
Five-minute settlement and global settlement

February 2019

Metering service provider accreditation update
plan

Important notice

PURPOSE

In relation to five-minute settlement and global settlement implementation, the Metering service provider accreditation update plan sets out the process and timing for:

- Metering service providers to assess the need for an accreditation update
- Metering service providers to apply for an accreditation update where necessary
- AEMO to process accreditation update applications.

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VERSION CONTROL

Version	Release date	Changes
0.1	29/11/2019	Draft released to the 5MS/GS Readiness Working Group for comment
1.0	21/02/2020	Final plan published

Contents

1.	Introduction	4
1.1	AEMO's 5MS and GS implementation program	4
1.2	Metering Service Provider accreditation in the NEM	4
1.3	MSP accreditation update plan	5
2.	MSP accreditation update framework	7
2.1	Principles	7
2.2	Scope	7
3.	5MS/GS accreditation update plan	8
3.1	Accreditation timings: Group 1 and Group 2	8
3.2	Accreditation update fees	10
	Glossary	11

Tables

Table 1	Metering service provider accreditation update plan – MSP and AEMO actions	9
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Figures

Figure 1	Engagement approach for developing the MSP accreditation update plan	5
Figure 2	Key 5MS and GS market readiness documents	6
Figure 3	Metering service provider accreditation update plan – Accreditation timings	9

1. Introduction

This chapter explains:

- The Australian Energy Market Operator's (AEMO) five-minute settlement (5MS) and global settlement (GS) implementation program
- The need for metering service providers (MSPs) to maintain their accreditation so they can operate in the National Electricity Market (NEM).

It then details the purpose and context of the 5MS and GS MSP accreditation update plan.

1.1 AEMO's 5MS and GS implementation program

The Australian Energy Market Commission (AEMC) made the 5MS rule in November 2017 and AEMO's extensive 5MS implementation program began in early 2018. GS activities were incorporated into the program when the GS rule was made in December 2018 because aligning 5MS and GS implementation activities is intended to minimise costs for AEMO and market participants.

The program covers the procedural, IT system and market readiness arrangements needed to implement 5MS and GS using the following workstreams:

- Procedures – defines and implements the required changes to market procedures
- Systems – designs, develops, tests, and implements changes to AEMO's market systems
- Readiness – coordinates, assists and prepares AEMO and participants for the transition to 5MS and GS.

AEMO's 5MS and GS implementation program has entered the market readiness phase of the project. This plan relates to the transition and go-live phases of market readiness.

1.2 Metering Service Provider accreditation in the NEM

Metering service providers must be accredited by and registered by AEMO to provide services to NEM participants.

Accreditation is the qualification process through which AEMO and NEM participants gain assurance that MSPs wishing to operate in the NEM can comply with their National Electricity Rules (NER) obligations by having adequate systems and procedures in place.

MSPs requiring accreditation are:

- Metering data providers (MDP)
- Metering providers (MP)

Note: Metering coordinators need to be registered in the NEM¹ but are *not* an accredited participant type for the purposes of providing metering services and metering data services to NEM participants and AEMO.

¹ See: <https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/participate-in-the-market/registration/register-as-a-metering-coordinator-in-the-nem>. For further information on the role of metering coordinators see the *Guide to the Role of the Metering Coordinator* at: <https://aemo.com.au/energy-systems/electricity/national-electricity-market-nem/market-operations/retail-and-metering/accreditation-and-registration>

AEMO may, in accordance with clause 7.4 of the *Service Level Procedure: Metering Data Provider Services*, require an MDP to review its accreditation and subsequently apply for re-accreditation, including:

(c) subsequent to changes to the NER, applicable procedures under the NER, or *service level procedures*. This is likely to apply in instances where changes to the NER have been made or new versions of the *metrology procedure* have been issued that require significant functional system, process or procedural changes to be made by MDPs;

(d) This will apply where significant changes or upgrades to an MDP's existing systems, *telecommunications network* or a system platform change to any part of the *metering data service database*. The MDP must apply and be re-accredited prior to implementing the changes into its production environment and accepting or transmitting any *market* transactions in accordance with the Qualification Procedure.²

1.3 MSP accreditation update plan

1.3.1 Document purpose

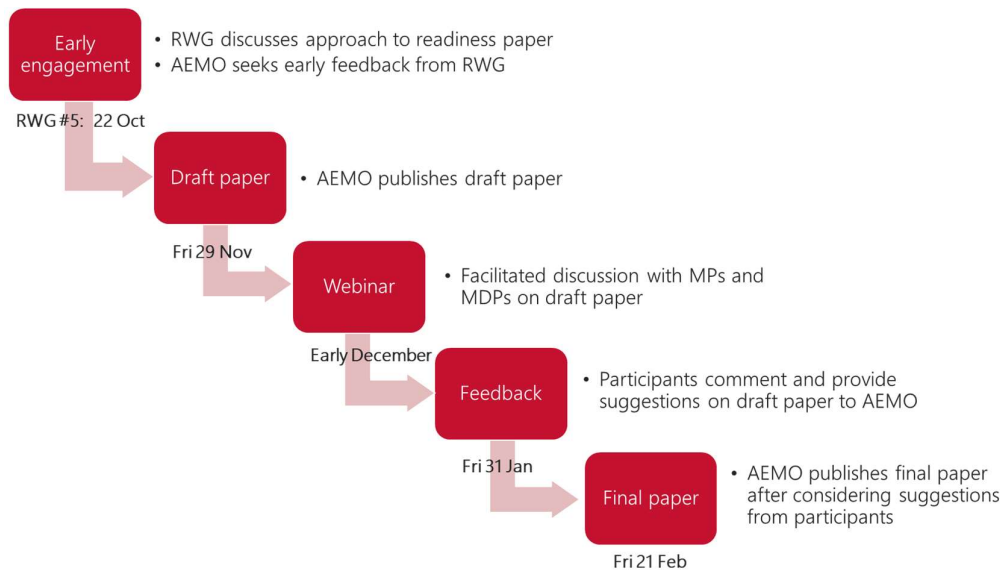
The MSP accreditation update plan sets out the process and timing for:

- Metering service providers to assess the need for an accreditation update
- Metering service providers to apply for an accreditation update where necessary
- AEMO to process accreditation update applications.

1.3.2 Development approach

The MSP accreditation update plan is being developed in consultation with industry through the 5MS and GS Readiness Working Group (RWG).³ Figure 1 illustrates AEMO's engagement approach and timeline for developing the plan.

Figure 1 Engagement approach for developing the MSP accreditation update plan



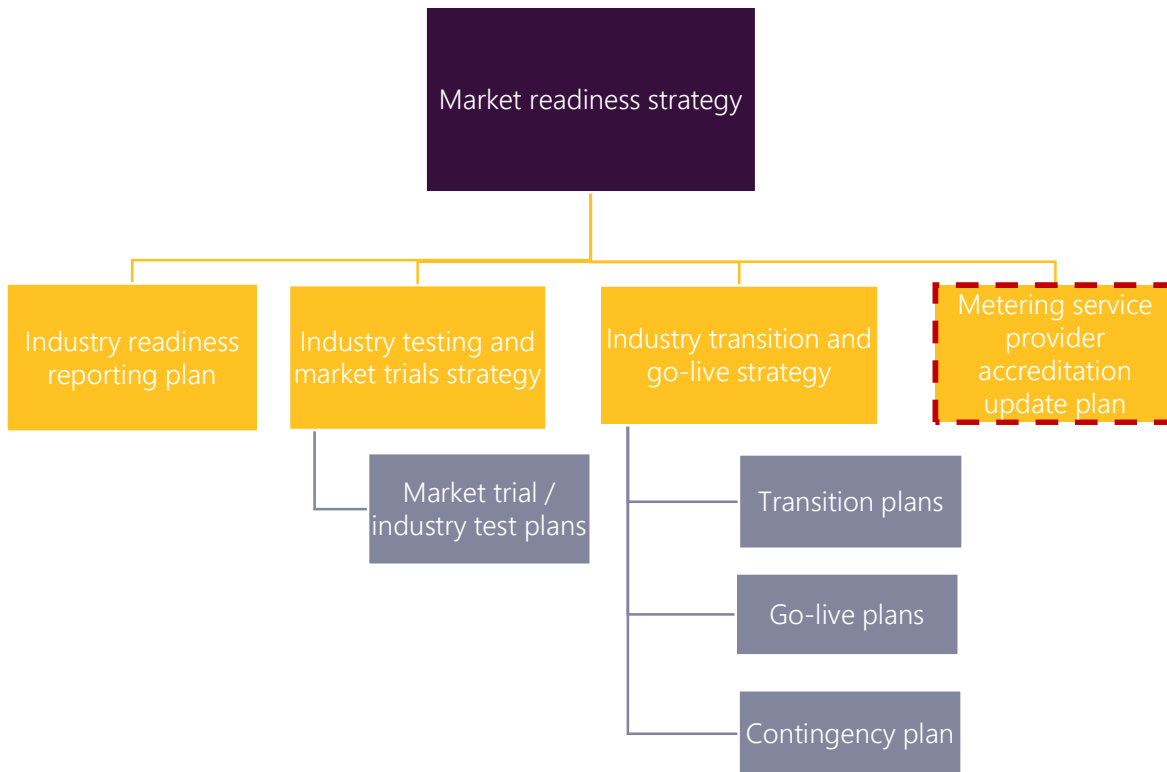
² MDP and MP Service Level Procedures, section 7.4 and section 6.4 respectively, at: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Retail-and-metering/Metering-procedures-guidelines-and-processes>

³ For further details on the RWG see: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement/Readiness-Workstream/Readiness-Working-Group>

1.3.3 Related documents

The MSP accreditation update plan is one of the many documents that support the 5MS and GS market readiness strategy,⁴ as illustrated by Figure 2. More information on each document is provided in the 5MS and GS market readiness strategy.

Figure 2 Key 5MS and GS market readiness documents



The Metering transition plan⁵ sets out the detailed activities, timeframes and responsibilities for the necessary 5MS and GS changes to:

- Meter installation and reconfiguration
- Metering data delivery
- MSATS standing data creation and maintenance

It is especially relevant to the MSP accreditation update plan because:

- 5MS and GS metering rule and procedure requirements, and the resultant implementation activities in the Metering transition plan, will likely trigger changes to MSPs' processes and systems. If so, these system and process changes will consequently trigger the need for an accreditation update.
- MSPs need to be appropriately accredited before they can operate their updated systems and processes in the NEM.
- Accreditation updates will be a dependency in the Metering transition plan for various activities. Risks and contingencies associated with accreditation updates will be managed against these activities in the Metering transition plan.

⁴ For more information and access to 5MS and GS market readiness documents see: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement/Readiness-Workstream/Key-Readiness-Documents>

⁵ The 5MS and GS Metering transition plan can be seen at: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Five-Minute-Settlement/Readiness-Workstream/Key-Readiness-Documents>

2. MSP accreditation update framework

This chapter establishes the framework for the MSP accreditation update plan by setting out the plan's principles and scope.

2.1 Principles

The MSP accreditation update principles build on the principles defined in the 5MS and GS market readiness strategy. They will guide all MSPs in the accreditation update process.

1. AEMO's existing accreditation processes will be used to manage MSP accreditation updates.⁶
2. To support AEMO in proactively managing multiple accreditation updates, participants will be proactive, open, honest and timely in:
 - Establishing with AEMO whether there is a need for an accreditation update and, if so, the appropriate timeframe for it to occur.
 - Undertaking the necessary steps if an accreditation update is required.
3. AEMO will facilitate, to extent possible, the scheduling of accreditation updates in accordance with the established queuing policy. The queuing policy is set out in section 3.5 of the *Qualification procedure: metering providers, metering data providers & embedded network managers*.⁷

2.2 Scope

2.2.1 In scope

Re-accreditation may be necessary for reasons such as a change to the NER, or accreditation requirements, changes to Participant processes, systems or key personnel. The MSP accreditation update plan applies to MSPs where they have a change to:

- processes;
- systems; and/or
- personnel;

as a result of 5MS and/or GS rule changes.

2.2.2 Out of scope

Changes made solely to support NER or procedure changes other than 5MS and GS.

⁶ AEMO's accreditation process is documented at: <https://aemo.com.au/Electricity/National-Electricity-Market-NEM/Retail-and-metering/Accreditation-and-Registration>

⁷ See: https://aemo.com.au/-/media/Files/Electricity/NEM/Retail_and_Metering/Accreditation/Qualification-Procedure-MP-MDP-ENM.pdf

3. 5MS/GS accreditation update plan

Figure 3 and Table 1 set out the process, timing and responsibilities for MSP accreditation updates. The timing of actions is consistent with the 5MS and GS Metering transition plan, which in turn is consistent with NER and procedure obligations.

5MS and GS may affect MSPs in different ways, hence different MSPs will have different 5MS or GS obligations depending on their role.⁸ Some MSPs will need to implement changes before 1 July 2021 to fulfil obligations required by 1 July 2021.⁹ Others may only need to implement changes at a later stage to fulfil obligations required by 1 December 2022.¹⁰

MSPs that require re-accreditation need to be appropriately re-accredited before they implement system and process changes for 5MS and GS.

3.1 Accreditation timings: Group 1 and Group 2

The accreditation update plan distinguishes between MSPs that need to attain an accreditation update by 1 July 2021 and by 1 December 2022 respectively:

- **Group 1:** MSPs working towards accreditation by 1 July 2021 **and** accreditation for 1 December 2022. These MSPs will need to seek an accreditation update that is effective for the 5MS rule commencement on 1 July 2021.
- **Group 2:** MSPs working towards accreditation by 1 December 2022 **only**. These MSPs will need to seek an accreditation update in time for 1 December 2022.

AEMO will send an email by 20 December 2019 to each MSP to confirm which group they belong to. Any MSPs that have a change in 5MS & GS metering obligations after 20 December 2019 should inform AEMO as soon as possible.

⁸ The Metering transition plan sets out activities for each MSP type to enable the metering transition for 5MS and GS.

⁹ By 1 July 2021:

- All Types 1, 2, 3 and 7 meters and Type 4 (transmission and generation) meters must be capable of recording and providing, and configured to record and provide, five-minute trading interval energy data.

¹⁰ By 1 December 2022:

- All new or replacement metering installations (other than type 4A metering installations) installed from 1 December 2018 must be capable of recording and providing, and configured to record and provide, five-minute trading interval energy data.
- All new or replacement type 4A metering installations installed from 1 December 2019 must be capable of recording and providing, and configured to record and provide, five-minute trading interval energy data.

Figure 3 Metering service provider accreditation update plan – Accreditation timings

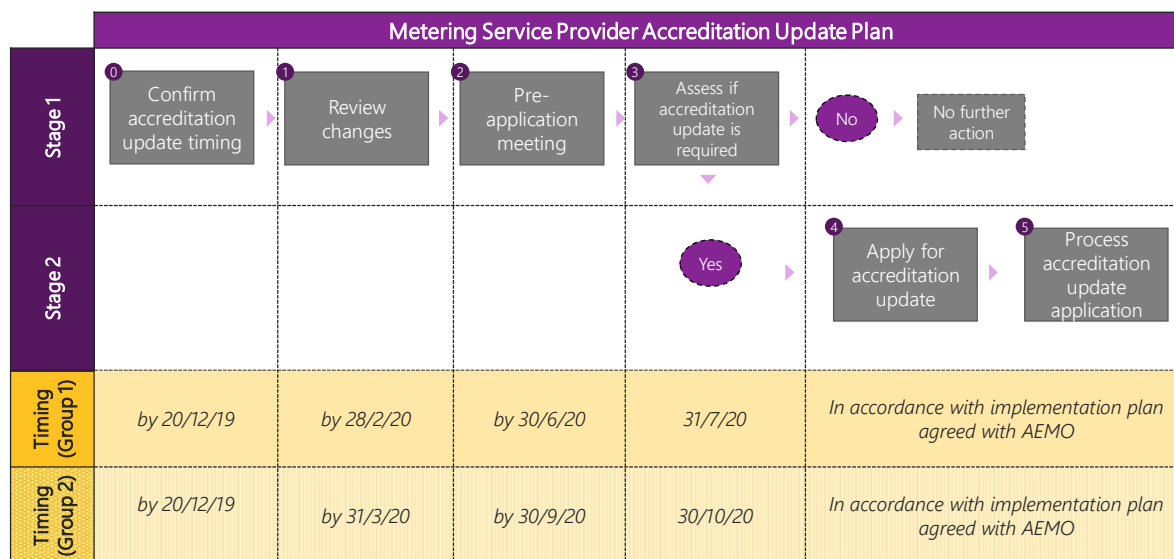


Table 1 Metering service provider accreditation update plan – MSP and AEMO actions

Step	MSP action	AEMO action	Group 1 Timing	Group 2 Timing
0. Confirm accreditation timing	<ul style="list-style-type: none"> Confirm accreditation timing by nominating if organisation belongs Group 2 	<ul style="list-style-type: none"> AEMO will send emails to confirm accreditation timing of MSPs by 20 Dec 2019 	<ul style="list-style-type: none"> by 20 Dec 2019 	<ul style="list-style-type: none"> by 20 Dec 2019
1. Review changes	<ul style="list-style-type: none"> MSPs to assess level of change required for people, processes and systems to facilitate 5MS/GS implementation 		<ul style="list-style-type: none"> by 28 Feb 2020 	<ul style="list-style-type: none"> by 31 Mar 2020
2. Pre-application meeting	<ul style="list-style-type: none"> Arrange meeting with AEMO to confirm scope and scale of change Provide AEMO with implementation plan (consistent with industry metering transition plan) 	<ul style="list-style-type: none"> Meet with MSP Seek information on the scope and scale of change 	<ul style="list-style-type: none"> by 30 Jun 2020 	<ul style="list-style-type: none"> by 30 Sep 2020
3. Assess whether accreditation		<ul style="list-style-type: none"> Assess whether an accreditation 	<ul style="list-style-type: none"> by 31 July 2020 	<ul style="list-style-type: none"> by 30 Oct 2020

Step	MSP action	AEMO action	Group 1 Timing	Group 2 Timing
update is needed		update is needed <ul style="list-style-type: none"> Assess timing of accreditation updates against MSPs metering transition plans (including systems development) 		
4. Apply for accreditation update	<ul style="list-style-type: none"> If required, apply for an accreditation update in accordance with the Qualification Procedure.¹¹ If required, seek further information from AEMO on application process or content. 	<ul style="list-style-type: none"> Respond to MSP enquiries 	<ul style="list-style-type: none"> In accordance with implementation plan agreed with AEMO 	<ul style="list-style-type: none"> In accordance with implementation plan agreed with AEMO
5. Process accreditation update applications	<ul style="list-style-type: none"> Respond to any queries from AEMO 	<ul style="list-style-type: none"> Process accreditation update in accordance with the Qualification Procedure (applying the application queuing policy where necessary) 	<ul style="list-style-type: none"> In accordance with implementation plan agreed with AEMO 	<ul style="list-style-type: none"> In accordance with implementation plan agreed with AEMO

3.2 Accreditation update fees

AEMO's existing accreditation processes will be used to manage MSP accreditation updates, including the fees "payable for an application for accreditation and registration and any subsequent application for re-accreditation."¹² Section 3.4 of the *Qualification Procedure: Metering providers, metering data providers & embedded network managers* sets out details of fee calculations and the payment process.

¹¹ QUALIFICATION PROCEDURE: Metering Providers, Metering Data Providers & Embedded Network Managers, see: https://aemo.com.au/-/media/Files/Electricity/NEM/Retail_and_Metering/Accreditation/Qualification-Procedure-MP-MDP-ENM.pdf

¹² Ibid, section 3.4

Glossary

Term	Definition
5MS	Five-minute settlement
AEMO	Australian Energy Market Operator
GS	Global settlement
MC	Metering coordinator
MDP	Metering data provider
MP	Metering provider
MSATS	Metering, settlement and transfer solution
MSP	Metering service provider. Includes MCs, MDPs and MPs.
NEM	National electricity market
NER	National electricity rules
RWG	Readiness working group
Transition	Process of shifting from current to future operating state