

5MS Procedures Working Group (PWG) Meeting Notes

MEETING: 1
 DATE: Friday 3 August 2018
 TIME: 9:30 AM - 1:00PM
 LOCATION: AEMO Offices Melbourne, Sydney, Brisbane, Adelaide and Video/Teleconference

Attendees:

Attendee	Organisation	Office
Emily Brodie	AEMO	Sydney
Gary Eisner	AEMO	Sydney
Michael Sanders	AEMO	Brisbane
David Ripper	AEMO	Melbourne
Christine Kang	AEMO	Melbourne
Graeme Windley	AEMO	Melbourne
Adam Neilson	Stanwell	Brisbane
Adam Gritton	Stanwell	Brisbane
Alireza Aliakbari	Stanwell	Brisbane
Jonathan Briggs	Metering Dynamics	Brisbane
Ricky Brooks	Stanwell	Brisbane
Robert Pane	Intergen	Brisbane
Richard Metherell	Secure Meters	Dial In
Adrian Honey	Tas Networks	Dial-In
David Woods	SA Power Networks	Dial-In
Ingrid Farah	Ergon Energy Distribution/Energex	Dial-In
Jane Hutson	Ergon Energy Distribution/Energex	Dial-In
Jeff Roberts	Evo Energy	Dial-In
Prateek Beri	Hydro Tasmania	Dial-In
Tim Lloyd	Essential Energy	Dial-In
Chantal Wright	Momentum	Dial-In
Aakash Sembey	Simply Energy	Melbourne
Mark Riley	AGL	Melbourne
Chris Streets	AGL	Melbourne
Georgina Snelling	Energy Australia	Melbourne
Mohan Kuppusamy	Jemena	Melbourne
Justin Betlehem	AusNet Services	Melbourne
Paul Greenwood	VectorAMS	Melbourne
Paul Willacy	Aurora Energy	Melbourne
Peter Spittle	Jemena	Melbourne
Piera Lorenz	Telstra	Melbourne
Rhianna Findlay	AusNet Services	Melbourne
Shaun Cole	Origin Energy	Melbourne
Stephanie Lommi	Lumo Energy	Melbourne

Dino Ou	Endeavour Energy	Sydney
Jason Pereira	Landis+Gyr	Sydney
Linda Brackenbury	Plus.ES	Sydney
Anders Sangkuhl	Alinta Energy	Sydney

1.0 WELCOME, INTRODUCTION and APOLOGIES – Emily Brodie (AEMO)

Attendees were welcomed to the Procedures Working Group.

2.0 RECAP ON 5MS – Gary Eisner (AEMO)

The 5MS program resulted from an AEMC decision handed down in a final Rule change made on 28 November 2017 with an industry go live on 1 July 2021, to remove the anomaly between five-minute dispatch and 30-minute settlement, which promoted disorderly bidding, and to provide a clearer price signal for investment in fast response technology. Functional impacts of the program affect metering, settlement calculation, dispatch and market information.

3.0 5MS PROGRAM ENGAGEMENT – Gary Eisner (AEMO)

The 5MS program engagement structure reflects the PWG role in facilitating the consultation on procedures, with focus groups for dispatch, metering and settlements.

Other 5MS program groups include the Program Consultative Forum (PCF), Executive Forum (EF), Systems Working Group (SWG) and the Readiness Working Group (RWG).

A 5MS newsletter is under development. AEMO is sending out fortnightly program updates, to subscribe to these email 5ms@aemo.com.au.

4.0 SETTLEMENT RESIDUE AUCTION UPDATE – Christine Kang (AEMO)

Settlements Residue Auctions (SRAs) give eligible Registered Participants access to inter-regional settlements residue (IRSR) by enabling them to bid for entitlements to a proportion of the total IRSR. 2021Q3 units will be the first affected by the change to 5MS.

The Settlement Residue Committee (SRC) is providing comments on proposed changes to the *Guide to the SRA* which reminds participants of the impact of 5MS. The final version of the guide will be published by Friday 10 August 2018. Participants can contact their SRC representative for more information on the issues being considered or to provide feedback. Additional information on the SRC can be found via the following link:

<http://aemo.com.au/Electricity/National-Electricity-Market-NEM/Settlements-and-payments/Settlements/Settlements-Residue-Auction/Settlement-Residue-Committee>.

5.0 PWG and FOCUS GROUP APPROACH – Emily Brodie (AEMO)

The PWG is a forum for industry stakeholders to engage with AEMO during the procedure development process. A *draft* Terms of Reference (ToR) stipulating the groups objectives, expectations, logistics and focus group streams is available via the following link:

<http://aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement>.

PWG members are invited to provide feedback on the draft Terms of Reference (Action 1.5.1), following which AEMO will finalise this document (Action 1.5.2).

5MS implementation will require updates to around 70 procedures, 20 of which must follow the two-stage formal consultation process. AEMO's proposed approach to these consultations was explained and discussed, with an example provided of how focus groups may be used. AEMO will provide high level impact assessments of each procedure to determine the level of engagement required. AEMO will provide the final sign off for all procedures and other documentation.

Information relating to all consultations and document reviews will be released via the PWG, the Program Consultative Forum, the 5MS newsletter, fortnightly updates and AEMO's website. To subscribe to these communications email 5ms@aemo.com.au.

6.0 PACKAGING and PRIORITISING PROCEDURES – Emily Brodie (AEMO)

There are fourteen packages of procedures across metering, settlements, prudentials and dispatch.

Packaging priority is variously based on IT system impact, balancing rules consultation resourcing requirements, grouping 'like' documents and other timing considerations. Some procedures will also require updating for the outcomes of the Global Settlement rule change process. The Global Settlement final determination is expected to be published by the AEMC in November 2018.

Some hyperlinks on the word document provided were for older versions of the documents. AEMO will check all links and recirculate the word document (Action 1.6.1). AEMO will also consider publishing the high-level impact assessments (HLIA) on its website, and if so will include a link to the HLIA on this word document (Action 1.8.2).

Indicative prioritisation with dates and procedure workstream statuses were provided and discussed. PWG members are invited to provide feedback on the prioritisation (Action 1.6.2). AEMO will also provide advice on:

- how the PWG will interact with the IEC in relation to B2B Procedures (Action 1.6.3)
- how the PWG and SWG will interact to ensure a coherent approach to procedure and system changes (Action 1.6.4)

It was agreed that time will be allocated towards the end of 2019 to include a formal period to review and make any additional changes to procedures, in case the need for additional changes arises (Action 1.6.5).

7.0 DISPATCH PROCEDURES: BIDS and OFFERS – Michael Sanders (AEMO)

The bids/offers procedure specifies the required bidding format and system acknowledgements in the energy and FCAS markets. The shift from 48 to 288 trading intervals in a trading day opens possibilities for making wider changes to bidding formats and systems and presents several issues for the dispatch focus group to consider. The proposed approach to the document review was explained, along with the high-level impact assessment.

Nominations for the Dispatch focus group are requested by 7 August, via email to 5ms@aemo.com.au. The first focus group meeting will be held on 14 August in Sydney.

8.0 METERING PROCEDURES: METERING DATA – David Ripper (AEMO)

The metering procedures facilitate the retail market functions related to metering provision, metering data collection, processing and delivery, metering data file formats, settlements and reporting. They contain the detail of the processes that will be changed to support the energy market transformation from 30 minute to five-minute metering data, which presents several issues for the focus group to consider. The proposed approach to the metering procedure changes was explained, along with the high-level impact assessment and the consultation approach. Some technical metering data questions, clarifications and suggestions were raised, which will be discussed in detail during the focus group meeting.

The metering focus group alongside the SWG must investigate whether there are data volume delivery constraints because of 5MS or global settlements with the current delivery timeframes (Action 1.8.1).

Nominations for the Metering focus group are requested by 7 August, via email to 5ms@aemo.com.au. The first focus group meeting will be held on 15 August in Melbourne.

The AEMC *Implementation of five minute settlement* document was raised, and can be found via the following link: <https://www.aemc.gov.au/sites/default/files/content/ab97ffb8-f04d-4659-99cb-620ad099834f/4-Five-minute-settlement-Implementation-Info-sheet-28-Nov-17.pdf>.

9.0 OTHER BUSINESS: GENERAL QUESTIONS – Emily Brodie (AEMO)

The following items/questions were raised:

- If global settlements do not result as expected, would that change the approach for 5MS? AEMO noted that any changes to procedures relating to global settlements should not have a bearing on the procedure changes for 5MS.
- Transitional arrangements, such as rolling averages, would they be discussed in the PWG or RWG? Transitional arrangements will be considered as part of the procedure development process and fed into the RWG.
- Is there a limitation on how many people can attend focus group meetings? The groups will be limited by experience and expertise, not by numbers.

10.0 FORWARD MEETING PLAN – Emily Brodie (AEMO)

Attendees were thanked for their attendance and advised of future PWG meetings for 2018;

- Monday 20 August.
- Thursday 13 September.
- Thursday 11 October.
- Friday 16 November.
- Thursday 13 December.

Further information on the 5MS program, and a calendar of all meeting and forum dates can be found via the following link: <http://aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement>.

Actions arising from PWG meeting on 3 August 2018

Item	Topic	Action required	Responsible	By
1.5.1	PWG and Focus Group Approach	Participants to provide AEMO with feedback on the draft PWG Terms or Reference. Email feedback to 5ms@aemo.com.au	PWG members	14/8/2018
1.5.2	PWG and Focus Group Approach	AEMO to finalise the PWG Terms of Referene	Emily Brodie (AEMO)	20/8/2018
1.6.1	Packaging and Prioritising Procedures	Some hyperlinks on the word doc provided were for older versions of the documents. AEMO will check all links and recirculate the word document to the PWG.	Emily Brodie (AEMO)	10/8/2018
1.6.2	Packaging and Prioritising Procedures	Participants to provide AEMO with feedback on the prioritisation of procedures. Email feedback to 5ms@aemo.com.au	PWG members	14/8/2018
1.6.3	Packaging and Prioritising Procedures	AEMO to advise how the PWG will interact with the IEC in relation to B2B Procedures.	Emily Brodie (AEMO)	20/8/2018
1.6.4	Packaging and Prioritising Procedures	AEMO to advise how the PWG and SWG will interact to ensure a coherent approach to procedure and system changes	Emily Brodie (AEMO)	20/8/2018
1.6.5	Packaging and Prioritising Procedures	Allocate some time toward the end of 2019 to include a formal period to review and make any additional changes to procedures.	Emily Brodie (AEMO)	20/8/2018
1.8.1	Metering Procedures	The metering focus group and the SWG are to investigate whether there are data volume delivery constraints because of 5MS or global settlements with the current delivery timeframes. PCF and PWG to be informed of progress.	David Ripper (AEMO)	24/08/2018 Ongoing
1.8.2	Packaging and Prioritising Procedures	AEMO will consider publishing the high-level impact assessments on its website and if so, include a link to each HLIA document on the packaging and prioritising word document.	Emily Brodie (AEMO)	20/8/2018

