

Terms of Reference

NEM Reform Industry Testing Working Group

1 Mission

The [Energy Security Board's \(ESB\) National Electricity Market \(NEM\) 2025 reforms](#) (NEM Reform Program) seek to make changes required in the NEM as it transitions from a fleet of largely coal-fired generation to more variable renewable generation and into a modern energy system fit to meet consumers' evolving wants and needs.

A comprehensive reform program, each of the initiatives that make up the ESB's NEM 2025 reform package are at varying stages of development or implementation. AEMO, in partnership with the Reform Delivery Committee ('RDC', or 'the Committee'), has compiled the NEM Reform Implementation Roadmap¹ (the 'Roadmap') to establish a basis upon which to navigate the breadth of reforms over the coming few years, de-risking delivery and informing implementation timing.

AEMO will also work with NEM participants to mobilise and implement initiatives, including making procedural and system changes arising from these reforms, as part of an integrated implementation program.

The **objective** of the NEM Reform Industry Testing Working Group (ITWG) is to collaborate with participants and intending participants on matters relating to the planning, coordination and implementation of the NEM Reform Program to manage overall implementation risks, achieve least whole of system costs for implementation of reforms, and minimise duplicate processes for AEMO and stakeholders.

2 Scope

2.1 In Scope:

- The ITWG will provide advice on the testing of initiatives during periods where the initiative is available to the industry in Pre-Production for the implementation of NEM Reform initiatives including the approach to:
 - Recommendation of tests that may assist with participant confidence in changes being delivered,
 - Coordination of AEMO controlled outputs such as settlements runs,
 - Overview of initiatives being released.
- The ITWG will support any industry participant during the industry testing window and provide:

¹ [AEMO | NEM Reform Implementation Roadmap](#)

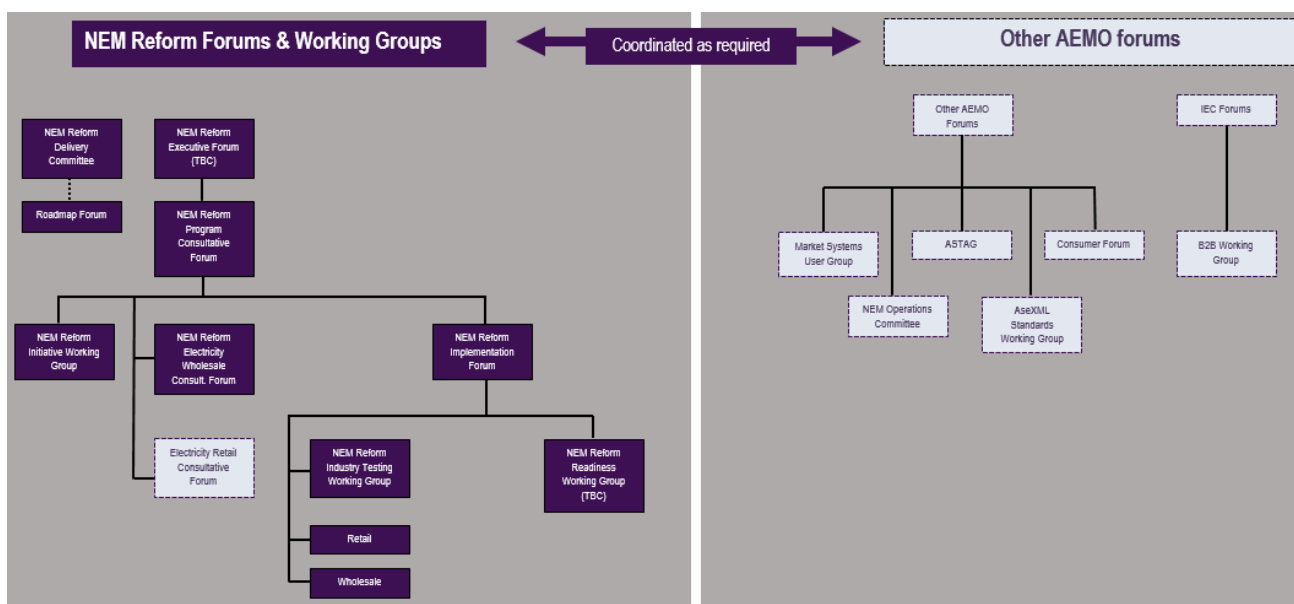
- Q&A sessions during industry test execution periods to support participant testing efforts,
- Updates on defects both open at time of deployment as well as defects identified during the industry testing period,
- On larger initiatives, when requested one on one sessions with participants to ensure they have an opportunity to ask and understand the initiative outside of a large forum.
- When large changes require more coordinated testing, AEMO will work with industry test participants to define appropriate scenarios:
 - Identify and pair participants to allow for end-to-end testing to be conducted,
 - Prepare and track progress of agreed scenarios,
 - Assist with data identification.

2.2 Out of scope

- The ITWG is not a decision-making body regarding AEMO’s internal program governance,
- The ITWG is not a consultative forum for policy development and design and rules development and consultations in this forum will not supplant any ongoing statutory consultation processes.

3 Governance

The ITWG will operate under the guidance of this Terms of Reference document. AEMO will provide support for the ITWG, including provision of meeting minutes, action items, and a register of key documents.



4 Participation

Participation in the ITWG is open to suitably qualified nominations from market participants impacted by the implementation of reforms. In the interests of facilitating effective discussions, each organisation may have

one primary member and one alternative member. An organisation’s membership can change, as appropriate, through the life of the program.

AEMO expect ITWG members to:

- Have a thorough understanding of the NEM and the reform initiatives under the NEM Reform Program,
- Have a detailed understanding of their own program’s timelines, deliverables and business impacts and how their program interfaces with AEMO’s program,
- Be prepared to participate in discussion and provide detailed responses to matters under discussion,
- Provide Forum outcomes back into their business.

5 Meetings

ITWG meetings will be conducted via videoconference, unless otherwise advised. The ITWG will meet monthly for approximate 1 hour duration.

To capture the program coordination benefits while using the time of participants and AEMO effectively, the meeting chair will balance the level of detail to be able to cover content, with agenda clearly laid out with timings and obligations on the chair to cover the ground effectively.

6 Administration

AEMO will prepare and distribute all meeting correspondence via email and manage the Program webpage.

AEMO will endeavour to provide stakeholders with:

- A draft agenda and relevant meeting papers five business days prior to the meeting,
- A meeting outcomes paper five business days after the meeting,
- AEMO will provide Chair, secretariat services and subject matter expert(s) for each meeting,
- Once approved, copies of the meeting papers will be published on the AEMO website.

7 Resourcing and expenses

AEMO will provide Chair and Secretariat services to the ITWG.

Any expense incurred as a result of attending meetings or activities associated with the ITWG are at the expense of the members or their employer.

8 Version control and contact details

Version	Effective date	Comments
0.1	8 March 2023	Draft
1.0	4 April 2023	Final

For more information on the NEM Reform Program please email NEMReform@aemo.com.au