



A series of conditions affecting in the National Electricity Market (NEM) between 12 and 23 June 2022 triggered administered pricing, spot market suspension and around 500 separate market interventions under the National Electricity Rules. The nature and scale of these events was unprecedented in the NEM. They have associated compensation and contract payments that, under the rules, must be recovered from Market Customers (mainly electricity retailers).

This is the first in a series of updates from AEMO with the latest available information and estimates of cost recovery amounts and dates. Please go to [June 2022 market events](#) to check for the latest update.

Cost recovery through NEM settlements occurs in relation to weekly market billing periods. The June 2022 events spanned weeks 25 and 26. At least four categories of compensation and contract payments will have to be recovered for those two weeks, over the next six months. The compensation categories are listed below with the expected dates for payment and recovery through NEM settlements¹, and approximate amounts if known. These costs are allocated to NEM regions in accordance with the rules, and recovered in proportion to energy purchased in each relevant region.

1. **RERT payments** (for activated demand response under Reliability and Emergency Reserve Trader contracts)

July 2022		Nov 2022 – Jan 2023	
Final statements - RERT payments (NEM total \$85.8m)		Revision statements – (no new costs)	
Week 25: 13 July	Week 26: No RERT	Week 25 R1: 1 November	Week 25 R2: 12 January
<ul style="list-style-type: none"> Qld - \$4.2m NSW - \$81.6m 		<ul style="list-style-type: none"> adjustments only 	<ul style="list-style-type: none"> adjustments only

2. **Directions compensation** (directed participants for energy, ancillary services or other compensable services)

July 2022		Nov 2022 – Jan 2023	
Final statements – Provisional amounts² (NEM total \$2.0m)		Revision statements – Additional compensation (Following AEMO/independent expert determination of additional cost claims. Claims to be submitted in August)	
Week 25: 13 July	Week 26: 20 July	Week 25 R1: 1 November	Week 25 R2: 12 January
<ul style="list-style-type: none"> Qld - \$850k NSW - \$550k Vic - \$360k SA - \$100k Tas - \$0 	<ul style="list-style-type: none"> Qld - \$40k NSW - \$70k Vic - \$40k SA - \$10k Tas - \$0 	<ul style="list-style-type: none"> Amounts unknown 	<ul style="list-style-type: none"> Amounts unknown
		Week 26 R1: 8 November	Week 26 R2: 19 January
		<ul style="list-style-type: none"> Amounts unknown 	<ul style="list-style-type: none"> Amounts unknown

¹ Dates are based on regulated or published timeframes. Some compensation claims could take longer to determine.

² For directions, provisional compensation is paid instead of the spot price trading amount. Only the net amount is shown.

3. **Suspension pricing compensation** (for eligible costs not covered by spot prices when set/affected by market suspension pricing schedule prices)

July 2022		Nov 2022 – Jan 2023	
Final statements – Provisional amounts (NEM total \$7.2m)		Revision statements – Additional compensation (Following AEMO/independent expert determination of additional cost claims. Claims to be submitted in August)	
Week 25: 13 July <ul style="list-style-type: none"> Qld - \$1.6m NSW - \$1.1m Vic - \$1.1m SA - \$280k Tas - \$0 	Week 26: 20 July <ul style="list-style-type: none"> Qld - \$860k NSW - \$1.3m Vic - \$830k SA - \$220k Tas - \$0 	Week 25 R1: 1 November <ul style="list-style-type: none"> Amounts unknown 	Week 25 R2: 12 January <ul style="list-style-type: none"> Amounts unknown
		Week 26 R1: 8 November <ul style="list-style-type: none"> Amounts unknown 	Week 26 R2: 19 January <ul style="list-style-type: none"> Amounts unknown

4. **Administered pricing compensation** (for eligible costs when spot market prices were set/affected by the administered price cap)

July 2022 onwards
Claims assessed and progressively determined by the Australian Energy Market Commission (AEMC) and appointed experts, with the aim for direct cost claims to be assessed first. Amounts unknown - Final compensation amounts notified to AEMO as determined, payment and recovery amounts included in next practicable final statements.

There is a potential fifth category – [‘affected participant’ compensation](#) for changes in dispatch due to interventions. It is not yet known whether any claims will be made in this category.

Where can I find more information?

See AEMO’s website for:

- [June 2022 market events](#) - presentations, FAQs and reports
- [Guide to Market Suspension in the NEM](#)
- [RERT reports](#)
- [Intervention settlement timetable](#)

See the AEMC’s website www.aemc.gov.au for the National Electricity Rules and more information on administered price compensation.

If you cannot find what you need on our website, please contact AEMO’s Information and Support Hub:

- supporthub@aemo.com.au or
- call 1300 236 600

Please note AEMO is not able to provide specific advice on your particular circumstances.