

## B2B Procedures v3.8

- Customer and Site Details (version change)
- Service Order (procedure changes)
- Meter Data (version change)
- One Way Notification (procedure changes)
- Technical Delivery Specification (procedure changes)
- B2B Guide (document changes)

## CONSULTATION – First Stage

## CONSULTATION PARTICIPANT RESPONSE TEMPLATE

*Participant: Red Energy and Lumo Energy*

*Completion Date: 11/04/2022*

# 1. Issues Paper Questions

| Topic  | Question   | Comments  |
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| <p>2.1<br/>Enhanced<br/>Coincident<br/>Service Order<br/>Logic using<br/>Single Notified<br/>Party or Two<br/>Service Orders</p> | <p>Question 1: What is your preferred solution, Option 1a or Option 1b, and why?</p> | <p>Red Energy and Lumo Energy (Red &amp; Lumo) continue to strongly support option 1a as the preferable solution for the management of coincidental service orders - the use of single Notified Party (NP).</p> <p>There are already existing Procedures and processes to encompass Option 1a, in fact it has already been catered for. Enhancing this process to manage all coincidental re-en/de-en service orders is one of the scenarios envisaged during the creation of NPs and its extension is the logical next step. The use of this solution has also already been set an expectation by distributors who use the NP flag to manage customer enquiries of 'no power'.</p> <p>This solution clearly sets the responsibility of reliability and security of supply with the appropriate parties who have received the request for reenergisation - the metering coordinator and distributor.</p> <p>This solution best aligns with the National Electricity Objective (NEO) and the B2B Objectives as it promotes efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers. Throughout the past two years of consultation, surveys and discussions at the B2B-WG, this solution has proven to be the most cost effective solution for retailers.</p> <p>Red &amp; Lumo strongly oppose the notion that option 1b (two service orders) is a feasible option for managing coincidental service orders. This solution carries with it many risks and additional costs which in turn would likely deter retailers from offering a remote energisation service to its customers, as it is no longer an efficient and cost effective option when utilising two service orders.</p> <p>Having multiple requests in the market with different participants opens up a series of potential risks/issues, and additional costs:</p> <ul style="list-style-type: none"> <li>• This would lead to redundant transactions being generated as retailers will be required to always send two re-en service orders.</li> <li>• Transaction and exception volume will be increase</li> <li>• As smart meters are being installed at an exponential rate, this option will become troublesome for all parties, including metering parties and distributors to manage 'redundant' transactions floating throughout the NEM, hence data integrity will become compromised.</li> <li>• Significant impact on AER and internal reporting requirements, as every party has to change their reporting logic to identify the 'true' re-en/de-en source, in addition to the extra time required to run the queries with double the data, growing exponentially with increase in smart meters roll-out.</li> <li>• Retailers required to manage a 'Not Complete' for one or both of these. Transaction and exception volume will be impacted because every COMMS meter will have two re-en and two de-en service orders every time.</li> <li>• Unnecessary complexities on Ancillary charges reconciliation processes at the retailers end.</li> <li>• Not manageable during 'contingency' process mode, where each service order is sent via an email.</li> <li>• Uncertainty of who to contact if the customer reports no power.</li> <li>• Inability to inform the customer as to which connection type will be followed - especially pertinent if undertaking remote services and the various steps to be met as part of our safety management plan will include having the customer present however not if the physical re-en takes place.</li> </ul> |

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| 2.1 Enhanced Coincident Service Order Logic using Single Notified Party or Two Service Orders | Question 2: Have you already implemented one of the proposed options? What would be your expected incremental costs to deliver each of the proposed solutions? This should not include costs already spent.  | <p>Red &amp; Lumo identified that NP would be useful to provide transparency to all parties, and implemented it during the metering contestability changes. Having already implemented NPs, option 1a too has been in operation for some time now. Its benefit was further reinforced after the introduction of the faster switching changes, where some distributors requested all retailers notify them using the NP field of any remote connection or disconnection service orders, which we already do.</p> <p>The introduction of the NP changes were not complex and were bundled as part of metering contestability. The costs were a one off cost, with minimal ongoing operational costs. Should option 1a be implemented, there would be minimal costs required to amend this solution to be mandatory, without adding any further ongoing operational costs. As the question asks that we do not include costs already incurred, our incremental costs to deliver option 1a is [REDACTED].</p> <p>However, option 1b carries with it not only IT implementation costs but also ongoing additional operational costs - as highlighted in question 1 above.</p> <p>Estimated breakdown of implementing option 1b:<br/> [REDACTED]<br/> [REDACTED]<br/> [REDACTED]</p>  |
| 2.1 Enhanced Coincident Service Order Logic using Single Notified Party or Two Service Orders | Question 3: These proposed solutions will not provide 100% coverage for every service order requested. Do you believe that Option 1a or Option 1b provides better protection for customers? To what extent do you believe that your chosen option better protects customers? | <p>Red &amp; Lumo understand that neither solution will provide 100% coverage and is therefore not 100% full proof on its own.</p> <p>However, option 1a provides better protection for customers and is less likely to see any failed requests. Option 1a clearly indicates who the incoming retailer expects to complete the request for re-en - whether it be the metering party or the distributor. With responsibility sitting with the one provider, this ensures that the one single party is aware of their responsibility to provide electricity to the customer - as happens today. Should the incoming retailer receive a 'not complete' for their request, the retailer can take immediate action by engaging with the one single responsible party to understand the root cause of the order not having been completed. Again, this aligns with existing procedures and processes, and does not increase the risk of customers going without power.</p> <p>As has been indicated in question 1, option 1b will see an increase in requests raised in the market, with 50% of these expected to not complete as only one provider should complete the request for re-en - thus also seeing an increase in the management of exceptions. This alone will add pressure on retailers being able to proactively identify any sites which may not have been connected as expected, relying primarily on the customer informing us of no power after the fact. This is far from an optimal solution or experience for the customer.</p> |
| 2.1 Enhanced Coincident Service Order Logic using Single Notified Party or Two Service Orders | Question 4: What is the extent of the customer impact for each of the proposed solutions? How long will a customer be without supply when each proposed  | <p>As per our response to question 3 above, option 1a aligns with existing procedures and processes. Any failed/not complete re-en service orders can be managed by retailers as soon as they are received.</p> <p>Option 1b will see not only a double up in re-en service orders raised, but also 50% of these service orders coming back as not complete. Compared to today's numbers, this means that 100% of orders raised will need to be investigated to ensure that none are a 'valid' failure to connect the customer's supply. This additional requirement to investigate will likely delay the time retailers can accurately proactively capture failed requests leading to no supply, increasing the time retailers can take corrective steps to have the customers power connected.</p>  |

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|   | solution does not provide coverage (that is, how long does it take to rectify the negative impact to the customer)?   |   |
| 2.1 Enhanced Coincident Service Order Logic using Single Notified Party or Two Service Orders | Question 5: Assuming that Option 1a or Option 1b is to be implemented by May 2023, do you see any substantial or significant issues which would delay this implementation? If so, what are they?  | Should option 1a be adopted, the date of May 2023 or sooner would be acceptable. These discussions began over two years ago with this solution having already been identified early on as the most feasible and efficient option, and with many parties already using NP, we do not see any reason why May 2023 is not feasible.<br><br>Red & Lumo do not support a date of May 2023 to implement option 1b. Option 1b will impact various teams & functions across both IT and operations over the next 12 months during a very busy period of regulatory changes (ie: AER's Better Bill Guideline, MSDR, B2B v3.7). Though the B2B procedures for 1b have been drafted, Red & Lumo will require time to build for this option as well as develop & roll out its own internal process documentation (see answers to questions 1 and 2). We expect a date in 2024 to be the earliest we would be able to implement option 1b, should this sub-optimal approach be selected. |
| 2.3 Shared Fuse Notification using One Way Notification (OWN)                                 | Question 6: Do you support the proposed changes with regards to Shared Fuse Notification using the aseXML OWN? (Answer should be one of "Yes" / "No – provide reason" / "Other – provide reason") | Yes, Red & Lumo support the proposal to use One Way Notification for communication shared fused information.  |
| 2.3 Shared Fuse Notification using One Way Notification (OWN)                                 | Question 7: If the changes proposed were to be adopted, would your organisation have any issues in implementing the changes by May 2023?  | Red & Lumo support an implementation date of May 2023.  |
| 2.9 Questions on proposed changes   | Question 8: Do you have any other suggestions, comments or  | We strongly support a decision being made on this item, to enable smooth delivery of energisation services in the market for consumers. Making this approach more difficult than it needs to be will detract from not only the provision of these services, but the expected benefits from the delivery of smart meters for customers.  |

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|       | questions regarding this consultation? If you have any comments outside of the scope of this consultation, please reach out to your relevant B2B-WG representatives. |          |