

# Forum meeting record

## NEM Reform Delivery Committee (RDC) #12

<b>Forum:</b>	<b>NEM Reform Delivery Committee #12</b>
<b>Date:</b>	28 November 2023
<b>Time:</b>	10:00AM – 12:00PM AEDT
<b>Location:</b>	Via Microsoft Teams

### Attendees:

Name	Company	Representing
Andrew Pirie	Australian Energy Market Commission (AEMC)	AEMC
Maxine Di Petta	Clean Energy Council	Renewable Energy
Dan Mascarenhas	Energy Australia	Retail/Generation
Paul Beaton	Clean Energy Council	Renewable Energy
Dominic Adams	Energy Networks Australia (ENA)	Networks
Dor Son Tan	ENA	Networks
Fergus Stuart	Origin Energy	Retail and Generation
Geoff Hargreaves	Red Energy/Lumo Energy	Retail
Michael Bell	Red Energy/Lumo Energy	Retail
Violette Mouchaileh	Australian Energy Market Operator (AEMO) (Chair)	AEMO

### Guests:

Name	Company	Representing
Andrew Bell	AEMO	AEMO
Lance Brooks	AEMO	AEMO
Lenard Bayne	AEMO	AEMO
Monica Morona	AEMO	AEMO
Nicole Dodd	AEMO	AEMO
Peter Carruthers	AEMO	AEMO
Ulrika Lindholm	AEMO	AEMO

## 1 Welcome

Violette Mouchaileh (Slides 2-4)

- Acknowledgement of country and welcomed members to the meeting.
- Participants provided with a brief overview of the agenda items and meeting objectives.

## 2 Review of Action Items from Previous Meeting

Peter Carruthers (Slides 5-6)

- All actions were closed.

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### 3 Change Management and Roadmap Update

Lance Brooks (Slides 7-15)

- AEMO advised that the roadmap was recently updated as version 3.1 and captures several material and incremental changes and are outlined on slide 8 of the accompanying slide pack and will publish in December.
- AEMO advised that Retail Market Improvements associated with the NEM Reform Program have also been added to v3.1.
- AEMO advised that no change to the current ‘Ask of the Committee’ as featured in the Roadmap workbook.

Raised By	Question/Comment	Response
<b>Fergus Stuart – Origin Energy</b>	Will Project Energy Connect (PEC) be included into the Roadmap ?	AEMO will include the PEC initiative into v3.1 of the Roadmap ahead of publication in early December (previously this was to be included in April 2024 update).
	When will ST PASA consultation begin?	Action: AEMO to confirm initiative accurately reflects the status and plan for the initiative.
<b>Dan Mascarenhas – Energy Australia</b>	In addition to PEC, there are other rule changes or reviews to be included in the Roadmap including ‘Clarifying mandatory primary frequency response obligations for bidirectional plant’ and ‘Review into electricity Compensation Frameworks’	AEMO will include the ‘Clarifying mandatory primary frequency response obligations for bidirectional plant’ rule change and ‘Review into electricity compensation frameworks’ in v3.1 of the Roadmap ahead of publication in early December.

### 4 Progression of Foundational & Strategic initiatives (IDX, IDAM, PC)

Ulrika Lindholm / Andrew Bell (Slides 16-22)

- AEMO advised that the projects focus is currently preparing the draft business case and noted 11 submissions providing participant cost information were received.
- AEMO will conduct one on one discussions with participants regarding the business case as well as industry sessions. AEMO noted the next industry focus group session will be held on 30 November.
- AEMO outlined the three options for the business case with detailed information outlined on slide 18 of the accompanying slide pack. In addition, AEMO presented the options assessment framework with detailed information available on slide 19 of the accompanying slide pack.
- AEMO outlined the indicative next steps and noted that the business case workshops with industry have been pushed out to January/February 2024. Further details are outlined on slide 20 and 21 of the accompanying slide pack.
- AEMO encouraged RDC members to provide their views regarding Foundational and Strategic initiatives scope and approach to date.

Raised By	Question/Comment	Response
Fergus Stuart – Origin Energy	Regarding the maturity scale (1 to 5) used in the Options Assessment Framework, has AEMO aligned that with the AESCSF framework?	Yes, for assessment of security risk. The AESCF framework is a core element contributing to the assessment of residual security risk; this will be detailed out in the business case.
	Suggest not holding workshops for a whole day. Splitting it over two sessions will enable participants to allocate their time more efficiently.	Noted.

## 5 Prioritisation Assessment

Lance Brooks (Slides 23-32)

- AEMO provided a recap on prioritisation assessment and requested feedback from RDC members on the following.
  - Determining the extent of the congestion issue,
  - Agree an approach to ensure delivery is optimised, and
  - Define next steps.
- AEMO noted that issues of congestion are not limited to having multiple go-live dates within a year but extend to the ability to work across multiple initiatives concurrently. AEMO noted that 2025 and 2026 will be busy and challenging despite policy and rules delays and direction changes.
- AEMO & RDC members discussed the extent of the congestion issue and the potential impacts to individual participant groups. It was noted that 2025 and 2026 will be busy and challenging for all, but not unmanageable at this time.
- It was agreed: the timing / outcomes of key rule changes or policy decisions may change this conclusion; a prioritisation assessment will require a suitable framework assessing the relative costs and benefits of individual initiatives; the Informed Go-Live date process will be utilised as the key management mechanism and applied to forthcoming reform.
- AEMO outlined the proposed next steps to reassess the impacts of the reform initiatives and ensure bundling and sequencing opportunities are identified and accounted for with further details outlined on slide 32 of the accompanying slide pack. It was noted that AEMO aim to present a draft assessment for RDC members consideration at the February 2024 meeting. AEMO proposed this exercise become an annual process providing for holistic review of the NEM Reform Program.

Raised By	Question/Comment	Response
Fergus Stuart – Origin Energy	Noted a prioritisation assessment should provide for a relative assessment of the benefits and costs of the initiatives contributing to the congested period	AEMO agree and note additional data on the outcomes and timing of key rule change (e.g., Integrating price responsive resources in the NEM) and policy decisions (Congestion Relief Market and Priority Access) are

Raised By	Question/Comment	Response
		required to complete this assessment. AEMO consider such an assessment should also be factored into the Informed Go-Live process.

## 6 Holistic DER Review

Nicole Dodd (Slides 33-38)

- AEMO provided a brief recap of the DER Initiatives with further details outlined on slide 34 of the accompanying slide pack. In addition, AEMO noted that work will be required to determine where initiatives associated with DER are included in the Roadmap / Program.
- AEMO provided key outcomes following the Energy and Climate Change Ministerial Council meeting held on 24 November. Further details regarding these outcomes are outlined on slide 37 of the accompanying slide pack.
- In addition, members agreed that no specific immediate actions would be required at this time. AEMO will continue to monitor developments from the DER Taskforce and report back to the RDC as required.

Raised By	Question/Comment	Response
<b>Geoff Hargreaves - Red Energy/Lumo Energy</b>	Until the outcomes are clear from the ministerial briefing, will determine how these initiatives are incorporated into the NEM Reform roadmap.	

## 7 Stage Gate Update

Lance Brooks (Slides 39-42)

- Slides taken as read. further information is available on slides 39-42 of the accompanying slide pack.

## 8 Executive Forum

Monica Morona (Slides 43-44)

- Slides taken as read. further information is available on slides 43-44 of the accompanying slide pack.

## 9 Other Business

### NEM Reform Program Review

Peter Carruthers (Slides 47-50)

- AEMO noted that 2023 has been a busy and intensive year and noted that a large volume of reforms was successfully deployed. Further details regarding 2023 delivered initiatives are outlined on slide 46 of the accompanying slide pack.
- AEMO advised that an end of year review with industry will be conducted over the coming weeks. Further details and next steps are outlined on slide 50 of the accompanying slide pack.

## 10 Thanks and Close

Violette Mouchaileh (Slide 31)

- Ms Mouchaileh thanked members for attending the meeting and advised that the next RDC Collaborative workshop will be held on 7 February 2024, followed by the RDC meeting on 6 March 2024.

## OPEN ACTION ITEMS

(Item = Meeting # – Agenda # – Reference)

Item	Topic	Action	Responsible
12.3.0.1	Change Management and Roadmap Update	AEMO to confirm and notify RDC members when ST PASA consultation will begin.	AEMO
12.3.0.2	Change Management and Roadmap Update	AEMO to include PEC, 'Clarifying mandatory primary frequency response obligations for bidirectional plant' and 'Review into electricity Compensation Frameworks' into the Roadmap as part of the December 2023 publication.	AEMO
12.4.0.1	Progression of Foundational & Strategic initiatives	Members to provide feedback on the Foundational and Strategic initiatives scope and approach by emailing <a href="mailto:NEMReform@aemo.com.au">NEMReform@aemo.com.au</a> . Feedback due by 15 December	RDC members
12.4.0.2	Progression of Foundational & Strategic initiatives (IDX, IDAM, PC)	AEMO to provide ENA with a list of network participants who attend F&S sessions.	AEMO
12.6.0.1	Holistic DER Review	AEMO to consider outlining the initiatives associated with DER into themes when presenting back to RDC.	AEMO

## CLOSED ACTION ITEMS

(Item = Meeting # – Agenda # – Reference)

Item	Topic	Action	Responsible
11.1.0.1	Welcome	AEMO and Red Energy/Lumo Energy to discuss a suitable profile for replacement representative.	Peter Carruthers, Geoff Hargreaves
11.3.0.1	Change Management and Roadmap Update	Members to discuss DER Initiatives at the November RDC Collaborative workshop.	AEMO
11.3.0.2	Change Management and Roadmap Update	AEMO to ensure details on the costs and benefits analysis for CRM / Priority access are updated as part of the ESB's assessment.	AEMO
11.3.0.3	Change Management and Roadmap Update	AEMO to provide clarity on the 2025 dependencies, and potential sequencing options as part of an overall prioritisation assessment of those initiatives contributing to congestion within the Program no later than Q1 2024.	AEMO
11.3.0.4	Change Management and Roadmap Update	Members to provide feedback on a revised 'Ask of the Committee' and publication of v3 Roadmap and supporting artefacts as outlined on slide 21 by 15 September.	Committee members
11.5.0.1	Progression of Foundational & Strategic initiatives	Members to optionally provide feedback on the Foundational & Strategic initiatives case for change narrative, direction of travel and business case process by 8 September.	Committee members