

MSATS PROCEDURES VERSION 4.7

FINAL REPORT AND DETERMINATION

Published: **25 January 2019**





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EXECUTIVE SUMMARY

The publication of this Final Report and Determination (Final Report) concludes the Rules consultation process conducted by AEMO to consider proposed minor amendments to the MSATS Procedures under the National Electricity Rules (NER).

In summary, the key change involved is:

- Establishing the process for Change Requests CR6700/6701 - CHANGE MPB OR MPC OR BOTH to be received by a MDP in REQUESTED status to enable visibility to the MDP to object with DATEBAD when required to deliver the requirements of the previously consulted ICF_002.

In line with AEMO's consultation plan outlined within AEMO's Change Pack, AEMO received four submissions in response, which were all generally supportive of the proposed changes. The implemented process improvements consulted upon have been finalised in the below MSATS Procedures:

- Consumer Administration and Transfer Solution (CATS) Procedure Principles and Obligations Version 4.7,
- Procedure for the Management of Wholesale, Interconnector, Generator and Sample (WIGS) NMI's Version 4.7.

AEMO's final determination is to amend the MSATS Procedures in the form published with this Final Report. The effective date of the amendments is 20 May 2019.



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1. STAKEHOLDER CONSULTATION PROCESS

As required by the NER, AEMO consulted on MSATS Procedures v4.7 in accordance with the Rules consultation process in rule 7.16.7(e).

AEMO's timeline for this consultation is outlined below.

Deliverable	Date
Minor Amendment Consultation published	12/12/2018
Submissions due on Minor Amendment Consultation	4/01/2019
Final Report published	25/01/2019

The publication of this Final Report marks the end of this consultation.

2. BACKGROUND

2.1 NER requirements

AEMO establishes and maintains the MSATS Procedures as per NER clauses:

7.16.2 Market Settlement and Transfer Solution Procedures:

- (a) AEMO, must establish, maintain and publish Market Settlement and Transfer Solution Procedures.
- (b) AEMO must publish any amendment to the Market Settlement and Transfer Solution Procedures.

2.2 Context for this consultation

The matter consulted is a further change to the MSATS Procedures. MSATS Procedures have been in operation since 1 January 2002 to support Full Retail Competition (FRC) and have been revised periodically to include process improvements and support jurisdictional policy changes.

The change consulted on is a minor amendment and has been reviewed by AEMO. The proposed change consulted on enables the delivery of the requirements in the previously consulted ICF_002 - Post PoC Updates to MSATS Procedures – Objections raised by Tango Energy:

- a. 36. CR6700/6701 - CHANGE MPB OR MPC OR BOTH

The objection of DATEBAD should be available to the MDP. The objection should also apply to both the prospective and retrospective changes for both CRs as an incorrect Proposed Change Date could be provided on both the changes.

It should be noted DATEBAD applies for retro Retailer Transfers where a 1500 is required by the MDP.

Following consultation on this change, AEMO updated the Objection table to make available to the MDP the objection of DATEBAD in MSATS Procedures: Consumer Administration and Transfer Solution (CATS) Procedure Principles and Obligations v4.6. However, the transaction has not been established to be received by a MDP in REQUESTED status to enable visibility to the MDP to object when required.

AEMO received a proposal from CitiPower/Powercor requesting that the visibility of the transaction be reviewed to enable the required DATEBAD objection to occur to enable ICF_002 intentions to be met.

3. SUMMARY OF SUBMISSIONS AND AEMO RESPONSES

This section lists the submissions and AEMO responses to the changes proposed by participants or by AEMO since the last completed consultation *MSATS Procedures*:

- Section 3.1 covers the proposed changes to the CATS Procedure Version 4.6
- Section 3.2 covers the proposed changes to the WIGS Procedure Version 4.6
- Section 3.3. covers additional feedback

NOTE: All proposed additions to the MSATS Procedures are highlighted in red colour text and are underlined. All proposed deletions from the MSATS Procedures are highlighted in red strike through text. Example: Reference.

3.1 Proposed Changes to the CATS Procedure

No.	ICF ID	Description of Proposed/Requested Changes	Consulted Person	Consulted Person Comments	AEMO Response																																																																																
1	ICF_002	<p>The following proposed solution refers to the listed scope item ICF_002 - Post PoC Updates to MSATS Procedures – Objections raised by Tango Energy identified:</p> <p>Section 36. CR6700/6701 - CHANGE MPB OR MPC OR BOTH – SMALL OR LARGE</p> <p>36.7 Objection Rules</p> <p>The ‘Yes’ Roles specified in Table 36-B may Object using the Objection Codes indicated against their Roles within the Objection Logging Period specified in Table 36-A.</p> <p>Table 36-A – Objection Rules**</p> <p>CR 6700 – Change MP</p> <p>CR 6701 – Change MP – Retrospective</p> <table border="1"> <thead> <tr> <th rowspan="2">Objection Code</th> <th rowspan="2">NMI Class</th> <th rowspan="2">Jur’n</th> <th colspan="2">FRMP</th> <th colspan="2">LR</th> <th colspan="2">MDP</th> <th colspan="2">MPB</th> <th colspan="2">RoLR</th> <th colspan="2">RP</th> <th colspan="2">LNSP</th> </tr> <tr> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> </tr> </thead> <tbody> <tr> <td>DECLINED</td> <td>ALL</td> <td>ALL</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> <tr> <td>NOTAPRD</td> <td>ALL</td> <td>ALL</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>DATEBAD</td> <td>ALL</td> <td>ALL</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> </tr> </tbody> </table> <p>** N = New Role, C = Current Role.</p>	Objection Code	NMI Class	Jur’n	FRMP		LR		MDP		MPB		RoLR		RP		LNSP		N	C	N	C	N	C	N	C	N	C	N	C	DECLINED	ALL	ALL	-	-	-	-	-	-	Yes	-	-	-	-	-	-	-	NOTAPRD	ALL	ALL	-	-	-	-	-	-	-	-	-	-	-	-	-	Yes	DATEBAD	ALL	ALL	-	-	-	-	Yes	Yes	-	-	-	-	-	-	-	-	AusNet Services	<p>AusNet Services supports the intent of this change on the basis it represents efficient practice. However, we do not agree with implementing this change in 20 May 2019. This is too soon after the B2B Procedure “life support” changes to implement. We recommend deferring this system change to implementation date of the DER register or to align with MSATS Standing Data review changes later in 2019.</p> <p>Further, it is disappointing this change this and similar changes in the MSATS v4.6 were not incorporated into the 1 Dec 2017 Power of Choice changes. IT costs associated with the 20 May 2019 could have been avoided.</p>	Noted. This change is required due to an omission to a participant’s response during POC. This change will proceed at the time agreed by the ERCF.
Objection Code	NMI Class	Jur’n				FRMP		LR		MDP		MPB		RoLR		RP		LNSP																																																																			
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		<p>36.8 Change Request Status Notification Rules</p> <p>The Change Request Status Notification Rules are specified in Table 36-C.</p> <p>Table 36-B – Change Request Status Notification Rules **</p> <p>CR 6700 – Change MP</p> <p>CR 6701 – Change MP – Retrospective</p> <p>PARTICIPANT ROLE – Receives Notification of Change</p> <table border="1"> <thead> <tr> <th rowspan="2">Status Change</th> <th colspan="2">FRMP</th> <th colspan="2">LR</th> <th colspan="2">LNSP</th> <th colspan="2">MDP</th> <th colspan="2">MPB</th> <th colspan="2">RoLR</th> <th colspan="2">RP</th> </tr> <tr> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> <th>N</th> <th>C</th> </tr> </thead> <tbody> <tr> <td>CANCELLED</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>COMPLETED</td> <td>-</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>OBJECTED</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>PENDING</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>REJECTED</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-</td> <td>-</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> <tr> <td>REQUESTED</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> <td>-Yes</td> <td>-Yes</td> <td>Yes</td> <td>Yes</td> <td>-</td> <td>-</td> <td>-</td> <td>Yes</td> </tr> </tbody> </table> <p>** N = New Role, C = Current Role.</p>	Status Change	FRMP		LR		LNSP		MDP		MPB		RoLR		RP		N	C	N	C	N	C	N	C	N	C	N	C	N	C	CANCELLED	-	-	-	-	-	Yes	-	-	Yes	Yes	-	-	-	Yes	COMPLETED	-	Yes	-	-	-	Yes	-	Yes	Yes	Yes	-	-	-	Yes	OBJECTED	-	-	-	-	-	Yes	-	-	Yes	Yes	-	-	-	Yes	PENDING	-	-	-	-	-	-	-	-	Yes	Yes	-	-	-	Yes	REJECTED	-	-	-	-	-	Yes	-	-	Yes	Yes	-	-	-	Yes	REQUESTED	-	-	-	-	-	Yes	-Yes	-Yes	Yes	Yes	-	-	-	Yes	AGL	<p>AGL support the proposed changes to the MSATS Procedures. These, like a number of other changes were not dealt with during the Power of Choice Consultations.</p> <p>AGL agree with AEMO's assessment of the matters for consultation, we do not foresee this to have negative impacts to market participants.</p> <p>We agree that this change further supports the objective of the initial change supported by the Electricity Retail Market Consultative Forum (ERCF) that was overlooked in the initial consultation.</p>	Noted
Status Change	FRMP			LR		LNSP		MDP		MPB		RoLR		RP																																																																																																														
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			Tango Energy	<p>Agree to the provision of the 'Requested' status to the MDP to allow the objection of 'DATEBAD' to be raised where required. However, the following statuses should also be provided to the both the Current and New MDP:</p> <p>Cancelled Completed Objected Pending</p> <p>Also should the LNSP also receive the 'Pending' status?</p> <p>In relation to CR6210, Change MDP Retrospective, Objection Code BADDATA currently applies to NMI Class SMALL and is only available in NSW, VIC and SA jurisdictions. It is suggested this be changed to align it with CR 6801 Change Multiple Roles Retrospectively such that the Objection of BADDATA applies to all NMI Classes and in all jurisdictions.</p>	<p>Noted.</p> <p>AEMO note that the proposed change is for the current MDP and agree with Tango Energy that, as is the case with the way other CRs work, the statuses made available will be Requested, Cancelled, Completed, Objected, Pending and Rejected to maintain CATS CR consistency and to meet the ICF_002 intentions.</p> <p>The suggested change with regards to LNSP and CR6210 are outside the scope of this consultation. An ICF is required for any additional changes.</p>



No.	ICF ID	Description of Proposed/Requested Changes	Consulted Person	Consulted Person Comments	AEMO Response
			<p>Red Energy and Lumo Energy</p>	<p>Red Energy and Lumo Energy (Red and Lumo) support the proposed changes to the MSATS Procedures and agree with AEMO’s assessment of the matters for consultation, we do not foresee this to have consequential impacts to market participants. We agree that this further supports the objective of the initial change supported by the Electricity Retail Market Consultative Forum (ERCF) that was overlooked in the initial consultation.</p> <p>We are concerned with AEMO’s approach to meeting its obligations under rule 7.16.7 relating to the notices required under rule 7.16.7(e)(2) advising that the procedure has been published for consultation.</p> <p>We are concerned that AEMO has changed its approach regarding the method to which consultations are managed which is inconsistent with AEMO’s document for MSATS Procedure changes – as per the ERCF Change Process (https://www.aemo.com.au/-/media/Files/Stakeholder_Consultation/Working_Groups/Retail_Meetings/ERCF/2018/ERCF-Change-Process.pdf).</p>	<p>Noted.</p> <p>AEMO notes Red and Lumo’s concerns. Changes to the MSATS Procedures are in accordance with consultation processes as prescribed in the Rules. AEMO recognise the full consultation process detailed in the ERCF Change Process in accordance with the Rules consultation requirements detailed in rule 8.9 of the NER.</p>



No.	ICF ID	Description of Proposed/Requested Changes	Consulted Person	Consulted Person Comments	AEMO Response
				<p>Specifically, we note that:</p> <ul style="list-style-type: none"> - the proposal (or ICF) was not consulted on with ERCF members as defined under AEMO's change process. - no communication was sent from AEMO to NEM stakeholders or forum members advising of upcoming consultation, or providing communications that AEMO has published notice of consultation on their website. <p>We are concerned that consultation process does not meet AEMO's change process for MSATS Procedures, and is questionable whether it meets the NER's rules consultation process.</p> <p>Red and Lumo support a collaborative and transparent approach to market change. We believe effective industry engagement is imperative in gaining a comprehensive understanding of the potential impacts of decisions, removing this is detrimental to good industry outcomes and ultimately consumers.</p>	<p>Changes to the MSATS Procedures are in accordance with consultation processes as prescribed in the Rules. This consultation was conducted as a minor amendment in accordance with the Rules consultation requirements detailed in rule 7.16.7(e) of the NER and involved the ICF_002, previously consulted for v4.6 and presented at the ERCF meeting on 1 May 2018. The ICF_002 intentions would not have been met without these changes. Communication for this minor amendment consultation was sent on 13 December 2018 to stakeholders via the AEMO Communications newsletter.</p>



No.	ICF ID	Description of Proposed/Requested Changes	Consulted Person	Consulted Person Comments	AEMO Response
					AEMO supports the consultation processes within the NER.



3.2 Proposed Changes to the WIGS Procedure

No.	QC ID	Description of Minor Changes	Consulted Person	Consulted Person Comments	AEMO Response
1	N/A	<p>Align version numbering with MSATS CATS procedures.</p> <p>The proposed version of the WIGS Procedures is v4.7.</p>	AGL	Noted	Noted
			Tango Energy	Agree	Noted
			Red Energy and Lumo Energy	Red and Lumo support the minor amendments made.	Noted

3.3 Other feedback

No.	Consulted Person	Consulted Person Comments	AEMO Response
1	AGL	<p>While AGL considers the subject matter of this particular consultation minor, AGL has concerns over the means by which this consultation was undertaken in terms of pre consultation discussion with participants and the public Notice to Participants - particularly in light of the time of year and the number of other consultations underway during December 2018.</p> <p>Historically and, in most ways, current practice would be for AEMO to circulate the proposal to the relevant industry working group interested parties and seek informal feedback from the specific working group – in this case the ERCF.</p> <p>AEMO established the ERCF with the following purpose:</p> <p>1. Purpose</p> <p>The purpose of the Electricity Retail Consultative Forum (ERCF) is to provide a platform where Participants operating in the National Electricity Market (NEM), AEMO and interested parties can collaboratively participate in the enhancement of Market Settlement and Transfer Solution (MSATS) Procedures.</p> <p>ERCF Terms of Reference</p> <p>(https://www.aemo.com.au/Stakeholder-Consultation/Industry-forums-and-working-groups/Retail-meetings/Electricity-Retail-Consultative-Forum)</p> <p>AEMO also established a change process for the ERCF to operate under, which includes consultation with the ERCF prior to a public consultation. This process specifically calls out the pre-consultation use of the ERCF to discuss a proposal as shown below.</p>	<p>AEMO notes AGL’s concerns. Changes to the MSATS Procedures are in accordance with consultation processes as prescribed in the Rules. AEMO recognise the full consultation process detailed in the ERCF Change Process in accordance with the Rules consultation requirements detailed in rule 8.9 of the NER. This consultation was conducted as a minor amendment in accordance with the Rules consultation requirements detailed in rule 7.16.7(e) of the NER and involved the ICF_002, previously consulted for v4.6 and presented at the ERCF meeting on 1 May 2018. The ICF_002 intentions would not have been met without these changes. Communication for this minor amendment consultation was sent on 13 December 2018 to stakeholders via the AEMO Communications newsletter.</p>



No.	Consulted Person	Consulted Person Comments	AEMO Response
		<p>4.3 ERCF change process flow</p> <p>The following diagram illustrates the BAU change process highlighting the sequence of steps from ICF initiation to the commencement of Procedure consultation, including role/responsibility for executing each process step. Refer to section 4.4 of this document which provides further information of each process step.</p> <p>AGL, (as far as it is aware) is still a member of the ERCF and was not advised of this proposal nor was it able to consider this proposal or suggest any other minor amendments which could have also been included in this minor consultation.</p> <p>AGL is also concerned that AEMO's obligations under the NER (ch 7.16.1 requires a consultation of this nature to be conducted under Ch 8 – Part F –Rules consultation procedures.</p> <p>CI 8.9(b) of the NER requires</p> <p>(b) The consulting party must give a notice to all persons nominated (including Intending Participants in the class of persons nominated) by the relevant provision as those with whom consultation is required or, if no persons are specifically nominated, AEMO, all Registered Participants and interested parties, (Consulted Persons) giving particulars of the matter under consultation, by publishing the notice in accordance with rule 8.9(c).</p> <p>The requirement to notify all specifically nominated persons (not registered participants) reasonably means that AEMO should have provided specific advice via various distribution lists to industry working group members, such as the nominated ERCF members and interested parties.</p> <p>The Notice that was issued by AEMO for this consultation was embedded as an internal component of a general AEMO Communication sent to an AEMO Communications Distribution list.</p> <p>This is of concern for AGL as specific staff have dropped off various AEMO distribution lists or not been added in a timely manner on more than one occasion in recent months. The result of this has been that the relevant staff at AGL has not been apprised of relevant information or a consultation until well after the process has commenced. AGL has no reason to believe that this issue is limited to just AGL and therefore could impact multiple participants.</p>	<p>AEMO supports the consultation processes within the NER.</p>



No.	Consulted Person	Consulted Person Comments	AEMO Response
		<p>The outcome of such issues leaves AGL with less time to consider the implications of any proposed actions going forward and means that AGL, like other participants is reliant on informal communications to monitor market changes.</p> <p>AGL and other businesses rely heavily on the targeted emails issued in relation to consultations to ensure they can participate appropriately.</p> <p>AGL has always strongly supported a collaborative and transparent approach to industry change and has frequently argued for and supported greater inclusion and transparency in matters of market change.</p> <p>We strongly believe effective industry engagement is impetrative in gaining a comprehensive understanding of the potential impacts of decisions and minimising this is detrimental to good efficient industry outcomes which ultimately impact consumers.</p>	