

# Forum meeting record

Forum:	Program Consultative Forum (PCF)
Date:	12 July 2023
Time:	1:00PM - 3:00PM AEST
Location:	MS Teams

Kate Goatley	ActewAGL	David Woods	SA Power Networks
Mark Riley	AGL	Kambiz Vessali	Secure Meters
Anne McTernan	Arrow Energy	Damien Didier	Stanwell
Wayne Turner	Ausgrid	Tim Ashley	TasNetworks
Rohan Bhosale	AusNet Services	Chris Murphy	Telstra Energy
Dan Mascarenhas	Energy Australia	Paul Greenwood	Vector Metering
Joseph Giddings	Energy One	Andrew Bell	AEMO (Australian Energy Market Operator)
Scott Tammara	Energy Q	Anthony Cooke	AEMO
Alison Davidson	Essential Energy	Andrew Peart	AEMO
Ben Donnelly	Essential Energy	Blaine Miner	AEMO
Arun Sri	Gentrack	Chris Muffett	AEMO
Lewis Wand	Iberdrola	David Reynolds	AEMO
Dino Ou	IntelliHUB	Greg Minney	AEMO
David Murphy	Jemena	Karen Clarke	AEMO
Mustafa Elmi	Jemena	Lance Brooks	AEMO
Yvonne Tuckett	Origin Energy	Lenard Bayne	AEMO
Helen Vassos	PLUS ES	Meghan Bibby	AEMO
Inger Wills	Powercor	Oliver Derum	AEMO
Jordon Rigby	Red Energy	Paul Johnson	AEMO
Nick Gustafson	Red Energy	Peter Carruthers	AEMO
Sean Jennings	Red Energy	Ulrika Lindholm	AEMO

# **PCF Session Summary**

- AEMO Progressing the development of a NEM Reform program risk register with the purpose of covering key industry-wide risks.
- SAPS was successfully implemented on 19 June 2023.

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### **PCF Session Summary**

- AEMO advised during the session that although the IESS Aggregated Dispatch Conformance (ADC) August 2023 release remained green, the industry test milestone was amber due to the risk of a delayed start to industry testing. [NOTE: After the meeting, AEMO confirmed with affected participants that risk mitigations had been successful and industry testing commenced on time.]
- AEMO provided an update on Fast Frequency Response (FFR) advising the project remains amber due to delays with internal testing, however at this stage it is still expected to go live as scheduled.
- AEMO noted that the IESS June 2024 release remained red owing to the AEMO testing delivery approach. AEMO advised that it was replanning so that its SIT, UAT and Industry Test periods are suitable and also meet the rule commencement date.
- The Frequency Performance Payments (FPP) project remains on track and held an industry Impacts and timelines focus group on 30 June.
- AEMO outlined the approach to engagement on the transition strategy and business case for Foundational & Strategic initiatives.

# 1 Welcome & Agenda

Peter Carruthers (Slides 2-4)

- Chair welcomed members and guests to the meeting and gave an acknowledgement of country.
- Participants informed that the meeting will be recorded for the purpose of minute taking only.
- Chair outlined the meeting agenda and objectives.

## 2 Actions & Feedback from Previous Meeting

Peter Carruthers (Slides 5-6)

• Action items 8.6.0.1, 8.6.0.2 and 8.6.0.4 were closed. Item 8.6.0.3 was closed and would be discussed as part of agenda item 8.

# 3 Program & Release Update

David Reynolds (Slides 7-9)

- AEMO advised that SAPS was successfully implemented on 19 June 2023.
- It was noted that resource concerns continue to place pressure on some key project areas to maintain existing timelines. Further information can be found on slide 8 of the accompanying slide pack.
- AEMO advised that the IESS June 2024 release remains red due to delivery timelines not aligning
  with planned commencement of SIT, UAT and Industry Test start dates. AEMO added that replanning
  is underway with an update to be provided as part of agenda item 6 (refer to slide 31-42 of the
  accompanying slide pack).
- AEMO confirmed that the May release is now completed.
- An overview of the program was provided and is outlined on slide 8 and in addition, a snapshot of Level 1 & 2 milestones with key call outs listed on slide 9 of the accompanying slide pack.

## 4 Industry Risk Register

David Reynolds (Slides 10-14)

 AEMO advised that work is in progress with the development of a NEM Reform program risk register with the purpose of covering key industry-wide risks. This approach will provide participants with



visibility of key material risks associated with the delivery of the NEM Reform program. AEMO outlined below for participants the risk categories.

- o Volume of Regulatory Change
- o AEMO Delivery Program
- o Participant Development and Readiness
- AEMO intend to provide an update on risks associated with the program every three months.
- Further details on the Risk Register approach are available on slide 11 of the accompanying slide pack.
- AEMO discussed current risks with participants and are outlined on slides 12 14 of the accompanying slide pack.

Raised by	Question/Issue Raised	Response
Mark Riley - AGL	Can the readiness status of the WEM be included as part of the NEM Reform Risks updates?	Noted. AEMO will provide an update on WEM readiness as appropriate.
Yvonne Tuckett – Origin Energy	In terms of mitigating risk associated with the program, it would be good to refer and manage it via the RDC.	Noted. AEMO will add this mitigating action.
Mark Riley – AGL	There is a limited pool of resources for industry which is proving to be a risk for industry and not only for AEMO.	Noted. AEMO will include this consideration in the industry risk register.
Yvonne Tuckett – Origin Energy	In terms of planning, many initiatives have a similar plan structure with market trials occurring just before a Go-Live. There should be an opportunity in some cases to move things quite considerably to the left to provide participants with greater flexibility.	Noted. This can be considered as part of initiative planning.
Rohan Bhosale – AusNet Services	Would there be an opportunity for draft tech spec walkthrough sessions in advance to discuss and understand what the core technical requirements or changes would be required.	AEMO will look to update engagement approaches to incorporate earlier participant impact assessments to support earlier identification of participant updates and also scheduling of tech spec walkthroughs on release of draft specification
Helen Vassos – PLUS ES	Anything that's been fixed or moved, should be communicated immediately. This will assist impacted participants with their existing program of work.	Noted.



5 Discussions (Slides 15-29)

#### August 2023 IESS (ADC) Update

Luke Barlow (Slides 16-19)

- AEMO advised that the August 2023 release is amber due to a delay in commencing AEMO testing.
  In addition, management action has re-baselined the schedule to support industry test
  commencement. AEMO advised during the session that although the IESS Aggregated Dispatch
  Conformance (ADC) August 2023 release remained green, the industry test milestone was amber
  due to the risk of a delayed start to industry testing. [NOTE: After the meeting, AEMO confirmed with
  affected participants that risk mitigations had been successful and industry testing commenced on
  time.]
- AEMO noted that the draft Go-Live was published on 22 June with no feedback received from industry.
- ADC industry testing will commence on 14 July with bi-weekly Q&A sessions commencing on Thursday 13 July.
- Further details on the IESS ADC release milestones are available on slide19 of the accompanying slide pack.

#### Fast Frequency Response (FFR)

Chris Muffett (Slides 20-24)

- AEMO provided an update on FFR and advised that the initiative status remains amber due to delays
  with internal testing, however at this stage it is still expected to go live as scheduled. AEMO noted that
  the procedure consultation has been finalised.
- AEMO noted that eligible providers can now register for very fast FCAS on 9 August 2023 with market start anticipated to begin on 9 October 2023.
- Further information is available on slides 20 and 23 of the accompanying slide pack

#### Frequency Performance Payments (FPP)

Oliver Derum (Slides 25-29)

- It was noted that an FPP Participant Impacts and timelines focus group was held on 30 June with 13 participants attending, as well as members from AEC and AEMC.
- AEMO provided a list of artefacts and resources on slide 28 of the accompanying slide pack and invited written feedback by 14 July.
- Key discussions at the focus group were relayed to the PCF, including comments on the structure of the six-month non-financial operation period, the fact FPP can go-live without any essential updates on the part of participants.
- Dates for the provision of Data Model and Settlement tech specs were presented to the PCF for the first time, as shown on slide 26.



# 6 June 2024 IESS Update

(Slides 32-35)

#### Integrating Energy Storage Systems (IESS)

Luke Barlow (Slides 33-35)

- AEMO provided an update on IESS June 2024 release and advised that the overall status as red with key areas outlined on slide 33 of the accompanying slide pack.
- AEMO noted that the project is at risk and is driven by internal development and testing timeframes
  with a need for additional or earlier participant readiness support. AEMO in the phase of replanning to
  reduce further risk.

#### **IESS Settlements**

- AEMO outlined the changes associated with the IESS settlement component and outlined the forward approach. AEMO will be facilitating an IESS Settlement information session on Wednesday 19 July.
- Further information is outlined on slides 36-38 of the accompanying slide pack.

#### **BDU**

- AEMO outlined the changes associated with the IESS BDU changes and outlined the forward approach. AEMO will be facilitating an IESS BDU information session on Monday 24 July.
- Further information is outlined on slides 39-42 of the accompanying slide pack.

Raised by	Question/Issue Raised	Response
Damien Didier – Stanwell	When replanning, will AEMO prioritise the Non- energy cost recovery change over the BDU/IRP change, or the other way around? What is the prioritisation approach?	AEMO will prioritise elements of the IESS release in consultation with stakeholders through the PCF and implementation forum.

7 Noting (Slides 43-52)

- AEMO provided the following noting items and were considered read.
  - October 2023 MT PASA (Refer to slides 44-46)
  - o October 2023 5MLP (Refer to slides 47-49)
  - o November 2023 CDR, Metering Exemptions (Refer to slides 50-52)

## 8 Foundational & Strategic Initiatives

Andrew Bell & Ulrika Lindholm (Slides 53-61)

- AEMO provided a response to feedback on the engagement schedule on transition strategy and business case. Further information is outlined on slides 56-57 of the accompanying slide pack.
- AEMO outlined the industry governance process for foundational & strategic initiatives.

Raised by	Question/Issue Raised	Response
Chris Murphy – Telstra Energy	Would AEMO consider an iterative business case approach; initial business case to consider case for change, second business case to understand whether benefits outweigh costs.	Noted for consideration.



Raised by	Question/Issue Raised	Response
Mark Riley – AGL	Current consultation schedule possible too tight timewise for briefing participant Execs on Business Case ahead of Executive Forum	Noted for consideration.

## 9 NEM Reform Forums Update

(Slides 62-63)

• Not discussed and was considered read (Refer to slides 62-63).

## 10 NEM Reform Implementation Roadmap Update

(Slides 64-67)

• Not discussed and was considered read (Refer to slides 64-67).

# 11 Upcoming engagements

(Slides 68-69)

• Not discussed and was considered read (Refer to slides 68-69).

#### Fee Consultation Update

(Slides 70-71)

Not discussed and was considered read (Refer to slides 70-71).

# 12 General Questions and Other business

Peter Carruthers (Slide 72)

• Queries and feedback may be sent to <a href="MEMReform@aemo.com.au">NEMReform@aemo.com.au</a>.

#### **OPEN ACTION ITEMS**

(Ref: Item = Meeting number/Agenda item number/Ref) Topic Action Responsible **Status** Industry Risk Participants to provide their initial feedback on the AEMO 9.4.0.1 Open Industry Risk Register approach by emailing Register NEMReform@aemo.com.au. AEMO to update industry risk descriptions to better 9.4.0.2 Industry Risk **AEMO** Open Register reflect participant risks

## **CLOSED ACTION ITEMS**

#	Meeting number/Agenda Topic	Action	Responsible	Status
8.6.0.1	Foundational & Strategic Initiatives	PCF members to give feedback on preferred approach to forming industry consensus on the business case by COB 21 June to <a href="MEMReform@aemo.com.au">MEMReform@aemo.com.au</a> .	Participants	Closed
8.6.0.2	Foundational & Strategic Initiatives	AEMO to consider providing earlier visibility of workshop contents to facilitate resource allocation for participants.	AEMO	Closed
8.6.0.3	Foundational & Strategic Initiatives	AEMO to engage with interested participants on supplementing modelling of estimates for the business case with specific estimates.	AEMO	Closed



8.6.0.4	Foundational &	AEMO to confirm that rescheduling of calendar	AEMO	Closed
	Strategic	invites was completed, and re-issue invite to Red		
	Initiatives	Energy.		