

FROM: Wholesale Energy Market Dispute Resolution Adviser (WEMDRA)



Dates covered:

October – December 2021

First quarter WEMDRA contract 2021-2024

1 Disputes and Scheduling errors

Notified:

Stage 1: 1 (electricity)

Stage 2: 1 (scheduling error)

Happy new year DMS and DMC contacts,

Below is the first quarterly report for the new WEMDRA appointment.

It has been a busy and rewarding quarter despite the COVID disruption. I took the opportunity to start updating the administration and infrastructure for the WEMDRA role. We are consolidating the updated resources and contact data on a new website <https://wemdra.resolveadvisors.com.au/>.

A summary of the work for the first quarter appears below. There are no details of the matters in stage 1, given the confidentiality that applies to that stage, unless AEMO is a party.

This Quarter:

1 Pool of experts

The first round of experts has been appointed to the pool maintained by WEMDRA.

The Rules set out that WEMDRA will keep a pool from which experts are drawn. This needs to be reviewed every two years. I have reviewed and updated the current pool and there is room for additional appointments.

The pool is used to draw experts to form dispute resolution panels (DRP) and form a panel for any compensation claims that arise from the participant compensation funds in both, the National Gas

Rules (NGR) and National Electricity Rules (NER). It can also be used by participants for finding experts for matters that are outside Chapter 8.

The industry does not have many disputes. However, disputes are often complex and technical. It is also sometimes necessary to set up a DRP with a mix of expertise at short notice. That makes it important to have a pool of experts pre-vetted.

Please take time to review the pool and their biographies on the site and let me know if there are any additional skills that you think are required and I will try and supplement those. You can also provide me with suggestions of people who you think could be considered for the pool.

2 DMS and DMC contacts

Updating the DMS and DMC contacts and setting up a data base.

All wholesale energy market participants are required by the Rules (NGR and NER) to nominate a dispute management contact who will be the first point of contact for disputes. Most organisations nominate an alternate for pragmatic reasons (leave etc.).

We have been calling all the registered participants to ensure that there is a current contact on the data base established. It will take a few weeks given the number of moves and changes in the industry. This can be accessed through the website behind the DMS and DMC tags. If you don't see your organisation listed please email me their contact details so that we can approach them or ask them to call me to discuss the role if that is useful.

3 Scheduling Error – fast track process

3.1 Background

On 9 April 2021, AEMO declared that a scheduling error had occurred from the 5-minute dispatch interval (DI) 1 ending 05:00 on 12 March 2021 to the DI ending 06:55 on 18 March 2021. Dundonnell WF (DWF) was affected by the scheduling error. A scheduling error occurs if (among other circumstances) AEMO declares that it failed to follow the central dispatch process in rule 3.8 of the National Electricity Rules (NER).

If a scheduling error occurs, a Market Participant may apply to the dispute resolution panel (the DRP) for a determination as to compensation under NER cl 3.16.2. Any compensation is payable from the Participant compensation fund which AEMO maintains and administers under the National Electricity Law (NEL) and NER.

3.2 The process and timing

On 30 November 2021, DWF submitted an application to the WEMDRA for compensation under cl 3.16.2.. This was submitted under a simplified process, available where the scheduling error is declared by AEMO and the compensation amounts are not disputed. In this case there was also only one party affected.

DWF's claim for compensation was referred by the WEMDRA to a DRP constituted by Tom Clark of Counsel. There were joint submissions prepared and a round table meeting with the WEMDRA and DRP for submissions at 3pm on 16 December 2021. A determination was made on **21 December 2021**.

3.3 Costs to be covered for the fast-track process

With the consent of the parties and the DRP, and notice to the AER, the WEMDRA made submissions at the hearing to allow the costs of the DRP and WEMDRA for administering a compensation claim for a scheduling error to be recoverable from the participant compensation fund. This was accepted by the DRP based on the dispute before him. This is the first time such an application has been made. A copy of the DRP determination is available from the AER's [website](#).

4 The priorities for the January – March Quarter

The priorities for the March quarter include:

- Finalising the pool from which experts are selected
- Finalising the DMS and DMC contacts to the extent possible
- Researching and making recommendations for security of information on the website and the contact information.
- Interviewing for a project manager for the WEMDRA role.

Kind Regards

A handwritten signature in purple ink, appearing to read "Shirli Kirschner".

Shirli Kirschner

Wholesale Energy Market Dispute Resolution Adviser.