

Our Ref: AER201810/11501826.1
Contact Officer: Pip Eastgate
Contact Phone: (08) 8213 3452

Level 11,
1 King William Street
Adelaide SA 5000
GPO Box 922
Adelaide SA 5001
tel: (08) 8213 3444
www.aer.gov.au

8 February 2021

Mr Kevin Ly
Group Manager Regulation
AEMO
Level 22, 530 Collins Street
Melbourne VIC 3000

Via email: kevin.ly@aemo.com.au

Dear Kevin,

Re: Proposed delay of implementation of Metering Coordinator Planned Interruptions and MSATS Standing Data Review to 1 May 2022

On 25 January 2021, you wrote to notify the AER of AEMO's proposal to delay the implementation of Metering Coordinator Planned Interruptions (**MCPI**) and MSATS Standing Data Review (**MSDR**) to 1 May 2022. Following that correspondence, a meeting was held between the AER, AEMO and the AEMC to discuss this matter on 1 February 2021.

In your letter, you stated that based on version 3 of the regulatory implementation roadmap published 31 August 2020, there is a scheduling conflict between AEMO's implementation of Global Settlement (**GS**) under the Five-Minute Settlement (**5MS**) project and the implementation of MSDR and MCPI. The current schedule does not allow AEMO to effectively manage implementation risk for the deployment, testing and go-live process. To mitigate this risk and acknowledge the significance and priority of the 5MS and GS reforms, AEMO has proposed a short delay to the implementation of MSDR and MCPI to 1 May 2022.

As you noted, in accordance with the AEMC's final determination titled "*Introduction of metering coordinator planned interruptions*" dated 21 May 2020, the implementation of the MSDR and MCPI has an effective date of 30 March 2022. Under clause 11.124.2 and 11.124.3 of the National Electricity Rules (**NER**), AEMO must also amend and publish *the metrology procedure* and *the Market Settlement and Transfer Solution Procedures* to take into account the Amending Rule.

Based on the information you have provided, I understand that:

- AEMO has identified conflicts between the deployment, testing and go-live schedule for Global Settlement implementation under the five minute settlement project and MSDR;
- in December 2020, AEMO raised the proposed delay at an Electricity Retailer Consultative Forum (**ECRF**) meeting and subsequently issued an industry notice about the proposed delay in order to reach a broader stakeholder group. AEMO sought feedback from ECRF attendees and industry by 11 January 2021. To date

there has been four positive submissions to the proposal and no submissions that express any opposition;

- during the meeting between the AER, AEMO and AEMC on 1 February 2021, AEMO confirmed that the proposed delay to MCPI and MSDR implementation should have no flow on effects in respect of the compliance of market participants;
- AEMC staff have expressed that since there are no flow on impacts on market participant compliance, it does not hold any objections from a policy perspective; and
- for the above reasons, AEMO proposes to delay the implementation of MCPI and MSDR to 1 May 2022.

The AER notes AEMO's position to delay the implementation of MSDR and MCPI to 1 May 2022.

If you have any queries regarding this letter, please contact me at Joanna.Gall@aer.gov.au or on (08) 8213 3461 or Pip Eastgate at Pip.Eastgate@aer.gov.au or on (08) 8213 3452.

Yours sincerely

A handwritten signature in blue ink that reads "J Gall".

Joanna Gall
Director
Compliance and Enforcement Branch

Sent by email on: 08.02.2021