MEMORANDUM

DATE:	4 NOVEMBER 2015
TO:	IEC
FROM:	AEMO – REGULATORY CHANGE
SUBJECT:	Update on Meter Competition discussions held to date (based on the draft determination) and summary of potential B2B matters raised by attendees which will need to be validated once the final determination is released post 26th November 2015

To: The Chairpersons of the IEC

Purpose of workshops #1, #2 and #3

The purpose of the workshops held to-date has to been to work through key retail market processes, role mapping and supporting documentation based on the draft determination in preparation for the delivery of the final determination for competition in metering rule change.

Issues/Questions Register

From the workshop discussions, the aim has also been to identify key issues and areas requiring further clarification and actions as captured in the POC Issues/Question register. The issues/question register will continue to be a standing agenda item for workshops moving forward. AEMO is capturing feedback/questions raised by industry and has requested feedback on issues/questions captured to-date based on the draft rule.
It is important to note that once the final rule is released some issues may be addressed in the final determination and may be able to be closed.

Any feedback or new issues are invited, and are to be sent to PoC@aemo.com.au on an ongoing basis.

Columns in the Issues Log have been created to identify potential items that may need to be referred to the IEC. Some items also raised to date are related to potential business readiness and transitional issues which will require further discussion post the final rule and post the detailed design phase.

R Owens (AEMC) was present at the last workshop held on the 22nd October and contributed to the discussion on the issues register and role mapping. As a result of having AEMC present at the meeting, the AEMC were able to provide related information in regards to the intent of the draft rule when discussing several of the issue items and also by providing insight into anticipated changes being considered to the final rule. It was noted that their presence and participation was valuable.

Workshop attendees collectively agreed during the workshop sessions on key areas and topics where there was seen to be some benefit in a having a high level discussion to draw out possible changes, issues, options, questions prior to the final rule determination being released.

Items captured to-date on the issues register (based on the draft determination) as having a potential B2B impact include;

- The role of the Metering Coordinator (MC), in particular how the MC will operates and will engage with other roles (e.g. commercial)
- Services from the minimum services specification, in particular remote re-energisations and de-energisations
- Related processes for new connections
- How life support information will be managed

1. Notification of De-energisation and Re-Energisation

- Draft Rule advises that the retailer must advise the network where the retailer is going to remotely disconnect/re-connect (note that this is a new obligation) and the network must advise the retailer.
- Participants in the workshops identified that there may be some potential B2B requirements here
- It was identified that this could be implemented with existing B2B (or modification) or under SMP.
- It has been suggested to consider if there is a requirement for;
    - New service order type,
    - New service order rejection codes
    - New Validation requirements

- Further suggestions that were raised for investigation post the final MC rule determination and for confirmation if they will rather be addressed as part of SMP include:

    - Multi party transactions where all parties are notified of remote re-en or de-en services when they are requested and when they are completed.

      The existing B2B Procedures covers requirements for non-contestable services (type 5 and 6 meters) between retailers and networks, however it is important to note that if commercially agreed between parties the existing B2B E-Hub could potentially be used by other roles, other meter types and for other purposes as already suggested in the existing B2B Procedures.

    - Validation requirements –what role (if any) will the network have with validating notifications moving forward (e.g. if retailer sends a remote disconnection to the MC) versus when the service provider accepts the service request to undertake the work.

- This will only be possible to make a decision of the way forward post MC final determination, and once the requirement for the SMP are better understood.

2. Life support

- Management of life support information in the increasingly competitive environment was identified as a key issue / risk by participants.
- There was an initial view / expectation that the MC would be the source of life support information, but the draft determination confirms that the obligation to maintain this information would remain with the distributor and the retailer and the liabilities remain with the retailer and network. AEMC also confirmed this.
- It was discussed that retailers and networks may however chose to commercially agree to notify the MC of a life support situation to mitigate any associated risks and how they may choose to do this is may vary depending on their commercial agreement.
- There is a new obligation on the distributor to notify retailer in the event of a life support situation where the customer may approach the network directly.
- The working group identified this as having potential for some B2B requirements to support the obligations.
- The draft determination has not included any B2B changes to support this.
- AEMC clarified that only "deemed" MCs will be obligated to use B2B (i.e. current type 5 and 6 RPs).

- This will only be possible to make a decision of the way forward post MC final determination, and once the requirement for the SMP are better understood.

3. Supply Interruptions (planned interruptions)

- The key issue explored in the working groups was an analysis of who needs to advise who in the case of a planned interruption.
- It was identified that this also impacts Life support and meter churn.
    - It was suggested that a one-way notification used by existing B2B today (similar to use by VIC AMI) could be used
- The draft NERR mentions that the retailer and DNSP must notify each other of:
    - re-energisation/de-energisation,
    - the reason for the action; and
    - how it is performed (remotely or manually)
- The draft rule doesn't clarify when the notification should occur - it requires “as soon as practicable”, there is different views between participants on the actual timing for this.
- When considering when notifications should occur, it is recommended that an approach is agreed between participants to confirm what the source of truth would be.
- It will only be possible to make a decision of the way forward post MC final determination, and once the requirement for the SMP are better understood.

4. Access to data for MC’s

- A review is required to confirm what obligations will be placed on the MC for data security and access to data and how this will be managed

- It will only be possible to make a decision of the way forward post MC final determination, and once the requirement for the SMP are better understood.

5. New connections processes

- Creation of NMI and how the involvement of the MC works, or if any involvement of the MC is needed.
- Participants suggested that once the DNSP issues the unique NMI for new connection then the FRMP or MC should obtain the NMI immediately to use it in coordinating the connection work between the DNSP, REC, and the service providers.
- A suggestion was to use Allocate NMI B2B service order, as the service order response is sent immediately after the NMI is created and contains the NMI details. However, it was also noted that with the new connection B2B service order the response is not sent until the new connection work is completed
- It was also suggested that it might be more logical to use the Allocate NMI B2B service order instead of the new connection B2B service order for all new connection requests, as the DNSP will not be performing all the connection work including the Meter installation as previously occurred. There is a suggestion that it is more logical for retailer/MC to use Allocate NMI to obtain the NMI from the DNSP then coordinate the connection work with the other service providers once the NMI is obtained.

- It will only be possible to make a decision of the way forward post MC final determination, and once the requirement for the SMP are better understood.

6. The way forward

The issues above have all been raised in discussions to-date during workshops and have been logged in the issues register and the intention is to feedback questions and recommendations to the IEC for consideration and decision (where required) post the final rule change.

The way forward (based on our understanding of the Draft rule and imminent Final rule):

- Current B2B arrangements defined in the IEC governed B2B procedures are only mandated for type 5 and 6 (regulated) metering installations
- The AEMC have advised that the Final rule for MC will not be changing this position, and it will not be mandated for MC's to utilise B2B E-hub communications as part of the metering completion rule change.
- New / modified B2B arrangements to support the services defined in the draft Rule will be defined in the anticipated SMP rule change proposal.
- Current B2B arrangements can be used for type 1 – 4 services as arranged between participants on a commercial basis
- AEMC have indicated based on the SMP advice paper that SMP will not be mandated, participants may consider to commercially agree to utilise alternate forms of communication mechanisms they choose based on commercial arrangements

- The resolution of the issues currently being raised by industry participants can only be resolved once the Final Determinations for the MC and SMP rule changes are known.
- AEMO are looking to schedule a two day workshop post the AEMC final determination in December to go through the detailed requirements, this will be critical to set the baseline of the changes. AEMC have indicated they will be attending. Dates are being confirmed and will be communicated as soon as possible.
- The POC Issues Register will continue to be updated throughout the program B2B Matters will continue to be feedback the IEC.