

Cash Security (CS) Industry Go-Live Criteria November 2026 Release



Cash Security Industry Go-Live Criteria



Cash Security

On 26 June 2025, the Australian Energy Market Commission (AEMC) published the final rule determination for the ‘Allowing AEMO to accept cash as credit support’ project. The Cash Security Rule aims to enhance the flexibility and accessibility of credit support arrangements within the National Electricity Market (NEM), allowing Market Participants to provide cash as an alternative form of credit support.

The primary objective of the rule is to reduce barriers for market participation and support a more competitive market by offering a simpler and more accessible option for meeting prudential requirements. This is particularly beneficial for participants who may face constraints in obtaining traditional forms of credit support, such as bank guarantees.

The Cash Security rule introduces changes to the NEM prudential framework, enabling AEMO to accept and manage cash deposits such as credit support, alongside existing mechanisms. It also includes provisions to strengthen protections against financial risk (including clawback protections) and improve settlement processes by enabling earlier repayment in certain scenarios.

To support this rule, AEMO is implementing process, system and procedural changes, including the establishment of a cash security fund, updates to prudential and settlement systems and the development of a new Cash Security guidelines outlining how cash security is accepted, managed and returned.

There will be a single release for this initiative, aligned to the rule commencement date:

- **November 2026 Release** – 1 November 2026 for the implementation of cash as a form of credit support within the NEM.

For more information about the Cash Security initiative, please visit the [AEMO Cash Security initiative webpage](#).

Cash Security: Industry Readiness Approach

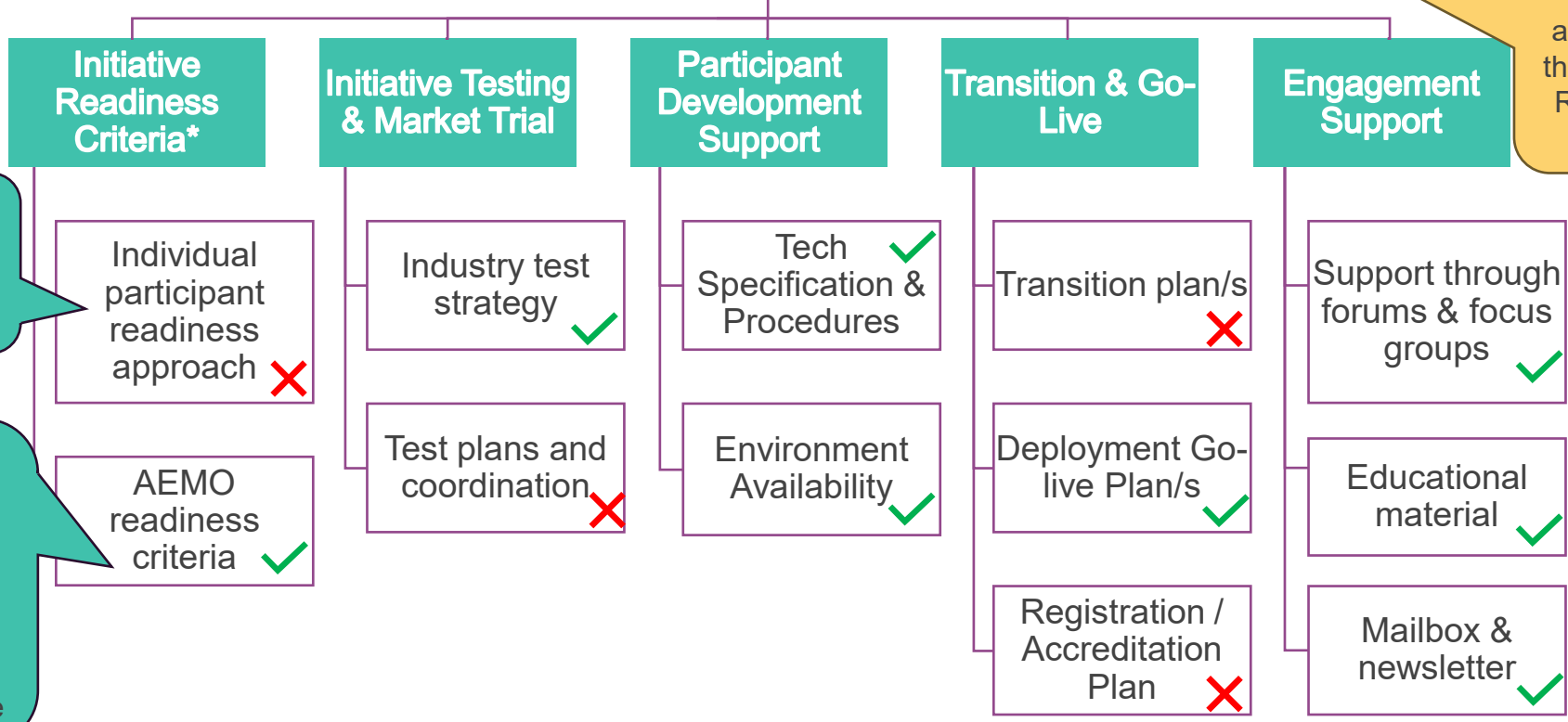
NEM REFORM READINESS STRATEGY (ALL INITIATIVES)

CASH SECURITY READINESS APPROACH

This readiness approach adopts the standard NEM Reform program framework

Individual participant (or participant category) readiness is **NOT** a dependency for go-live.

- AEMO solution needs to be updated and tested
- AEMO business needs to be ready to operate
- AEMO IT support needs to be in place



✔ Required
✘ Not required

RISK & CONTINGENCY MANAGEMENT ✅

INITIATIVE READINESS REPORTING ✅ & GO-LIVE CRITERIA MANAGEMENT ✅

*Detailed criteria outlined in subsequent slides.

CS November 2026 Release Go-live criteria



<p>INITIATIVE:</p>	<p>Cash Security November 2026 Release</p> <ul style="list-style-type: none"> Cash Security introduces cash as a new form of credit support to improve flexibility and reduce barriers for market participants managing prudential obligations.
<p>GO-LIVE CRITERIA</p>	
<p>AEMO READINESS</p>	<p>AEMO technology and systems tested in-line with requirements for:</p> <ul style="list-style-type: none"> Markets Portal (Cash Dashboard) - Submit requests to provide, manage and reassign cash security. View cash security balances, transactions and status. Prudentials: Incorporate cash security into credit support calculations and participant prudential positions. Support reassignment and tracking of cash security within prudential processes. Billing: Include Cash Security in billing calculations, including interest, returns, shortfalls and makeup payments. Payments: Process receipt and return of cash security through existing settlement payment mechanisms. Reporting and Invoicing: Update settlement reports, invoices, shortfall statements and makeup notes to reflect Cash Security transactions and balances. EMMS Data Model: Support Cash Security as a credit support component within EMMS data structures and outputs. <p>AEMO business operations and processes in place to:</p> <ul style="list-style-type: none"> Support introduction of cash as a form of credit support within existing prudential and settlement frameworks. Administer the cash security fund, including acceptance, holding, application and return of participant cash security. Apply and manage interest calculations on Cash Security in accordance with defined procedures. Incorporate Cash Security into prudential monitoring, assessment and financial risk management activities. Operate billing, settlement and payment processes incorporating Cash Security, including handling of returns, shortfalls and adjustments. Provide and maintain supporting documentation, including Cash Security Guidelines and updated prudential procedures. Support participants through operational processes without introducing new registration or accreditation requirement.
	<p>AEMO digital teams ready to:</p> <ul style="list-style-type: none"> Support operation of Cash Security across Markets Portal (Cash Dashboard) and EMMS systems. Support participant interactions and system functionality for provision, management and return of Cash Security.

CS November 2026 Release Go-live criteria

INITIATIVE:	Cash Security November 2026 Release <ul style="list-style-type: none">• Cash Security introduction of cash as a new form of credit support to improve flexibility and reduce barriers for market participants managing prudential obligations.
GO-LIVE CRITERIA	
PARTICIPANT READINESS	Participant readiness is not a dependency for go-live. <ul style="list-style-type: none">• Participant readiness is not a dependency for go-live, noting adoption is voluntary.• No mandatory participant system changes required to utilise Cash Security, however participants need to have access to and be familiar with the Cash Dashboard.• No accreditation activities are required to adopt Cash Security.• A new registration requirement will be consulted on in the coming months to ensure that the Austraclear account for a new applicant is correctly set up and operational. This is an existing registration process being brought forward in the overall registration process.• Existing participants are not required to complete any new registration activities to adopt Cash Security.
CONTINGENCY	Risk and contingency arrangements in place to: <ul style="list-style-type: none">• Monitor and manage risks, support fallback to existing credit support arrangements, and ensure operational and system issues are effectively resolved to enable safe go-live.