

B2B Working Group Meeting 03

8 March 2022



We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture.

We pay respect to their Elders past, present and emerging.

Online forum housekeeping

1. Please mute your microphone, this helps with audio quality as background noises distract from the information being shared.
2. Having your video turned off helps with performance and minimises distractions.
3. We ask that you utilise the 'Chat' function for any questions or comments you may have. This aids note keeping and keeps discussions flowing smoothly.
4. Raise your hand if you wish to speak to an item. This keeps conversations orderly.
5. If you have dialled in via phone, please email B2BWG@aemo.com.au your name and organisation for our records.
6. If your name appears abbreviated on Teams, please add your name and organisation to the chat for our records.
7. Be respectful of all participants and the process.

AEMO Competition Law Meeting Protocol

- AEMO is committed to complying with all applicable laws, including the Competition and Consumer Act 2010 (CCA). In any dealings with AEMO regarding proposed reforms or other initiatives, all participants agree to adhere to the CCA at all times and to comply with this Protocol. Participants must arrange for their representatives to be briefed on competition law risks and obligations.
- Participants in AEMO discussions must:
 - Ensure that discussions are limited to the matters contemplated by the agenda for the discussion
 - Make independent and unilateral decisions about their commercial positions and approach in relation to the matters under discussion with AEMO
 - Immediately and clearly raise an objection with AEMO or the Chair of the meeting if a matter is discussed that the participant is concerned may give rise to competition law risks or a breach of this Protocol
- Participants in AEMO meetings must not discuss or agree on the following topics:
 - Which customers they will supply or market to
 - The price or other terms at which Participants will supply
 - Bids or tenders, including the nature of a bid that a Participant intends to make or whether the Participant will participate in the bid
 - Which suppliers Participants will acquire from (or the price or other terms on which they acquire goods or services)
 - Refusing to supply a person or company access to any products, services or inputs they require

Under no circumstances must Participants share Competitively Sensitive Information. Competitively Sensitive Information means confidential information relating to a Participant which if disclosed to a competitor could affect its current or future commercial strategies, such as pricing information, customer terms and conditions, supply terms and conditions, sales, marketing or procurement strategies, product development, margins, costs, capacity or production planning.

Agenda

1. Open and Closed Actions
2. Impact of IESS on B2B Procedures
3. Update B2B Guide with feedback from Networks and Technical feedback from members
4. ICF - Update OWN to include NCOMUML Inventory files
5. Potential gap in NEM RoLR Processes
6. Other Business



Open and Closed Actions

Blaine Miner

Closed Actions

Action	Description	Responsible	Outcome
2001-01	Organise meeting with Mark Riley and David Woods to progress work on fields tied to an Australian Standard	Kate Gordon (AEMO)	Mark and Kate had few meetings and Mark is putting together some initial analysis.
2001-03	Change the layout of open action items in the meeting pack to include the due date	Nandu Datar (AEMO)	Due date added to open items
2001-05	Aakash Sembey to provide response to Dino Ou's first comment in section 2.1.1 of the B2B Issues Paper	Aakash Sembey (Origin)	Response provided
2001-06	B2B WG members to propose rewording of the paragraph related Dino Ou's second and third comment in section 2.1.1 of the B2B Issues Paper	B2B WG	B2B WG provided rewording and updated in issues paper
2001-07	B2B WG members to provide further explanation in response to Dino Ou's fourth comment under section 2.1.2 of the B2B Issues Paper	B2B WG	Explanation provided and reflected in issues paper
2001-08	B2B WG members to provide changes to the wording in Table 7, last issue of the B2B Issues Paper	B2B WG	B2B WG provided rewording and updated in issues paper
2001-09	Mark Riley to provide wording to replace content in section 2.2	Mark Riley (AGL)	Mark Riley provided rewording and updated in issues paper
2001-11	Mark Riley to provide rewording for section 2.3(a) in SO process version 3.8a	Mark Riley (AGL)	Mark Riley provided rewording and updated in issues paper
2001-12	Change all mandatory to optional in last column of Table 3 in SO process version 3.8b	Nandu Datar (AEMO)	B2B WG decided that the last column was not needed and has been removed from the issues paper
2001-13	Remove sections 2.3.1 and 2.19 from SO process version 3.8b	Nandu Datar (AEMO)	Sections 2.3.1 and 2.19 removed from SO procedure 3.8b
2001-14	Mark Riley to provide wording for an additional clause in 2.16.2 in SO process version 3.8b	Mark Riley (AGL)	B2B WG provided rewording and updated in issues paper

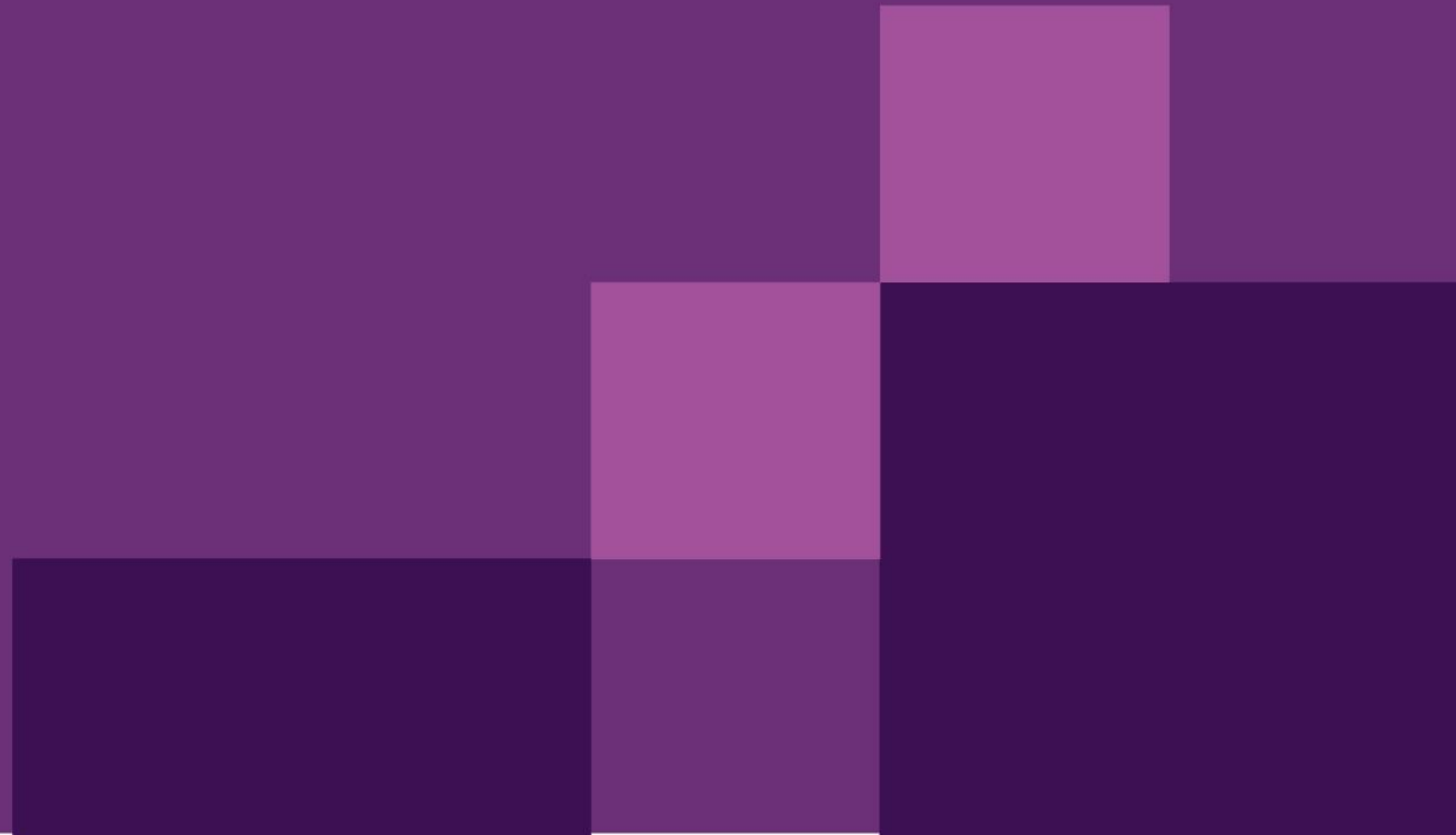
Open Actions

Action	Description	Responsible	Due Date	Update
2005-03	B2B-WG to review the guide to refresh it (low priority)	B2B-WG	By circular	Mark Riley has done the first pass and some clean up, not sure about DB processes. Mark sent first draft. 12/7 WG asked to send the feedback to Mark 11/10 – next update at December 2021 meeting
0612-02	Networks to review and confirm their sections in B2B guide. B2B WG members to provide technical feedback to the B2B Guide	B2B-WG	22 Feb 2022	20/1/22 - Actions 2009-05 and 1110-02 merged with this action
0612-03	Update B2B Guide for discussion at the February 2022 B2B WG meeting	Mark Riley (AGL)	1 March 2022	20/1/22 - Now for discussion at March 2022 B2B WG meeting



Impact of IESS on B2B Processes

Rosie Elkins (AEMO)



Items

- Brief overview of IESS rule change
- Next steps for B2B WG
- Overview of High-Level Impact Assessment template

Context



Integrating Energy Storage Systems

High Level Design

December 2021

AEMO has published a draft high-level design for IESS [\[link\]](#)

IESS rule change

- Updates NEM arrangements to better integrate storage
- Requires changes across AEMO's market processes and framework (especially for registration and dispatch)
- Major step toward the ESB's trader-services model

NEM 2025 Implementation Roadmap

- AEMO preparing IT and regulatory roadmap for ESB reform implementation. March 2022 release date.
- Reform Delivery Committee (RDC) established to guide its development:
 - Market bodies – AEMC, AER and AEMO
 - Industry participants representing – AEC, ENA and CEC
 - Consumer representatives – ECA, MEUA, EUAA and PIAC
- IESS is one of the more advanced reforms in the Roadmap.

Key dates

Activity	Date
Rule change request submitted by AEMO	23 Aug 2019
Final determination	2 Dec 2021
High-Level Design consultation	Published 16 Dec 2021 Feedback due 11 Feb 2022 Final published March/April
Transitional aspects – baseline release <ul style="list-style-type: none">• <i>Aggregate conformance for hybrid systems</i>• <i>FCAS participation for SGAs</i>	31 Mar 2023
Market trials	Feb to May 2024
Final release	3 June 2024

Integrated Resource Provider and Bidirectional Unit

New registration category: the Integrated Resource Provider (IRP)

- Use by participants with storage resource and hybrid systems
- Also technology neutral category.
- Can classify end user connection points (nominate as FRMP)

Accompanied by a new resource type – the bidirectional unit

- Resources that produce and consume energy (excluding auxiliary load)

What is classified	Label (NER)	Eligible Categories			
		IRP	Generator	Customer	DRSP
Scheduled bidirectional unit	Scheduled IRP	✓			
Non-scheduled bidirectional unit	Non-Scheduled IRP	✓			
Scheduled generating unit	Scheduled Generator	✓	✓		
Semi-scheduled generating unit	Semi-Scheduled Generator	✓	✓		
Non-scheduled generating unit	Non-Scheduled Generator	✓	✓		
Small resource connection point (small GU / small BDU)	Small Resource Aggregator	✓			
Scheduled load	Market Customer	✓		✓	
Market connection point	Market Customer	✓		✓	
Ancillary service unit	Ancillary Service Provider	✓	✓	✓	✓

Small Resource Aggregator and Ancillary Service Unit

Market Small Generation Aggregator will move to the IRP, using the label Small Resource Aggregator

- Will also be able to provide market ancillary services – **Baseline** release

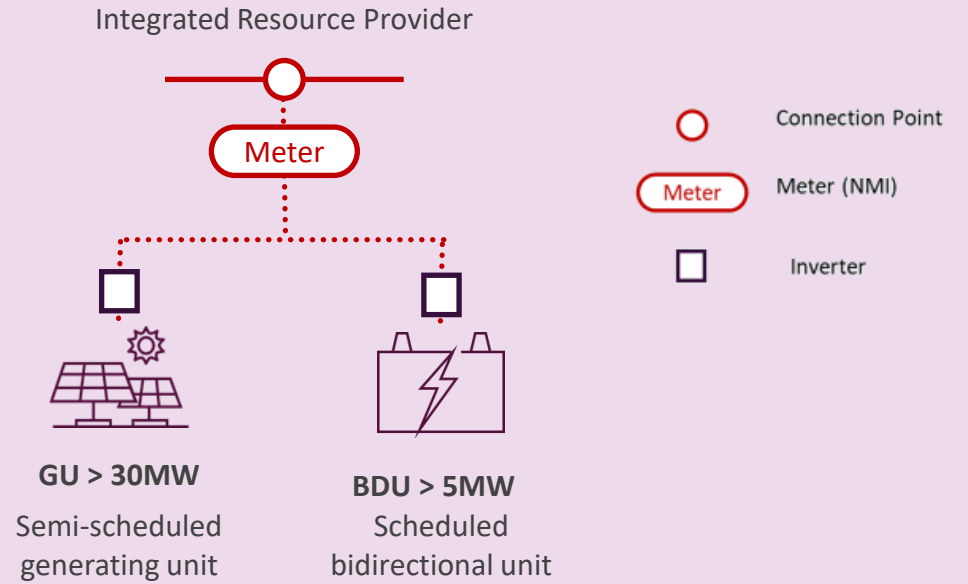
Ancillary service unit is a consolidative term – it replaces

- ancillary service generating unit
- ancillary service load

What is classified	Label (NER)	Eligible Categories			
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Scheduled bidirectional unit	Scheduled IRP	✓			
Non-scheduled bidirectional unit	Non-Scheduled IRP	✓			
Scheduled generating unit	Scheduled Generator	✓	✓		
Semi-scheduled generating unit	Semi-Scheduled Generator	✓	✓		
Non-scheduled generating unit	Non-Scheduled Generator	✓	✓		
Small resource connection point (small GU / small BDU)	Small Resource Aggregator	✓			
Scheduled load	Market Customer	✓		✓	
Market connection point	Market Customer	✓		✓	
Ancillary service unit	Ancillary Service Provider	✓	✓	✓	✓

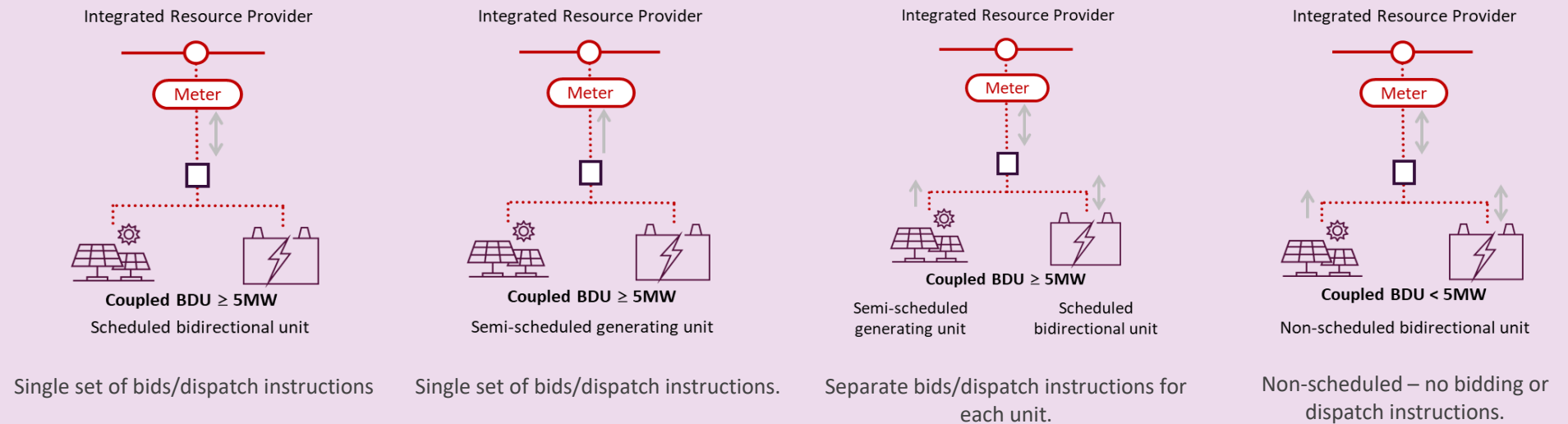
Hybrid integrated resource systems:

- Classification, bidding & scheduling at unit level
- Aggregate dispatch conformance introduced (Baseline release)



Coupled production units (DC-coupled systems):

- Rule change provides for flexibility in registration & classification for production units with separate plant that share equipment (e.g., inverter – DC coupled).



Single set of bids/dispatch instructions

Single set of bids/dispatch instructions.

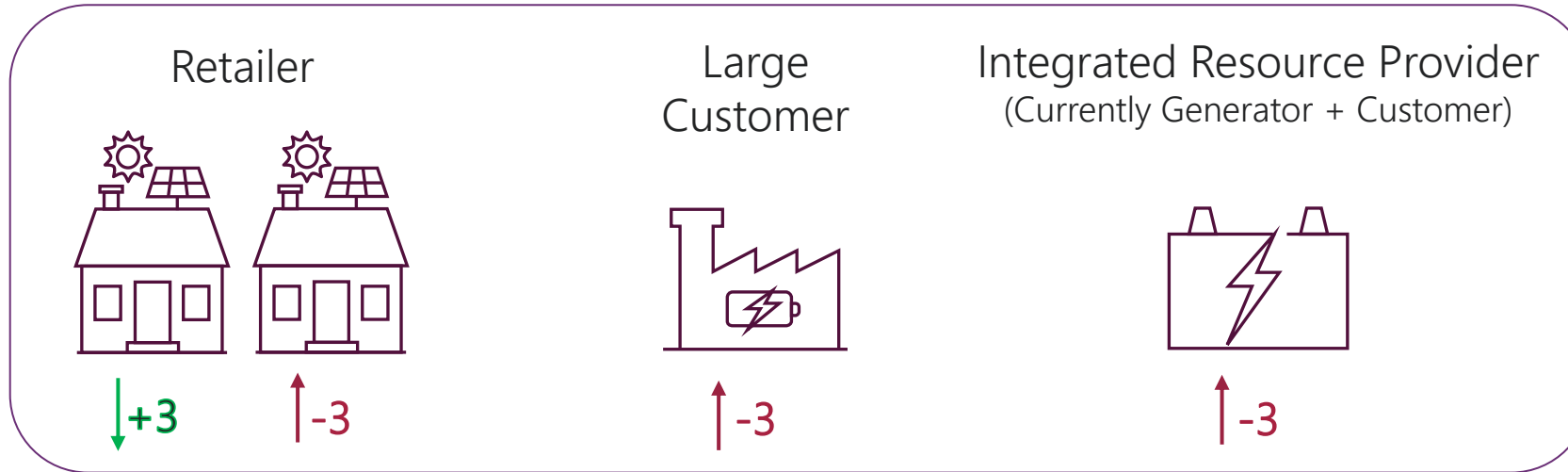
Separate bids/dispatch instructions for each unit.

Non-scheduled – no bidding or dispatch instructions.

Non-energy cost recovery framework

- NECR updated, removing existing differences due to registration category.
- Cost recovery based on participant's **gross consumed energy and/or gross sent out energy** in an interval across its connection points
- The two required data streams will be available in May 2022 with global settlements:
 - Adjusted Consumed Energy (ACE)
 - Adjusted Sent Out Energy (ASOE)
- Remaining type 6 accumulation metering installations → retain current arrangements until replaced with smart meters.

Non-Energy Cost Recovery Example



Participant	Net Consumption	Gross Consumption
Retailer	0	-3
Large Customer	-3	-3
Integrated Resource Provider	-3	-3
Total	-6	-9

Current arrangements: Large Customer and IRP each pay 50% of the relevant NECR charges.

IESS arrangements: Retailer, Large Customer and IRP each pay 33%.

Integration: Retail and Metering

- IRPs can classify end-user connection points, subject to retail authorisation requirements.
- IRPs will be incorporated into the Markets, Settlements and Transfer Solution (MSATS) system.
 - Will be able to be nominated as the FRMP for a connection point by a customer; and
 - Will have access to MSATS functions such as NMI discovery and end-user transfer rights.
- IESS progresses Flexible Trading Arrangements Model 1, by extending the SGA framework to bidirectional flows (storage, EVs).
 - The IRP for the secondary small resource connection point will be treated as a FRMP in MSATS, as above.

Other issues

RRO

- IRPs liable entities if aggregate annual load exceeds 10GWh in particular NEM region.

Intervention compensation framework

- IRPs integrated.

Network charges

- Current framework retained.

Performance standards

- Maintains existing approach of measuring performance standards at connection point.

Aggregation & ramp rates

- Addresses inconsistencies & removes 6 MW threshold for aggregating semi-scheduled units.

Minor & administrative changes

- IESS contains many terminology changes to reduce technology-specific language etc
- Final transitional rule (clause 11.145.9) allows for minor and administrative changes without normally-prescribed consultation processes.
 - But does not define ‘minor & administrative’.
- AEMO’s Regulation group:
 - Developing guidance and a process for efficiently processing these changes.

Next steps

B2B changes may be required to reflect IESS rule change

- IEC has asked the B2B WG to review the IESS final determination and high-level design to identify where the B2B procedures and Guide require amendment
 - Highest priority is any changes that will be (1) required for the baseline release in March 2023 and/or (2) significant changes requiring full rules consultation.
- A **High-Level Impact Assessment template** is being used to undertake consistent evaluation of required changes across AEMO procedures
 - This includes an assessment of whether changes fulfil the ‘minor & administrative’ criteria
- Initial high level assessment for B2B procedures required by **31 May 2022.**



Update B2B Guide

B2B WG

Update B2B Guide with feedback from Networks and Technical feedback from members

- Context:
 - This item refers to ongoing effort at improving the B2B Guide
- Actions
 - 0612-02
 - Previous actions 2009-05 and 1110-02 merged with this action
 - Networks to review and confirm their sections in B2B guide.
 - B2B WG members to provide technical feedback to the B2B Guide
 - 0612-03
 - Update B2B Guide for discussion at the March 2022 B2B WG meeting

ICF - Update OWN to include NCOMUML Inventory files



Mark Riley (AGL)

ICF - Update OWN to include NCOMUML Inventory files

- Context:
 - Expand One Way Notification to include the NCOMUML inventory files
- Issues
 - Inventory files showing location of NCOMUML devices are now being shared weekly or monthly by the host DB via an email
 - The email process is not secure for ongoing provision of these inventory files.

Potential gap in NEM RoLR Processes

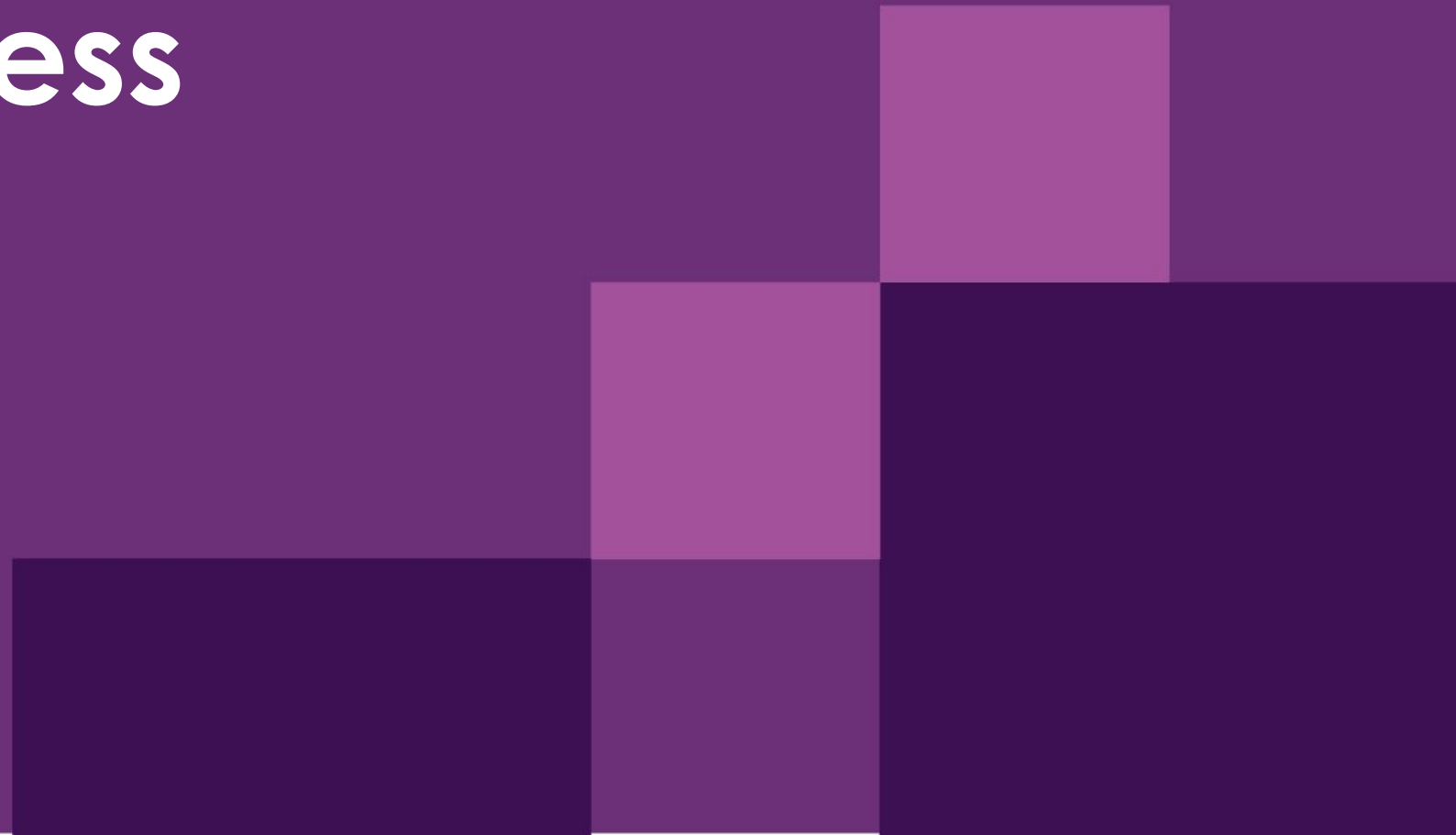
Aakash Sembey (Origin)/Nandu Datar (AEMO)

Potential gap in NEM RoLR Processes

- Context:
 - Potential gap in Service Order obligations for roles MC, MP and MDP and an incorrect clause reference
- Issues
 - Clause 104.5(b) references clause 104.3(g)2 which does not exist. Correct reference is 104.4(g)(ii)
 - Clause 104.5(b) was amended to include roles LNSP, MC, MP and MDP. Clause 104.4 refers to LNSP obligations to ensure the SO response contains all fields according to the B2B procedure SO process.
 - The procedure does not contain similar obligations for the roles MC, MP and MDP

Other Business

Nandu Datar (AEMO)



Other Business

- Any other items to discuss?
- Review of new Actions
- Parked items
- Next meeting (12 April 2022)



For more information visit

aemo.com.au