



INFORMATION EXCHANGE COMMITTEE

SUBJECT: B2B Procedure Drafting Directive

DATE: 16 November 2016

1. PURPOSE

The Information Exchange Committee (IEC) has resolved to direct the B2B Working Group and AEMO on the inclusion of obligations and jurisdictional references in the B2B Procedures that fall outside of the content prescribed by 7.17.3 of the National Electricity Rules.

2. BACKGROUND

The B2B Procedures currently include requirements for the content, format, delivery and timing for B2B communications between retailers and distributors.

The AEMC's final rule on Updating the Electricity B2B Framework (released on 30 June 2016), provides for different types of services that will be available through advanced meters and the wider range of participants that may wish to communicate with each other regarding these services.

The new rule will come into effect on 1 December 2017. To give effect to this rule, the Information Exchange Committee (IEC) is required to make recommendations to AEMO on the changes to the B2B Procedures by 1 May 2017 (at the latest).

The IEC has recently received legal advice on its jurisdiction (refer to enclosed attachment), and more specifically, the contents of the draft updated B2B Procedures.

3. RESOLUTION

The IEC determines that, while the B2B Procedures should include only material that is within its jurisdiction (as guided by the rules including the B2B principles and factors), additional material may be included in the B2B Procedures as 'guidance notes' on the following basis:

1. Each 'guidance note' should be clearly identified as not enforceable as a B2B Procedure.
2. Where 'guidance notes re-state a jurisdictional or other legal requirement, the source should be referenced appropriately.
3. AEMO Legal will recommend redrafts of the B2B Procedures to soften or remove inappropriate obligations as appropriate.

The IEC recognised that the inclusion of this additional material is solely for the purposes of assisting participants to understand their related legal obligations or industry accepted business practices.

For clarity:

- The B2B Working Group, with the assistance of AEMO, will be responsible for detailing the source of each rule or other legal obligation that will be redrafted as a 'Guidance Notes' and providing that information to AEMO in a timely manner.
- The B2B Working Group will review and recommend the B2B Procedures to the IEC as ready for publication. In so doing, the IEC expects the B2B Working Group in reviewing the procedures to provide its technical input and comment on whether AEMO's legal drafting changes reflect the direction given by this document rather than attempt to undertake legal drafting themselves.
- Within this context, the B2B Working Group is to advise the IEC by December 2016 whether there is value in also developing a guide alongside the B2B procedures.

Attached are some examples of alternative drafting suggested by AEMO Legal to address the IEC's concerns over jurisdictional matters and a sample of what a 'Guidance Note' will look like.

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ATTACHMENTS (INCLUDED)
1. B2B PROCEDURE DRAFTING EXAMPLES
2. LEGAL ADVICE – SCOPE OF B2B PROCEDURES