customers alike. The business case was from AEMC who may need to review it.

AEMO's costs will be known to industry around early 2019 and industry will be notified. AEMO will aim to deliver as cheaply and effectively as possible. **Action:** W. Borovac to contact [5ms@aemo.com.au](mailto:5ms@aemo.com.au) to arrange time to discuss.

## **6.0 GENERAL BUSINESS**

P. Geers reiterated that AEMO will communicate back to industry for updates and provide transparency at the next Executive Forum in early in 2019.

## **7.0 FORWARD MEETING PLAN**

The next Executive Forum is scheduled for Tuesday, 12<sup>th</sup> February 2019.

Attendees were thanked for their attendance.

Item	Topic	Action required	Responsible	By
<b>EF 2</b>				
3.5.1	Technology Approach - Costs	AEMO will aim to deliver 5MS Program as cheaply and effectively as possible. <b>Action:</b> W. Borovac to contact <a href="mailto:5ms@aemo.com.au">5ms@aemo.com.au</a> to arrange time to discuss.	Wally Borovac Peter Geers	12 Feb 19