

POWER OF CHOICE – MARKET READINESS

PARTICIPANT INFORMATION SESSIONS 3 & 4

24 March 2017 (10 AM to 1 PM)

PRESENTED BY AEMO



Teleconference

- Toll free: 1800 055 132
- Meeting ID: 345 694 50

Webinar (screen sharing)

- [Click here](#) to connect to GoToWebinar.
 - Or type the following into your web browser:
`https://attendee.gotowebinar.com/register/538669819492393987`
 - Please note as there is no audio in webinar, you should use the teleconference facility for audio.

ABOUT THESE INFORMATION SESSIONS



Participant Information Session	Date
Consolidated Session: 1. Overview of POC Rule Changes 2. Overview of POC Procedural Changes: <ul style="list-style-type: none">• Competition in Metering / Meter Replacement Process	28 Nov 2016
3. Overview of Work Package 2 Procedural Changes	24 Mar 2017
4. Overview of B2B Procedural Changes	
5. Overview of Qualification, Accreditation and Registration Processes	26 Apr 2017
6. Overview of AEMO Industry Testing Process	July 2017

- AEMO held a Market Readiness information session for POC Package 1 on the 28th November 2016, refer to the slides from that meeting to get more details about Package 1.
- Consultation for Package 2 commenced on 10 October 2016.
- AEMO published the draft determination for WP2 on 13th December 2016, and the final determination for WP2 on 28th February 2017.
- All package 2 consultation material including the Final Report and Determination and the final versions of package 2 Procedures can be found at the following link:

<http://www.aemo.com.au/Stakeholder-Consultation/Consultations/Power-of-Choice---AEMO-Procedure-Changes-Package-2>

OVERVIEW OF “POWER OF CHOICE” PROCEDURAL CHANGES (WORK PACKAGE 2)



RETAIL ELECTRICITY MARKET PROCEDURES: GLOSSARY & FRAMEWORK



- A new document that was developed in Package 1 and updated in Package 2:
 - Outlines the overall framework for the Retail Electricity Market Procedures.
 - How the Retail Electricity Market Procedures operate under the NER.
 - Contains a glossary of defined terms used for all the Procedures.
- Glossary & Framework forms part of all the procedures, and is amended each time a Procedure requires amendment (i.e., in accordance with the NER consultation process for changing procedures).
- Glossary and Framework contains a list of all AEMO Procedures under Chapter 7 of the NER, and replaces its predecessor document:
 - List of NEM Procedures, Guidelines and Documents required by Chapter 7.
- ❖ Participants should refer to the Glossary and Framework when interpreting defined terms used in the Procedures.

QUALIFICATION PROCEDURE (MP, MDP AND ENM)



Procedure Changes

- This is a new procedure to replace the previous
 - Metering Service Provider Accreditation Procedure.
- It sets out the process by which AEMO accredits and registers MPs, MDPs and ENMs.
- At a high level, the key features in this new procedure include:
 - Recommended pre-reading material for each type of service provider and information on initial pre-application meetings.

QUALIFICATION PROCEDURE (MP, MDP AND ENM)



Procedure Changes

- The qualification process, which includes:
 - Information on available accreditation categories and checklists.
 - AEMO's review process, which includes independent on-site risk-based reviews.
 - AEMO's policy on the prioritisation of applications.
 - System testing requirements.
 - The application form.
- Clarification that maintenance of accreditation and re-accreditation is subject to the same requirements.

QUALIFICATION PROCEDURE (MP, MDP AND ENM)



Participant Impacts:

- Existing Service Providers

- The new Qualification Procedure does not affect Service Providers' existing accreditations.
- The new Qualification Procedure and Accreditation Checklists will apply where changes within Service Providers' organisations result in the need for re-accreditation.

- Application Fees

- Application fees apply to all applicants (for new accreditations and re-accreditations)
- Application fees comprises:
 - Non-refundable deposit:

ENM	\$2,000.00
MP	\$5,000.00
MDP	\$5,000.00

QUALIFICATION PROCEDURE (MP, MDP AND ENM)



Participant Impacts:

- Application Fees (cont.)
 - Application fees comprises (cont.):
 - Incremental charge based on hours taken by AEMO
 - All disbursements
- Queuing Policy
 - Check for completeness and placement in the queue
 - Ensure application form is completed with supporting documents and application fee.
 - Assessment process
 - Quality of responses assessed
 - Applicants may be required to submit additional information by a given time
 - Applications may be placed at the back of the queue if requests for additional information are not responded to in a timely manner.

QUALIFICATION PROCEDURE (MP, MDP AND ENM)



Participant Impacts:

- Accreditation Checklists
 - General checklist applies to all applicants
 - MP, MDP and ENM checklists apply to respective applicants
 - Questions on MP, MDP and ENM checklists follow the requirements of the relevant Service Level Procedure.
- The Qualifications Procedure and Accreditation Checklists are effective from 1 March 2017, and can be found at the following link:
<http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Retail-and-metering/Metering-procedures-guidelines-and-processes>

EXEMPTION PROCEDURE FOR METERING INSTALLATION MALFUNCTIONS



Procedure changes:

- This is a new procedure that will replace the current Exemption Procedure.
- It sets out the process by which a Current MC may apply for an exemption from complying with clause 7.8.10(a), which has strict time limits for the rectification of a metering installation malfunction.
- At a high level, the key features are as follows:
 - Current MC's obligation to apply for an exemption as soon as it becomes aware of the metering installation malfunction.
 - Matters AEMO takes into consideration when assessing an application.
 - Different grounds on which an exemption may be granted.
 - Current MC's obligations during the exemption period.
 - Different scenarios in which an exemption may expire.
 - Required contents of the rectification plan.
 - The application forms.

EXEMPTION PROCEDURE FOR METERING INSTALLATION MALFUNCTIONS



Participant Impacts:

- Exemptions for Metering Register Discrepancy and Overall Accuracy of Metering Installation are no longer part of the Exemption Procedure document. Participants will be required to discuss with AEMO about these exemptions separately.
- To ensure their applications are successful, participants' business processes will need to take into account the matters AEMO may take into consideration detailed in the procedure and where applicable, the content of the rectification plan.
- Participants' business processes will need to include the obligations of the MC during the exemption period, including communications with AEMO and affected parties.

Procedure Changes:

- This is a new procedure that will replace the current Service Provider Compliance Assessment and Deregistration Procedure.
- It details how AEMO will address the failure of an MP, MDP, ENM or MC to comply with the NER or any applicable procedures under the NER, or a failure to meet a condition of accreditation.
- At a high level, the procedure includes:
 - Details of three proposed levels of breach.
 - Matters AEMO may take into consideration while conducting a review which include; remediation plans, past conduct and other relevant considerations.

Procedure Changes:

- AEMO's actions following a review for each of the breach levels for the different roles.

- Consequences of AEMO actions such as de-registration and re-appointments of relevant parties.

- Sample notices for:
 - Notice of Breach
 - Metering Coordinator Default Notice
 - Notice to Appointers
 - Outcome of Review notice
 - Notice of Affected Parties

Participant Impacts:

- Participants' business processes will need to cater for the new default process which includes a new method for determining different levels of breach.

NEM METERING COORDINATOR REGISTRATION GUIDE



- This is a new document which accompanies:
 - Application for Registration as Initial Metering Coordinator
 - Application for Registration as a Metering Coordinator
- It summarises the process to be used by AEMO in registering an applicant as a Metering Coordinator. At a high level, the document includes:
 - Details of transitional requirements
 - Registration fees
 - Registration procedure
 - Explanation of the application form
- The NEM Metering Coordinator Registration Applications and Guideline are effective from 1 March 2017, and can be found at the following link:
<http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Participant-information/New-participants/Application-forms-and-supporting-documentation>

Procedure Changes

- Process for NMI allocation by AEMO to ENMs:
 - Blocks of available NMIs are allocated and reserved for ENMs by AEMO.
 - An ENM must apply to AEMO for a NMI prior to assuming responsibility for a child connection point. AEMO will issue a NMI to the ENM for that child connection point.
- Issue of NMIs by ENMs for Types 1-6 Metering Installations:
 - For each new child connection point the FRMP must apply to the relevant ENM for a NMI prior to assuming responsibility for the child connection point, and the ENM must issue a NMI to the FRMP for that child connection point as provided by AEMO.
- Added NMI rules for extinction of NMIs when it moves between LNSP network and embedded network
- Procedure is amended to create a hierarchy of rules, to clarify the conditions that require a NMI to be made extinct and those that do not allow for an extinction of the NMI

Participant Impacts

- Participants' business processes and systems need to accommodate the following:
 - Allocation and issues of NMIs to ENMs
 - NMI extinction when it moves from LNSP network to embedded network and vice versa

Procedure Changes

- This is a new procedure that is made in accordance with clause 7.16.6A of the NER.
- The procedure provides the following information:
 - List of Embedded Network Management Services to be provided by the ENM
 - The use of sub contractors by the ENM
 - Insurance required by the ENM
 - System and interface requirements that must be established and maintained by the ENM
 - Embedded Network Information that must be maintained by the ENM
 - Audits undertaken by AEMO
 - Disputes resolution
 - Delivery of information upon deregistration of ENM
 - Market interface functions performed by the ENM:
 - NMI allocation
 - Distribution Loss Factors and Transmission Node Identity
 - MSATS Setup

Participant Impacts

- Participants' business processes and systems need to accommodate the following:
 - ENM Obligations
 - Embedded network management services provided by the ENM
 - Market interface functions performed by the ENM
 - MSATS setup and functions performed by the ENM

- **Unmetered load guideline**

- This is a supplementary document that forms part of the Metrology Procedures: Part B
- The document has undergone minimal changes in package 2 to accommodate the retail electricity market procedures framework

- **Guide to Embedded Network**

- The guide is developed to be a central point that directs people to all documents they need to look at in relation to Embedded Network.
- The guide does not repeat contents in other documents, for example it points to the following EN related documents:
 - AER network exemption and selling guidelines
 - MSATS procedure
 - ENM SLP procedure
 - Qualification procedure
 - ENM accreditation checklist.

- **NEM Accredited Embedded Network Managers**

- This is a document that contains a list of accredited ENMs and their contact details, it gets updated regularly by AEMO with newly accredited ENMs
- The NEM Accredited Embedded Network Managers is effective from 1 March 2017 and can be found at the following link:

<http://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Retail-and-metering/Metering-procedures-guidelines-and-processes>