15 November 2016

Via email: poc@aemo.com.au

To: The Australian Energy Market Operator (AEMO)

Re: **NER Consultation - POC Procedure Changes Package 2**

Energy Intelligence is writing in relation to the above consultation. We appreciate the opportunity to provide feedback on the draft Issues Paper.

About Us

Energy Intelligence are an energy management consultancy based in Melbourne. A core part of our services is the implementation and management of embedded networks throughout the NEM. Our clients are typically landlords of multi-tenant shopping centres. We have assisted in the creation and implementation of over 80 embedded networks.

Summary

Energy Intelligence welcomes the opportunity to provide comment on *Consultation Paper – Power of Choice Procedure Changes (Package 2)*, which is the first stage of consultation on 'Package 2' which was released by AEMO on 10 October 2016. There are a number of key points we wish to raise in the Consultation paper and the relevant procedure changes.

The following are the key focus area for this submission;

- *Service Level Procedure (New)*
- *Qualification Procedure (New)*

Energy Intelligence acknowledges that this is the first stage of consultation on 'Package 2', however we note AER has not finalised their Network Service Provider Registration Exemption Guideline following a recent consultation process – further amendments to the these procedures may be required once the final Guideline is released.

We strongly believe that the whole setup/procedure is designed with existing participants in mind in relation to overall cost, audits and other requirements.

Below are the issues/concerns that we request further consideration from AEMO;

Qualification procedure

- We note that ENMs have a single category for accreditation and registration, however, the accreditation checklists for ENMs are not currently available [3.2 Accreditation checklists]
- We are concerned that the proposed ENM accreditation fee is very high given the relatively small customer base [3.3 Application fees]
- AEMO requires that the applicant's IT systems and processes are ready to interact with AEMO's systems safely and securely and to deliver data in the appropriate formats and timeframes after accreditation and registration [3.6.1. General]. Due to the smaller customer numbers that ENMs are likely to manage, we suggest AEMO should consider a web portal/interface suitable for ENMs to enter all the required data. The interface should also have functionalities to convert and send/receive files to MASATs and other systems in the appropriate formats.
- The nature of the systems and processes may set a high barrier for entry in relation to costs, for a new applicant.
- AEMO has not provided any time limit that it may typically take in the process of ENM accreditation , leaving an uncertainty and burden on the applicants [3.9.1 AEMO Accredits and Registers Applicant]

Service Level Procedure

- We are unclear of the proposal for an ENM to maintain and manage relevant EN wiring information and meter arrangements [2.1 (k) Embedded Network Management Services] . The type of EN wiring and meter arrangements should be clearly stated. In some scenarios this information may not be available to the ENM (Eg. Single line diagrams), hence it should not be a mandatory requirement for ENMs to maintain this information.
- The provision of any documents, plans or other information required to be kept by the ENM (information), regardless of form, and provided by ENM to AEMO or any other person could potentially raise security concerns (Eg., customer information) [3.1 Systems and Interface Requirements]
- We consider the proposed auditing requirements excessive consider the small number of customers ENMs are likely to manage. This has a significant impact in terms of cost and time for the entry/small participants [3.3.2 Timing of Audits]
- We have fundamental concerns that AEMO may undertake audits at any time upon a request from a registered participant. AEMO should clearly state the circumstances under which a registered participant could request for an audit. [3.4 Other Audits]

We welcome any opportunity to discuss these matters with you directly.

Kind Regards,

Sulochana Jean Yves

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Energy Intelligence Pty Ltd