

Summary

Forum:	Program Consultative Forum (PCF)
Date:	05 October 2022
Time:	1:00PM – 2:00PM AEDT
Location:	MS Teams

Andrew Pirie	AEMC (Australian Energy Market Commission)	Andrew Wilkins	SA Water
Andrew Peart	AGL	Kambiz Vessali	Secure Meters
Giles Whitehouse	Aurora Energy	Luke Van Boeckel	Stanwell
Justin Betlehem	AusNet Services	Leanne Rees	TasNetworks
Daniel McLeod	CitiPower, Powercor and United Energy	Adrian Honey	TasNetworks
Prez Anderson	Endeavour Energy	Chris Murphy	Telstra Energy
Cristine Ward	Ergon Energy	Paul Greenwood	Vector Metering
Graeme Ferguson	Essential Energy	Blaine Miner	AEMO (Australian Energy Market Operator)
Barry Harvey	Evo Energy	Chris Muffett	AEMO
Saad Akbar	Evo Energy	Emily Brodie	AEMO
Joseph Lyttleton	Jemena	Greg Minney	AEMO
Elise Mamacan	Lumea	Lance Brooks	AEMO
Shara Karamian	Lumea	Lenard Bayne	AEMO
Andrew Mair	Next Business Energy	Luke Barlow	AEMO
Jo Sullivan	NextGen	Meghan Bibby	AEMO
Helen Vassos	PLUS ES	Peter Carruthers	AEMO
Christophe Bechia	Red Energy	Rowena Leung	AEMO
Nick Gustafsson	Red Energy	Trent Morrow	AEMO
David Woods	SA Power Networks	Ulrika Lindholm	AEMO
Andrew Jackson	SA Water		

Introduction

This document provides a high-level summary of the 5 October 2022 Program Consultative forum, including key points, comments and feedback provided during the forum and actions for AEMO/stakeholders. This is not intended to be a complete record of the forum, but provides an overview of the content presented, and key questions and actions that arose. This document should be considered alongside the forum slide pack presented on 5 October 2022, and reissued post meeting, incorporating changes not available in draft.

High Level Summary

- The Energy Security Board (ESB) was tasked by the former Council of Australian Governments Energy Council (COAG) to advise on market design changes to the National Electricity Market (NEM) as it transitions away from coal fleet towards a more renewable energy. In July 2021, Energy Ministers tasked AEMO to work with stakeholders to develop a roadmap for the implementation of the reforms. A detailed overview of the NEM2025 Reform program scope is outlined on slide 9.
 - *Telstra Energy encouraged 2-way conversation and for industry to share as much information as the program progresses. This will enable participants to stand up teams within their organisation to deliver on the work that is required.*
- AEMO have developed a NEM Reform Implementation Roadmap¹ to enable stakeholders to navigate the reforms over the coming years and provide a holistic view of the reform program impacting NEM and Gas markets.
- AEMO will leverage existing working groups that are already in place in the NEM to provide greater coordination. AEMO will reinstitute an Executive Forum (EF) and Program Consultative Forum (PCF) for NEM2025, with the PCF primarily structured to deal with initiative progress, industry issue and risk management, navigate through high-level design, impact assessment and a coordinated procedures approach.
 - *Telstra Energy commented that accurate reporting from all forums is beneficial to provide transparency on decisions made and outcomes, particularly for participants unable to attend all forums. AEMO advised that material from each forum will be made available on AEMO's website to ensure consistency of messages across those forums is appropriate.*
- AEMO will be standing up the first Wholesale Consultative Electricity Forum in late October/early November. AEMO is currently finalising Terms of Reference (ToR) and will call for nominations soon.
- AEMO plan to introduce communication channels to engage with market participants, such as a dedicated landing webpage, program newsletter and a program [mailbox](#). In addition, the NEM2025 team will utilise existing AEMO newsletters and email communications to communicate key messages to a broader audience.
- AEMO provided a detailed overview of the PCF ToR and highlighted key objectives for the PCF and expectations of participants.
- AEMO asked participants if they plan to establish a NEM reform program within their organisations and if they would be planning to deal with the reform initiatives on an initiative-by-initiative basis and how they anticipate doing it?

Several participants responded to this question, with responses including taking the reforms on as core business, managing each initiative individually and standing up a co-ordinated program. Some participants indicated they were still evaluating how best to manage the reforms.

- *Stanwell commented that it would be helpful to show how each of the initiative flow into each other so participants can engage a resource for multiple successive initiatives, assuming they are sequential and not overlapping.*
- *Secure Meters raised a question about when the NEM2025 roadmap was developed and how much changes (if any) AEMO anticipate under the new government? AEMO advised that the NEM Reform roadmap reflects the*

¹ [AEMO | NEM Reform Implementation Roadmap](#)

current known information about the reform program. There is an expectation that there will be a change to capacity model and congestion management model once policy decisions in these areas are finalised.

- Origin Energy raised a question on when the Procedures WG (Working Groups) would be initiated? AEMO advised that several procedural consultations are currently in place for example FFR (Fast Frequency Response) and MASS (Market Ancillary Service Specification) whereby they have a rules date associated with them. AEMO added that the establishment of the Wholesale Electricity Consultative Forum will help within the wholesale area and provide oversight for participants on multiple initiatives .
- AEMO will revisit early next year (2023) with regards to establishing an Executive Forum. Participants on the call collectively agreed with this approach. An update will be provided by AEMO as more details become available.
- AEMO advised that once a Rules Final Determination is issued that it would be a trigger for industry to incorporate the implementation of those initiatives into the NEM Reform program. For example, Milestone Management, Status Reporting, Readiness Management, Execution Change management and Program and Industry Risk management.
 - SA Water commented that there is opportunity to ensure alignment between the Milestone Management and Readiness Management to enable greater understanding on how these components would interact with one another.
- The Reform Delivery Committee² (RDC) primary purpose is to provide overall guidance of the NEM Reform roadmap with the PCF engaging on the foundational and strategic initiatives as they move towards confirming a business case and cost benefit.
- AEMO noted that a key challenge for the reform is uncertainty and will work with industry on managing uncertainty and change via the RDC with further information provided in slide 25. AEMO encourages participants to review the NEM2025 Roadmap Governance slide to understand the process and provide any feedback they may have.
- AEMO will consult with industry on cost management and look to extract implementation efficiencies where possible at a market design level and remove duplication. In addition, AEMO will seek to identify opportunities for process improvement through key quick wins via working group engagement structures and welcomes participants' feedback on industry wide cost efficiencies.
- AEMO will expand and consolidate impact heatmaps as initiatives move into the implementation phase. A high-level participant impact assessment³ is published on AEMO's website and provides more detail regarding impact assessments.
- Information on upcoming engagements is outlined on slide 35 with AEMO encouraging nominations from participants.

² [AEMO | Reform Delivery Committee](#)

³ <https://www.aemo.com.au/-/media/files/initiatives/regulatory-implementation-roadmap/reform-update-v1/participant-impact-assessments.xlsx?la=en>

The following actions were captured.

Topic	Action	Responsible
Managing Inflight Initiatives (Slide 24)	AEMO will conduct a deeper dive briefing into the initiatives that are currently in flight and those initiatives for 2023 and 2024 at the next PCF to assist participants when establishing their internal NEM reform programs.	AEMO
Managing Inflight Initiatives (Slide 24)	SA Water to provide AEMO with some examples on how to better incorporate alignment between project milestones and readiness milestones into the NEM Reform program.	SA Water

Queries and feedback may be sent to NEM2025@aemo.com.au.