

## Market Operator – Settlements Statements & Timetable Procedure Consultation Feedback Assessment

**Summary of issues raised in submissions by organisation represented in stakeholder consultation process.**

Submissions were received from the following Market Participants:

- Energy Developments Limited - EDL
- Jacana Energy - Jacana
- Territory Generation – TGen

It should be noted that the responses provided in this document are made by Power and Water Corporation in respect to its Market Operator function as per the System Control Technical Code. Issues that relate to non-Market Operator functions such as Network Service Provision have not been addressed and should be raised external to this process.

The following table contains the issues raised by Market Participants during the consultation process and the corresponding response from the Market Operator.

Ref #	Clause/Concern	Stakeholder	Issue	Market Operator Response
<i>Procedure Feedback</i>				
1	5	Jacana	<p>The various Settlements Statements are described as being “within two (2) business days, or within 18 business days”.</p> <p>The preference is to have a defined day as implied in Attachment 3, that is Preliminary – issued business day 2 etc. (3.2.i)</p>	<p>An additional footnote has been incorporated in Attachment 3 to address this issue. Section 5.3 has also been adjusted to ensure that should the Market Operator release a statement prior to the date identified in Attachment 3 there will be no impact on Market Participant’s timeframes to respond.</p>
2	5.1.1: meter data provided in two (2) business days.	Jacana	<p>Is this raw data, or has the data been checked, verified, substituted and so forth, or are these checks yet to happen?</p> <p>If yet to happen, is it possible to wait until the verified data is available?</p> <p>If data substitution, estimation is carried out, this needs to be on an agreed basis in accordance with an agreed Metrology procedure. (3.2.ii)</p>	<p>This is raw data however the Network Provider will develop a validation, estimation and substitution procedure for the Market Operator to utilise. The Market Operator will incorporate additional meter reads or estimated/substituted data in subsequent Settlements Statements (ie Final and Revised).</p> <p>Where estimated data is utilised by the Market Operator it will noted on the Settlement Statement.</p>
3	5.1.1	Jacana	<p>There is currently no defined timeframe for PWC networks (meter provider) to read meters. If delays occur in this process, the Market Operator may be left with limited data to complete settlements, requiring multiple estimations driving inaccuracies in to the process.</p> <p>In the absence of robust rules and regulations</p>	<p>The revised System Control Technical Code requires the Network Provider to provide data by the 4<sup>th</sup> Business Day in most instances. Further to this procedure requires the provision of final data by the 10<sup>th</sup> business Day. This is sufficient for the Market Operators purposes. Should retailers seek meter reads to occur within specified timeframes,</p>

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			such as AEMO procedures, it is suggested that these provision be implemented through agreements such as the Network Access Agreement between PWC and retailers. (3.2.iii)	this should be raised with the Network Provider.
4	5.1.1	Jacana	It is understood that PWC networks (meter provider) relies on the retail billing system to calculation substitution data for estimations when billing customers. This does not support consistent estimation data for supply to alternative retailers in the market, and should be address to enable a fair and competitive market. (3.2.iv)	The Network Provider relies on the retail billing system for validation, estimation and substitution of all meters excluding remotely read interval meters. The Network Provider undertakes their own process in relation to the remotely read interval meters. Given that only those customers with remotely read interval meters may transfer from Jacana Energy the treatment of this customer category is consistent across all retailers and as such there are no competitive advantage issues.
5	5.1.2 <i>...Market Operator may substitute any missing data with a reasonable estimate...</i>	Jacana	Define reasonable. There should be an agreed Metrology procedure for this. The adoption of the AEMO procedure for this would reduce confusion amongst participants. (3.2.v)	The Market Operator will utilise the Network Providers validation, estimation and substitution procedure according to the Network Technical Code. It is understood that this procedure will be informed by information obtained from AEMO.
6	5.1.3 <i>"...reasonable explanation..."</i>	Jacana	There should be an agreed procedure for this. (3.2.vi)	The Network Provider is responsible for publishing the procedure outlining this process.
7	5.3	Jacana	Recommends 15 business days to respond to Preliminary Statements. (3.2.vii)	Section 5.3 has been adjusted to respond to Item 1. However, 10 business days is required to allow sufficient time for the Market Operator to resolve any data discrepancies. However should a Market

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				Participant identify a data discrepancy outside of the 10 day timeframe the resolution of that discrepancy could be incorporated in the Revised Settlements Statement.
8	5.3 <i>"...Market Participants review statements..."</i>	Jacana	More efficient process is required to make sure robust data is used from the beginning of the outset. (3.2.viii)	Where estimated/substituted data is utilised for the Settlements Statement this will be identified.
9	5.3	Jacana	The Market Participants role is not to approve the Preliminary Settlements Statements, only to raise issues and objections. (3.2.ix)	On reflection, 'and approved' has been replaced with 'and advise the Market Operator of their acceptance of'. The intention is for the Market Participant to provide a formal acknowledgement. A simple email statement would be acceptable.
10	5.3.2	TGen	What is the process for discrepancy resolution and making the final decision?	Participants are required to advise the Market Operator of any data discrepancies by the 15 <sup>th</sup> business day of the following month. The Market Operator will work with the Participant to resolve the discrepancy, even if that resolution is a partial outcome which requires further attention after the final settlements statement is produced. The resolution is based on data integrity of the final settlements statement and not on any other matter.
11	5.5 <i>"13 weeks revision"</i>	Jacana	Is 13 weeks sufficient for the revision of settlements statements, assuming that meter readings within IES communities and urban areas are in less than 100% success rate?  If not all reads are obtained, is there are special	Data revision for settlements statements will be provided over a reasonable timeframe. At the commencement of the I-NTEM and given that it is a virtual financial outcome, it was considered reasonable to start with a 13 week revision and a undefined further revision labelled 'adhoc'.

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			<p>read, or an ad hoc read after 26 weeks assuming a successful read?</p> <p>At what point is the Settlements Statements deemed final if actual meter reads are not 100% obtained?</p> <p>What is the basis for the estimate?</p> <p>Is there an agreed Metrology Procedure? (3.2.x)</p>	<p>Experience will guide the application of the adhoc process. Once it is clear that other regular routine revisions are acceptable to the Market Participants, the Market Operator will formally adopt those revisions in the settlements timetable. This approach will allow the IES data concerns to be addressed in a controlled manner.</p> <p>The Network Provider is responsible for the validation, substitution and estimation process that is applied to meter data. This process is being reviewed to bring it in line with market requirements. It is understood that a document describing this process will be available to Market Participants in the near future.</p>
12	Attachment 1	TGen	Would a half hourly settlement statement for the whole month be provided as an attachment to the generator preliminary statement?	This would not be a standard Market Operator data provision, but may be available on request.
13	Attachment 2	Jacana	<p>Is the Final Settlements Statement to be in the same format?</p> <p>A greater level of detail and break down of this statement would be suggested so that the interval and non-interval data can be separately verified.</p> <p>What further details is the Market Operator intending to provide Jacana Energy and other retailers access to? (3.2.x)</p>	<p>All statements will be in the same format. Jacana will receive separate statements for interval and non-interval data. The Market Operator may provide further detail upon request to resolve discrepancies.</p> <p>Further data is also available via a Network data request.</p>
<b>General Comments</b>				

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14		EDL	<p>EDL notes that the requirement for the Market Operator to calculate the market price and out of balance quantities for each market interval is stated in the draft amendment to the System Control Technical Code (Code). This Code implies that the only information provided to the Market Participants will be aggregated information, covering the whole Settlements Period, which may make it difficult to accurately verify the settlements calculations.</p> <p>EDL suggests that the following data be provided to each Market Participant, for each market interval in the Settlements Period:</p> <ul style="list-style-type: none"> <li>• Energy exported by each Generating System (or by each Generating Unit if metered separately);</li> <li>• Energy consumed at each customer meter point;</li> <li>• Loss factor that is applied to each customer meter point;</li> <li>• The Market Price for each market interval;</li> <li>• The Out of Balance "Q" for each market interval; and</li> <li>• The Out of Balance price that applied to the relevant Out of Balance Quantity for each market interval.</li> </ul>	<p>System Participants have access to data independent of their settlements statements, including:</p> <p>Retailers receive customer data by interval, by meter, monthly from the Network Provider.</p> <p>Generators may negotiate with the Network Provider to provide interval based data for their generating units if they do not have their own facilities to read this.</p> <p>The loss factors used by the Market Operator will be published.</p> <p>As per section A6.12 the Market Operator will publish the price per interval daily.</p> <p>The process for calculating out of balance and ancillary services will form the basis of an additional Market Operator Procedure where further detail will be provided.</p>
15	Comments on NTEM	Jacana	<p>Jacana Energy notes that the issues below do not prevent the start of the I-NTEM, however will need to be resolved in a timely manner to provide confidence in the outputs of the market and</p>	<p>Submissions are available for Treasury's consideration during the design of the full NTEM.</p>

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			transition to full NTEM.	
16	Reconciliations (NTEM)	Jacana	Participants have adequate time and information to complete reconciliations.	Participants have 10 working days to respond to the Market Operator with any discrepancies, prior to the Final Settlement Statements being produced. Should an issue be raised after this period it can be incorporated in the Revised Settlement Statement and finally if a significant discrepancy is identified after the Revised Settlement Statement is produced the Market Operator may issue an Ad-hoc Revision Settlement Statement.
17	Data verification (NTEM)	Jacana	Considerations be given to the process of verification and substitution for remove the current proposed approach resulting in inaccuracies between billing and market data.	The Market Operator has been working with the Network Provider to identify the process for the provision of metering data for billing purposes and any possible discrepancies that may occur with the Settlements process. As such, the Market Operator will note where the Settlement Statement utilises estimated data that may vary from the metering data provided for billing purposes. The discrepancies are not considered inaccuracies but relate to timing differences due to the differing timetables.
18	Estimations (NTEM)	Jacana	Timely provision of metering data to avoid high levels of estimations and that estimation procedures proposed are reflected in operational procedures.	To facilitate the Settlement Timetable the Network Provider will provide metering data to the Market Operator on the 2 <sup>nd</sup> business day, however due to various technical issues this may not be complete. The Network Provider will consequently approve an estimation methodology to be adopted for the Preliminary Settlements

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				<p>Statements.</p> <p>The Networks Provider will provide complete data including substituted and estimated reads where data is unavailable for the Final Settlement Statement.</p>
19	Revision timetable (NTEM)	Jacana	Revision timetables reflects that 100% obtainment of metering data will not always be possible in 13 weeks.	Should data be unavailable within the 13week timeframe the Market Operator has the ability to undertake an Ad-hoc Revision Statement. This issue would remain regardless of the timeframe due to meter access issues.
20	Alignment to AEMO (NTEM)	Jacana	The settlement procedures and inputs reflect and align to AEMO processes and provide consistency and ease for participants and customers.	Where possible the Market Operator will use best practice procedures from interstate, however this isn't always possible or efficient due to the differing market designs and systems in use.