DECEMBER/JANUARY 2017 READINESS REPORT

Summary:

- Overall rating of "within schedule" with a "medium" risk rating
- Risks relate to timing and scope of B2B procedure changes and subsequent impacts on:
  - Business processes.
  - System development, build and testing, compressed timeframes for Industry Testing highlighted.
  - Registration and accreditation.
    - Readiness working group process commencing in Feb 17 will seek to address these risks
- "Medium" to "high" risk rating highlighted in Victoria due to ongoing uncertainty associated with:
  - The Victorian Government Transition to Metering Competition in Victoria decision timing in March 2017
  - VICAMI meter type classification
    - Industry actively engaging with Vic Govt. on these issues, March 17 remains on track
- Program progress approximately 20%
  - *Note that progress scale reduced from increments of 25% to 10% in December/January report from trial report in November 2016 to provide further clarity.*

Number of submissions:

- 27 reports received in total representing the following participant roles:
  - 12 retailers
  - 13 distribution businesses (includes initial MC, MP and MDP)
  - 3 metering companies (MPD, MP)
  - 5 metering coordinators (MC)
  - 2 embedded network manager (ENM)
- In the November 2016 trial run 25 reports were received.
  - ➢ *Note that organisations can nominate for multiple roles and participants can submit combined reports (i.e. one report for two distribution businesses)*

AEMO Power of Choice Implementation Program
Monthly Readiness Report   **Monday, 16 January 2017**

AEMO — AUSTRALIAN ENERGY MARKET OPERATOR

Overall Status	Summary	Risk Rating	# Open Risks - Rating:			Issues:
	Overall AEMO and the majority of participants are on schedule to meet the program deliverables. However the risk rating of the program overall is Medium, due to schedule constraints associated with the scope and timing of the B2B Procedure development and subsequent compressed timeframes system development and testing. A Medium to High risk rating has also been highlighted in Victoria due to ongoing uncertainty associated with the Victorian Government Transition to Metering Competition in Victoria decision timing in March 2017.		High	Med	Low	#
			1	4	2	0

AEMO and NEM Participants Readiness Criteria

#	Category	Criterion	AEMO Status	Note	Retailers Status	Note	Distributors Status	Note	MP and MDP Status	Note	Metering Coordinator Status	Note	Embedded Networks (ENM, ENO) Status	Note	Third party e-hub Status	Note
1. Assessment and preparation																
1.1	Assessment and preparation	Consequences of the POC reforms for your business considered, and appropriate implementation plans are in place	◕		◔		◕		◐		◐		◔			
1.2		Key readiness planning documents delivered	◔													
2. Legal, regulatory, contractual and policy																
2.1	Legal, regulatory, contractual and policy	Updated retail electricity market procedures and associated documents published	◕													
2.2		Internal policies updated for consistency with regulatory changes including jurisdictional regulations and requirements (e.g. safety)			◔		◔	#1	◔		◔		○			
2.3		Operationally critical commercial contracts in place			◕		○		◕		◕		○			
2.4		Accreditation and registration activities completed	◔		○		○		◕		◕		○			
3. People																
3.1	People	Operational roles specified, assigned to staff, and training delivered	◕		◕		◕		◕		◕		○			
4. Business processes																
4.1	Business processes	Updated, validated and approved business processes in place	◕		◕		◕		◕		◕		○			
4.2		Successfully validated critical business processes during industry testing	○		○		○		○		○		○			
4.3		Process work-arounds in place for any issues identified during industry testing	○		○		○		○		○		○			
5. Market systems																
5.1	Market systems	Delivery of the re-developed B2B e-hub for industry testing	◕													
5.2		Successfully tested market systems capable of being moved into production	◕		◕		◔	#2	◕		◕		◕			
5.3		Performance of, and communication between, market systems validated during industry testing	○		○		○	#3	○		○		○			
6. Transition planning																
6.1	Transition planning	Transition and cutover plan(s) in place	○		○		○		○		○		○			
6.2		Prerequisite transition and cutover processes completed (e.g. trial data conversions and cutover dress rehearsals)	○		○		○		○		○		○			

Jurisdictional Status

Jurisdiction	Comments	AEMO Status	Risk	Retailers Status	Risk	Distributors Status	Risk	MP and MDP Status	Risk	Metering Coordinator Status	Risk	Embedded Networks (ENM, ENO) Status	Risk	Third party e-hub Status	Risk
ACT	Jurisdicational risk is a reflection of overall project risk.	◔	amber	◔	amber	◔		◔	amber	◔	amber	○	amber		
NSW	Jurisdicational risk is a reflection of overall project risk.	◕	amber	◔	amber	◔	amber	◕		◔		○			
QLD	Jurisdicational risk is a reflection of overall project risk.	◕		◔		◕		◕		◕		○			
SA	Jurisdicational risk is a reflection of overall project risk.	◕		◔		◕		◕		◕		○			
TAS	Jurisdicational risk is a reflection of overall project risk.	◕	amber	◔	amber	◔	amber	◕		◕					
VIC	Jurisdicational risk is a reflection of overall project risk, with additional risk noted due to the uncertainty associated with the Victorian Government Transition to Metering Competition in Victoria decision timing in March 2017, and the treatment of VICAMI meters.	◕	amber	◔	amber	◔	red	◕	amber	◔	amber	○	amber		

Variances

Note #	Explanation of Variance	Mitigating Actions
1	The assessment of legal and regulatory frameworks cannot be completed until the Victorian government decision is made (expected around March 2017).	Continued engagement with Victorian Government and the ESC/ECS.
2	Business processes in certain areas are dependent on, or heavily impacted by, the B2B procedures. These processes cannot be fully designed until procedures are published in Mar 2017.	Business process design is continuing based on draft material. This involves risk of re-work and wasted effort if the final B2B procedures differ from the drafts.
3	System design is dependent on B2B procedures and the scope of changes to be delivered is greater than anticipated and delivery timeframes are highly compressed.	As with business design - system design is being progressed based on draft material. This involves risk of re-work and wasted effort if the final B2B procedures differ from the drafts.

Notes

Key - Progress and Status

Progress				Status	
Harvey balls represent progress towards achieving the criterion				*Colour indicates the readiness status*	
~0%		~50%		Criterion is within agreed schedule and deliverable requirements	🟢
~10%		~60%		Criterion is at risk of not meeting requirements and corrective action may be required	🟡
~20%		~70%		Criterion not meeting requirements. Immediate corrective action required	🔴
~30%		~80%			
~40%		~90%		Criterion has been achieved	✔️

Key - Risk Rating

Rating	
High	🟩
Medium	🟨
Low	🟥

See POC Industry Risk Register for open risks and issues:

POC Industry Register