

# B2B Working Group

## 14 June 2024

#### **NOTES**

Please note that this meeting is being recorded for note taking purposes





## Online forum housekeeping

- 1. This meeting will be recorded for minute taking purposes
- 2. Please mute your microphone, this helps with audio quality as background noises distract from the conversation.
- 3. Use the 'Raise hand' function should you wish to speak to an item.
- 4. Use the 'Chat' function for any other questions or comments you may have.
- 5. In attending this meeting, you are expected to:
  - Not only represent your organisation's interests but also the interests of Industry and its customers
  - Have an open mindset
  - Contribute constructively
  - Be respectful, both on the call and in the chat



# 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, all participants agree to adhere to the CCA at all times
  and to comply with appropriate protocols where required to do so.
- AEMO has developed meeting protocols to support compliance with the CCA in working groups and other forums with energy stakeholders
- The AEMO Competition Law Meeting Protocol can be viewed and downloaded from AEMO's website
  - <a href="https://aemo.com.au/-/media/files/stakeholder\_consultation/working\_groups/aemo-competition-law-meeting-protocol/aemo-competition-law-meeting-protocol---october-2022.pdf?la=en">https://aemo.com.au/-/media/files/stakeholder\_consultation/working\_groups/aemo-competition-law-meeting-protocol/aemo-competition-law-meeting-protocol---october-2022.pdf?la=en</a>



## Agenda

#	Topic
1	Welcome, Housekeeping & Agenda
3	IEC Debrief and Actions
3	Reflections and Learnings from B2B v3.9 initial stage
4	ICF Register
5	Unlocking CER benefits through Flexible Trading
6 'What's on the B2B horizon?'	
7	Forward Agenda
8	General Business - Informed Go Live processes
Appendix	2024 IEC Meeting Roster, ICF Gates, CER/FTA Draft Determination reference material



## **IEC Debrief and Actions**

Paul Greenwood and Rob Lo Giudice

- Paul Greenwood (IEC and B2B-WG member) provided an update regarding the IEC meeting held on 3 June 2024:
  - Items discussed:
    - Engagement with the AEMC and the 'Informed Go-live' process.
    - IEC representation at the Reform Delivery Committee (RDC) as part of the 'Informed Go-live' process.
    - Technical content being removed from the B2B Procedures.
    - IEC member nominations.
    - The year end meeting between the IEC and the B2B-WG, currently scheduled for 2 Dec, being held in person in Melbourne.
- Dino Ou (intelliHub) raised questions around why removing technology content from B2B procedures was seen as being urgent.
  - Initial feedback from members was that whilst the changes may be 'minor', including them in the current consultation's Draft stage may not be appropriate.
- Blaine Miner (AEMO) mentioned that he has been requested to support IDX, IDAM and PC from an external engagement perspective. He noted that he is not aware of AEMO requesting the IEC to remove technical content from the B2B Procedures in the immediate term, as impacts to B2B are still expected to be some years away. He also suggested that the B2B-WG should ensure that any content that it proposes to remove, should exist in another document for stakeholder reference.
- Blaine confirmed that the IDX (foundational), IDAM (strategic target state) and PC (strategic target state) had been recently approved by AEMO's internal governance. AEMO internal planning is currently underway, with external engagement expected to recommence in July/August.

#### **Actions:**

• Nick Beahan (AEMO) to provide examples of the type and materiality of changes supporting the removal of technology content from the B2B procedures. Nick to also confirm where the proposed content exists in another document.



# Reflections and Learnings from B2B v3.9 initial stage

B2B-WG

### Reflections and Learnings

AEMO

- What went well?
- What could be improved, and how?
- How best to prepare for the Draft stage.

- Blaine Miner (AEMO) noted that the AEMC Chair (Anna Collyer), as part of her speech at the Australian Energy Week, had indicated a potential delay to the accelerating smart meter deployment final determination and rule.
  - Excerpt from the Keynote speech transcript:
    - "....we have heard ongoing concerns for customers seeing unexpected changes to their tariffs when smart meters are installed. Now, it is critical to the success of the rollout, that we work through concerns raised about how retailers may be applying demand and time-of-use tariffs in unexpected ways. And we expect we will need to push back the final determination to give us time to do this well."
    - Keynote: Supporting consumers' journey to net zero: no hero walks alone | AEMC
  - Members discussed the announcement, including the potential implications of a material delay to the in-flight IEC consultation, Industry readiness and dependent reforms.
- Blaine Miner (AEMO) opened the floor as to what went well and what could be improved supporting the consultation preparation activities
  - Blaine mentioned the challenges and risks associated to commencing a procedure consultation without the Final Rule being available.
  - Helen Vassos (PLUS ES) raised the difficulties in collaborating over email. Multiple members discussed alternative software solutions, but no viable options were determined.
  - Paul Greenwood (Bluecurrent) suggested that the WG should consider forming a 'final review' group, consisting of a member from each sector, to conduct a final review of proposed change packs (with the group applying the same rigger a respondent applies when preparing a submission to a consultation).
  - David Woods (SAPN) suggested that we should identify the best members, with the required skillsets and knowledge, to conduct the initial drafting as well.
  - Helen Vassos (PLUS ES) stressed that the WG must take a more holistic view in considering options and recommendations. Sean Jennings (Red and Lumo Energy) agreed that members should consider how they weigh-up the best interests of their organisations vs the best interests of industry and its consumers.
  - Mark Riley (AGL) mentioned the value and efficiencies associated to having a single group to consider the implications to both B2B and B2M procedures.
- Actions:
  - Simon Tu (AEMO) to investigate what could be put in place, as opposed to what currently exists, including those used by the AEMC (e.g. Miro) or other bodies (Slack), to support shared editing access involving external parties.
  - B2B-WG to discuss and agree the 'initial drafting' members and the 'final review' members for the B2B v3.9 Draft Determination stage



# ICF Register

B2B-WG



## **B2B ICF Summary**

Gates	# of ICFs	ICF Titles
0 – ICF Preparation	4	B005/22 - Clarification of UMS Data in Inventory Table B009/23 - UMS Inventory OWN B010/23 - Extreme Weather Event B015/23 - B2B Stop to mirror B2M functionality
1 - B2B WG Initial Assessment		
2 - B2B WG Detailed Assessment		
3 - IEC Initial Assessment		
4 - IEC Change Pack creation		
5 - Formal Consultation	6	B002/22 - Alignment of B2B field lengths to B2M Procedures/schema B004/22 - B2B/B2M field lengths — Address elements B006/22 - PERSONNAME definition spec correction B007/22 - Discrepancy between B2B SO Process and B2B Guide (V3.7) B011/23 - Definition of Unknown Load Exception Code B014/23 - Managing in-flight service orders during a RoLR event

## **ICFs Requiring Attention**



ICF No	Title	Description	Proponent	Status
B005/22	Clarification of UMS Data in Inventory Table	ICF is to ensure a consistent approach to the use of the Inventory Table, which will allow all parties to more effectively reconcile the movement of unmetered assets and minimise future administrative mistakes.	Mark Riley (AGL)	0 – ICF Preparation
B009/23	UMS Inventory OWN	<ul> <li>The UMS inventory file be updated to provide information needed by participants;</li> <li>The Obligation for providing that file remain in Metrology Part B; and</li> <li>The specifics are moved to the B2B OWN Procedure</li> <li>The specifics would provide a detailed file specification for the inventory file as part of an OWN Transaction.</li> </ul>	Mark Riley (AGL)	0 – ICF Preparation
B010/23	Extreme Weather Event	<ul> <li>Inconsistency between physical and market NMI statuses at a point in time</li> <li>The physical NMI status and reason e.g. Active or De-energised versus</li> <li>The market NMI status and underlying cause e.g. defect or bypassed</li> </ul>	Mark Riley (AGL)	0 – ICF Preparation
B015/23	B2B Stop to mirror B2M functionality	<ul> <li>The current B2M functionality allows the user to put a 'stop' to transactions entering the participants gateway whilst undertaking to change schemas.</li> <li>However, B2B only has a "start change" function rather than a stop transaction function. Whilst there is a parking for 30min or under 450 messages this doesn't allow enough time. Resulting in incoming messages cancelling our "Start Change". This means multiple attempts to "start change" until all files are cleared.</li> </ul>	Justin Betlehem (AusNet)	0 – ICF Preparation

#### **ICFs Endorsed for Consultation**



ICF No	Title	Description	Proponent	Status
B002/22	Alignment of B2B field lengths to B2M Procedures/schema	Since r42 B2M schema release, there has been some inconsistent field lengths identified for the same fields in the B2B transactions. Due to this issue, the information may get truncated while using B2B transaction.	Aakash Sembey (Origin Energy)	4 - IEC Change Pack creation
B004/22	B2B/B2M field lengths – Address elements	ICF is aimed to harmonise the B2B fields lengths in line with the Australian Standard, as well as any B2M usage to ensure consistent interchange of information within the energy market.	Mark Riley (AGL)	4 - IEC Change Pack creation
B006/22	PERSONNAME definition spec correction	Person Name field Technical Specification clarification	Helen Vassos (PLUS ES)	4 - IEC Change Pack creation
B007/22	Discrepancy between B2B SO Process and B2B Guide (V3.7)	Discrepancy between B2B SO Process and B2B Guide for FormReference and FormNumber fields	Mark Riley (AGL)	4 - IEC Change Pack creation
B011/23	Definition of Unknown Load ExceptionCode	<ul> <li>The current definition places conditional criteria which is irrelevant for remote re-energisations and restricts its usage</li> <li>For certain remote re-energisation mechanisms:         <ul> <li>The E2E remote energisation process is managed by system processes</li> <li>Automatic load detection will trigger the metering installation to deenergise almost instantaneously</li> <li>The activity does not require the customer to be on site</li> </ul> </li> <li>Referencing the customer not being present in an automated process, could create confusion with the recipient of the NOT COMPLETED Re-En Service Order.</li> </ul>	Helen Vassos (PLUS ES)	4 - IEC Change Pack creation

#### **ICFs Endorsed for Consultation**



ICF No	Title	Description	Proponent	Status
B014/23	Managing in-flight service orders during a RoLR event	<ul> <li>The current ROLR Procedure does not define how inflight service orders raised by the Failed Retailer to a Metering Service Provider (MC, MDP, MPB) are to be managed when a ROLR event is declared.</li> </ul>	Dino Ou (Intellihub)	4 - IEC Change Pack creation

- Blaine Miner (AEMO) spoke to the 'ICF Register' slides
- The WG decided that ICFs B010/23 and B015/23 warranted the most urgent attention

#### • Actions:

- Mark Riley (AGL) to call an out of session meeting with DB and Retailer B2B WG reps, other reps to be invited as optional, to discuss B010/23 in more detail, including how different DBs treat an extreme event and how retailer systems treat different disconnect use cases e.g. disconnect for debt vs extreme events, to determine recommended next steps
- AEMO to recirculate B015/23 to the WG for it to determine next steps



# Unlocking CER benefits through Flexible Trading

Justin Stute (AEMO)

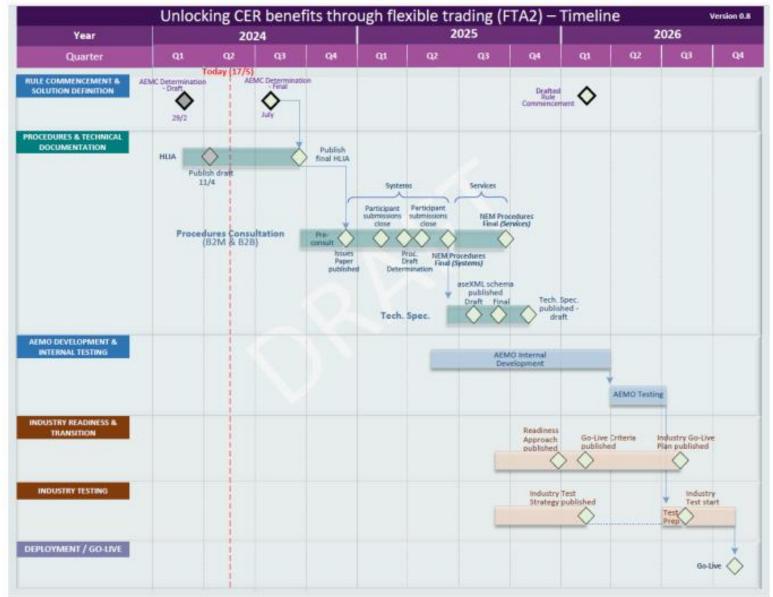




Stage	Timeline
AEMC draft determination	29 February 2024
Submissions to draft determination	11 April 2024
Final Determination	July 2024
Proposed effective date	2 February 2026*
	*RDC recommended 2 November 2026

### **AEMO Proposed Timeline**





#### Consultation Timeframes:

Separating out the critical path consultations that impact system changes and the non-critical path consultations that impact services.

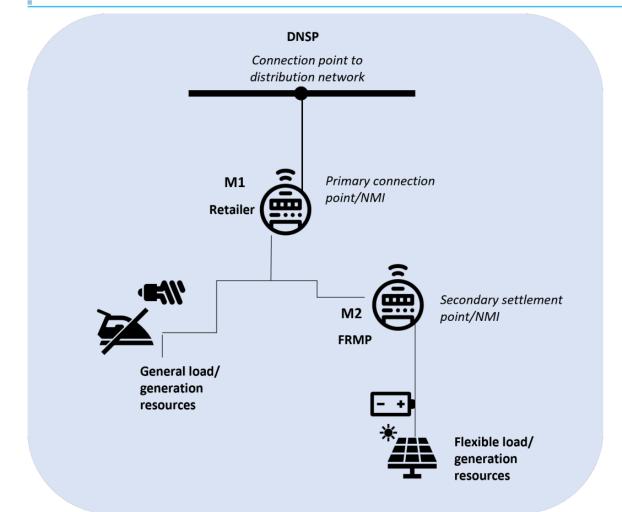
This approach allows more time for consultation and it also means that schema changes and technical specifications could still be published for participants so that AEMO and participant development can commence without delays.

### Key features of the proposed framework



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Figure 3.1: Flexible trading with multiple energy service providers at large customer premises



Source: AEMC

## Key features of the proposed framework



- The proposed framework for flexible trading would enable large customers to establish secondary settlement points and engage multiple energy service providers to manage flexible resources at these points. The key features of this framework are:
  - It would be voluntary.
  - It would allow a small customer to establish secondary settlement points to independently measure a flexible load
  - It would enable a large customer to establish secondary settlement points and engage multiple FRMPs at their premises
  - The relationship between FRMPs would be governed by existing regulatory arrangements and contractual arrangement
  - New metering types created; type 8 and type 9
  - It would leverage existing subtractive settlement arrangements to minimise implementation
  - Distribution network tariffs would be levied to the primary retailer
  - NMI creation is currently under review; the draft rule proposes the DNSP create the NMI

#### NMI creation – AEMC consultation note



The AEMC published a consultation note regarding NMI creation

- DNSPs in submissions to the draft determination noted that performing the new role would be costly to implement. SAPN submitted costs of \$28.3 (+ or 40%) and AusNet estimated costs of \$30m to \$40m
- The AEMC is considering an alternative option of creating a new NMI service provider role.
- Key elements:
  - Apply for both small and large customers
  - The FRMP for the SSP would be required to appoint a NMI service provider for the SSP
  - The FRMP would be required to ensure that there is always an accredited NMI service provider in operation for the SSP.
  - The NMI service provider role would emulate functions performed by Embedded Network Managers (ENMs) for child points in embedded networks. The NMI service provider would be responsible for allocating the NMI to a secondary settlement point (SSP) in MSATS, linking the SSP NMI to the NMI for the connection point for the premises in MSATS, and maintaining the standing data for the SSP NMI in MSATS.

#### **New Terminology**



- Secondary Settlement Point: A metering installation within the premises of an end user that has been established as a secondary settlement point
- Type 8 metering installation: Permitted as a secondary settlement point for small customers; may have in-built measurement; accuracy ± 2%; volume limit 750MWh
- Type 9 metering installation: Permitted as a secondary settlement point for small customers and large customers; permitted as a connection point for specific connection points (public lighting, EV kerbside charging); may have inbuilt measurement; accuracy ± 1.5%; volume limit 750MWh
- Central Management System (CMS): A device or system that collects electronic signals from measurement elements and
  packages it into trading intervals. The device or system may contain energy data storage and display capability for a
  metering installation.
- Primary retailer (NERR): for a small customer, the FRMP for the customer's premise; for a large customer, the FRMP for the connection between the distribution system and customer's premise
- Secondary meter (NERR): means a meter for a secondary settlement point
- Secondary settlement arrangement (NERR): metering data from one or more secondary settlement points within a customer's premises used to calculate the customer's bill

#### **B2B** considerations



#### **Small customers**

- A small customer can choose to establish a secondary settlement point, however the FRMP must be the same for the connection point and secondary settlement point
- A secondary settlement point would be separately metered, either via smart meter (type 4) or a type 8
   meter
- A type 8 meter can be installed by the customer or on behalf of the customer (not necessarily by an MP)
- A type 8 meter is to be commissioned and maintained by the Metering Provider
- The Metering Coordinator must ensure a type 8 metering point can only be installed at a small customer's premise
- If a metering installation malfunction occurs for a type 8 metering installation, provided by the customer, the FRMP must notify the customer to repair the installation within 20 business days, if the malfunction is not rectified, the type 8 metering installation becomes inactive

#### **B2B** considerations



#### **Large customers**

- A large customer can choose to establish a secondary settlement point, which allows different FRMP's
  for the connection point and secondary settlement point.\* Noting there must be only one customer at the
  connection point
- A secondary settlement point would be separately metered, either via smart meter (type 4) or a type 9
   meter
- A type 9 meter can be used as a connection point (for example EV chargers) for a large customer
- Street lights and street furniture can be aggregated under one NMI as a type 9 metering installation using a Central Management System (CMS).

<sup>\*</sup>The classes of persons in respect of whom an exemption is registrable may include persons (not being retailers) that are financially responsible for secondary settlement points within the premises of large customers.

- Justin Stute (AEMO) spoke to the 'Unlocking CER benefits through Flexible Trading' slides
- Justin provided information on AEMO's next steps in the consultation process:
  - AEMO will be publishing a final HLIA after the AEMC's Final Rule has been published.
  - Formal procedure consultations are currently proposed to commence in Nov 2024.
    - Helen Vassos (PLUS ES) asked if the B2B consultation is expected to revert to a more traditional process i.e. commence after the B2M consultation publishes its Draft Determination.
- B2B members discussed the following issues around obligations to small and large customers once FTA goes live:
  - How secondary settlement points would be 'disconnected'.
  - How CER services would continue, in a 'disconnected' scenario, where the primary retailer doesn't offer these services .
  - Issues associated with any proposal to aggregate devices, such as street furniture.
  - The AEMC's proposal for a new party, not the LNSPs, to create and maintain Secondary Settlement Point NMIs.
  - How primary market participants will manage their obligations for the secondary settlement point installation when it's not installed by the primary MP.
  - The need to confirm if the proposed new terminology, e.g. Primary Retailer, has any B2B procedure impacts.
  - How customers will be engaged where a type 8 meter installation fails.
  - What, if any, procedural changes, the B2B-WG would recommend to the IEC until certain CER volumes are reached. Will 'off-market' processes be deemed most appropriate.
  - What obligations the IEC has under the NER to 'proactively' make changes to support 'efficient' Rule implementation.
  - What information would be stored in the proposed CMS.
  - The Rule not providing sufficient detail to determine impacts.
  - Potential life support implications between the Primary and Secondary Retailers.

- AEMO's request of the B2B-WG
  - To provide input/advice, including presenting at the HLIA industry session, regarding potential B2B impacts

#### Actions:

- AEMO to add a CER/FTA HLIA preparation agenda item to the July meeting.
- AEMO to confirm if an HLIA industry session is likely going to occur. If it is likely, the B2B WG to determine who will present on behalf of the WG.



## 'What's on the B2B horizon?'

Blaine Miner (AEMO)

## 'What's coming on the horizon'

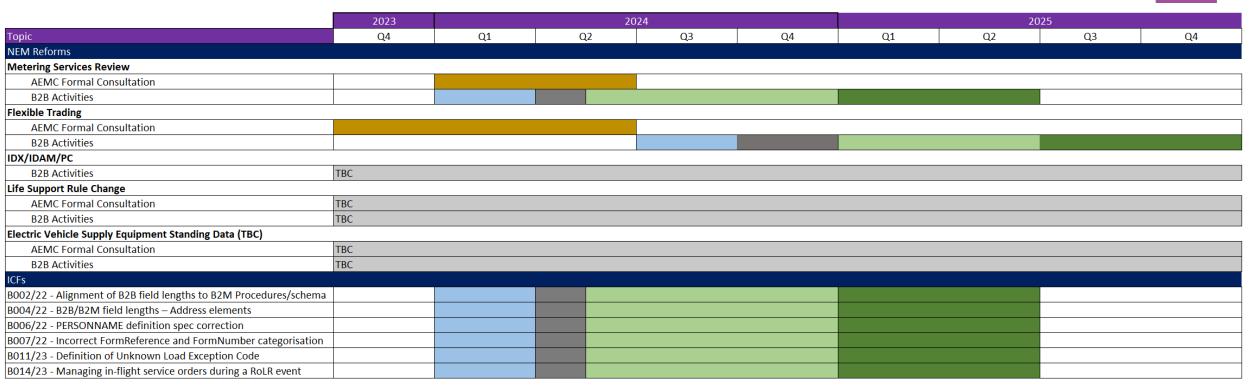


Topic	Timing	Next Milestone	Comments
IDX (Information Data Exchange), IDAM (Identity and Access Mgt), Portal Consolidation (PC)	Immediate	Stakeholder engagement expected to recommence in July/Aug	
Review of the regulatory framework for metering services	Immediate	Final Rule scheduled for 11 July 2024	Potential delay to the Final Determination flagged by the AEMC Chair (Anna Collyer), at the Australian Energy Week
Unlocking CER benefits through Flexible Trading	Immediate	Final Rule scheduled for 11 July 2024	
Potential Life Support Rule Change	Immediate	Stakeholder meeting scheduled for 27 June 2024	#BetterTogether Life Support Customers Initiative - The Energy     Charter
CER Data Exchange Industry Co- Design	Immediate	Registrations for the Expert Working Group close on Friday 21 June	
Electric Vehicle Supply Equipment Standing Data	Medium/ Longer term	TBD	<ul> <li>As per v4 of the NEM Reform Roadmap, 'Subject to AEMC electric vehicle charger data in DER register rule change consultation.'</li> </ul>

### **Indicative Timelines**

AEMO

(As of 7 June 2024)



AEMC Formal Consultation

B2B-WG Change Pack Development

IEC Change Pack engagement

Formal Consultation

System and Process Development, testing and release

<sup>\*\*</sup> Please note, the IEC's preferred approach to implementing New Rules is a traditional 'waterfall' approach i.e. AEMC Final Determination and Rules are published prior to any required IEC consultations commencing

- Blaine Miner (AEMO) spoke to 'What's coming on the horizon' slides
- Dino Ou (intelliHub) requested for the CER data exchange project to be added to the horizon table, which Sean Jennings (Red and Lumo Energy) seconded.
- Mark Riley (AGL) asked if the Electric Vehicle Supply Equipment Standing Data is expected to have similar access restrictions as the DER database?
- 'Indicative timelines' slide to be updated as new dates are confirmed.
- Action
  - AEMO to add the 'CER Data Exchange Industry Co-Design' initiative to the 'What's coming on the horizon' table.



# Forward Agenda

Blaine Miner (AEMO)

# Forward Agenda



Month	Proposed Agenda	
Wed 17 July 2024	<ul> <li>Standing agenda items:         <ul> <li>Action Log, ICF Register Update, B2M Update, 'What's on the B2B horizon?'</li> </ul> </li> <li>Unlocking CER benefits through Flexible Trading         <ul> <li>Including pre-formal and formal consultations, AEMO HLIA inputs</li> </ul> </li> <li>B2B v3.9:         <ul> <li>Initial stage submissions review (consolidated appendix)</li> <li>Draft Determination planning</li> <li>B2B Guide updates</li> </ul> </li> </ul>	Virtual
Thurs 8 Aug 2024	<ul> <li>Standing agenda items:         <ul> <li>Action Log, ICF Register Update, B2M Update, 'What's on the B2B horizon?'</li> </ul> </li> <li>Unlocking CER benefits through Flexible Trading         <ul> <li>Including pre-formal and formal consultations, AEMO HLIA inputs</li> </ul> </li> <li>B2B v3.9:         <ul> <li>Initial stage submissions review (consolidated appendix)</li> <li>Draft Determination planning</li> <li>B2B Guide updates</li> </ul> </li> </ul>	TBC
Thurs 12 Sept 2024	<ul> <li>Standing agenda items:         <ul> <li>Action Log, ICF Register Update, B2M Update, 'What's on the B2B horizon?'</li> </ul> </li> <li>Unlocking CER benefits through Flexible Trading         <ul> <li>Including pre-formal and formal consultations, AEMO HLIA inputs</li> </ul> </li> <li>B2B v3.9:         <ul> <li>Initial stage submissions review (consolidated appendix)</li> <li>Draft Determination planning</li> <li>B2B Guide updates</li> </ul> </li> </ul>	Virtual

• Blaine Miner (AEMO) spoke to the 'Forward Agenda' slide and highlighted that the MSR and CER/FTA discussions would impact proposed agenda items

#### Action

• AEMO to call weekly meetings from 17 July until the end of August to support the determination of B2B v3.9 submission feedback and to consider CER/FTA HLIA input (meeting series length to be assessed at each meeting)



## **General Business**

Blaine Miner (AEMO)



## Other Business - Informed Go-live

AEMC's "Unlocking CER benefits through flexible trading arrangements" draft determination (DD) provides an opportunity to test the Informed Go-Live process

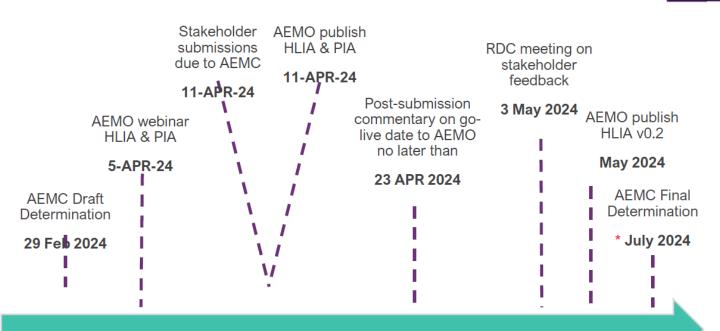
#### What is the informed go-live process?

- Post issue of a Draft Determination, AEMO will provide industry with initial views on implementation approach and impact
  - This is subject to sufficient policy direction contained in draft determination
  - As determination delivery dates are confirmed, scheduled timeframes for High Level Implementation Assessment (HLIA) / Participant Impact Assessment (PIA) timeframes will be assessed

#### **Objectives**

- Improve visibility and increased participant planning timeframe
- Provide initial view of anticipated implementation timings and contention in lead up to final Determination
- Provide participants opportunity to respond in AEMC process to any proposed implementation timeframes

#### Process undertaken





## Candidates: Informed go-live process

To be discussed further with the RDC

Initiatives	Status*	Next steps	Candidate
Improving security frameworks	Final Determination: 28/03/24	<ul> <li>AEMO HLIA / PIA published 31/05/24</li> <li>Go-live various dates including December 2025</li> </ul>	No – Final determination made
Enhancing reserve information	Final Determination: 21/03/24	<ul> <li>AEMO HLIA / PIA to be published imminently</li> <li>Go-live 1 July 2025 &amp; 1 July 2027</li> </ul>	No – Final determination made
Unlocking CER benefits through flexible trading	Draft Determination: 29/02/24 Final Determination: 07/24	<ul> <li>AEMO HLIA / PIA published alongside submission to DD</li> <li>Proposed go-live (Nov 26) subject to AEMC final determination</li> </ul>	Yes – Informed go live process completed
Accelerating smart meter deployment	Draft Determination: 04/04/24 Final Determination: 07/24	<ul> <li>Fast track rule change</li> <li>AEMO HLIA / PIA published 16 May 2024</li> <li>Proposed go-live (May 2025, July 2025, May 2026) subject to AEMC final determination</li> </ul>	No – Fast track rule change, substantial consultation already completed through MSR
Integrating price responsive resources into the NEM	<b>Draft Determination</b> : 25/07/24 Final Determination: 12/24	<ul> <li>AEMO HLIA / PIA to be published post DD</li> <li>Proposed go-live TBD</li> </ul>	Yes – Subject to draft determination
IDAM, IDX and PC	Stakeholder consultation complete.  Draft Business Case awaiting final internal approval	<ul> <li>Executive Forum member endorsement received March 2024.         AEMO's internal governance has now endorsed business case     </li> <li>Proposed go-live multiple tranches / releases, refer to bus.         Case     </li> </ul>	No – ongoing consultation already planned
Shortening Settlement Cycles	<b>Draft Determination</b> : 13/06/24	<ul> <li>AEMO HLIA / PIA to be published post DD</li> <li>Proposed go-live TBD</li> </ul>	Maybe – TBC Subject to draft determination

<sup>\*</sup> Items in bold highlight either next stage of reform process and / or estimated go-live date. HLIA = High Level Implementation Assessment. PIA = Participant Impact Assessment



AEMO

- Any other business to raise?
- Next monthly meeting scheduled for Wed 17 July 2024

#### **Notes**

- Blaine Miner (AEMO) spoke to the 'General Business' slides
- Dino Ou (intelliHub) provided further context around his request for the 'Informed Go-live' process to be added to 'General Business'
  - Dino requested the B2B-WG to consider how the WG will continue to provide input into these processes
  - Blaine suggested that the upcoming Unlocking CER benefits through Flexible Trading HLIA will provide further insight into how these new processes may impact WG resourcing



## Appendix



Meeting	Sector	B2B Rep	Indicative agenda
19 March 2024	Network	Graeme Ferguson (Essential)	<ul> <li>IDAM, IDX, PC</li> <li>NEM Reform committees/forums</li> <li>B2B-WG Update/Information Paper</li> </ul>
3 June 2024 (face-to-face)	Retailer	Sean Jennings (Red/Lumo)	<ul> <li>IDAM, IDX, PC</li> <li>NEM Reform committees/forums</li> <li>B2B-WG Update/Information Paper</li> <li>Unlocking CER benefits through Flexible Trading</li> </ul>
9 Sept 2024	Metering	Dino Ou (Intellihub)	<ul> <li>IDAM, IDX, PC</li> <li>NEM Reform committees/forums</li> <li>B2B-WG Update/Information Paper</li> <li>Unlocking CER benefits through Flexible Trading</li> </ul>
2 Dec 2024 (face-to-face)	All sectors	All members	<ul><li>Year that was, Year to be</li><li>Draft Annual Report 2024</li><li>Draft IEC Budget 2025-26</li></ul>



Mr Kee Wong (Chair)

Mr Robert Lo Giudice (Retailer Representative)

Mr Paul Greenwood (Metering Representative)

Mr Luke Jenner (Distributor Representative)

Ms Jill Cainey (Consumer Representative)

Mr Peter Van Loon (Discretionary Member - Retailer)

Mr Marco Bogaers (Discretionary Member - Embedded Networks)

Meghan Bibby (AEMO, IEC Secretariat)



Sector	B2B WG Rep	Organisation	IEC Meeting
Retail	Mark Riley	AGL	Dec 2022
	Aakash Sembey	Origin	Feb 2023
	Sean Jennings	Red/Lumo	June 2024
	Rob Lo Giudice	Alinta	IEC member
	Jo Sullivan	EA	
Metering	Dino Ou	Intellihub	Sept 2024
	Helen Vassos	PLUS ES	
	Paul Greenwood	Bluecurrent	IEC member
	Wayne Farrell	Yurika	Aug 2023
Network	Justin Betlehem	AusNet	
	Graeme Ferguson	Essential	March 2024
	Robert Mitchell	EQL	
	David Woods	SAPN	
	Adrian Honey	TasNetworks	

#### **ICF Gates**



Gate	Entry Criteria	Exit Criteria	Outcome
0 – ICF Preparation	Issue or change identified	Entry criteria for Gate 1 achieved	ICF circulated to the B2B WG members for Initial Assessment purposes
1 - B2B WG Initial Assessment	<ul> <li>Mandatory ICF sections populated to the required standard</li> <li>ICF reviewed by a B2B WG member prior to submission</li> <li>Proposed solution provided, where available</li> </ul>	<ul> <li>ICF populated to the required standard</li> <li>Additional information has been requested and received</li> <li>Options analysis has been completed</li> </ul>	B2B WG informs the Proponent of the outcome of Gate 1
2 - B2B WG Detailed Assessment	<ul> <li>ICF fully populated to the required standard</li> <li>Options analysis has been completed</li> </ul>	<ul> <li>Recommendation to the IEC determined</li> <li>IEC Paper has been prepared</li> <li>Inclusion into the next IEC Agenda has been confirmed</li> </ul>	B2B WG informs the Proponent of the outcome of Gate 2
3 - IEC Initial Assessment	<ul> <li>ICF populated to the required standard</li> <li>IEC paper completed and circulated</li> </ul>	<ul> <li>Additional information has been requested and provided, where applicable</li> <li>IEC decision confirmed</li> </ul>	• IEC informs the Proponent of the outcome of Gate 3
4 - IEC Change Pack creation	IEC decision to progress to Gate 4	<ul> <li>Change Pack prepared</li> <li>Inclusion of the ICF into the IEC Agenda has been confirmed</li> </ul>	IEC Change Pack ready for consultation
5 - Formal Consultation	Change Pack completed to IEC standards	IEC publishes Final Determination	ICF ready for implementation



# CER/FTA Draft Determination reference material

The following slides contain excerpts from the AEMC's Draft rule determination - Market Commission Unlocking CER Benefits rule change 29 February 2024.

They are being provided to stimulate consideration by the B2B-WG in identifying potential B2B Procedural impacts only.

#### Minimal eligibility requirements



- The draft rules provide the following eligibility requirements that would apply for large customers to establish secondary NMIs and have multiple FRMPs. For a customer to have secondary NMIs:
  - There must be only one customer at the connection point. This differs from the embedded network framework, where several customers may be connected to child connection points behind a single parent connection point. A business customer with several connection points may choose to aggregate their load across the different connection points to meet the threshold of a large customer in order to participate in flexible trading. That is, a business customer who meets the threshold could then engage multiple energy service providers and establish secondary settlement points(s) at these connection points.
  - The secondary NMI needs to be established downstream of a transmission or distribution network connection point. These requirements would be provided as amendments to chapters 2, 7 and 10 of the NER (see draft rules Ch 2 (2.3.4), Ch 7 (7.2.6), and Ch 10- definitions of market connection point, secondary settlement point). For a large customer to engage multiple FRMPs at one premises:
  - The customer must meet the definition of a large customer as per the NERL or jurisdictional legislation. Under the NERL, a larger customer is a business customer that consumes above the upper consumption thresholds defined in the NERL regulation as 100MWh per year. [NERL section 5(3) and National Energy Retail Regulations section 7 (b)].
  - The possibility of a large customer falling below the consumption threshold for a large customer (as to become a small customer) would be managed through a new clause 2.3.2 in the NER.
  - The secondary FRMP must be registered as a Customer or an Integrated Resource Provider (in its capacity as a Market Customer or an SGA and must classify the secondary settlement point as one of its market connection points.55
- These requirements would be provided as amendments to chapters 2 and 10 of the NER (see draft rules, Chapter 2 s2.1B.1, s2.1B.2, 2.2.2, 2.2.8, 2.3.2; Chapter 10 definitions for scheduled generating unit, scheduled bidirectional unit or scheduled network service). Existing roles and responsibilities of FRMPs provided in the NER and NERR would apply to secondary FRMPs. For example, the requirement for FRMPs to obtain retailer authorisation would apply to secondary FRMPs (e.g. where secondary FRMPs are on-selling energy to the customer).

#### **Key Timings**



Table 1: Timetable for the rule change and points of stakeholder consultation

Stage	Timeline
Commission publishes Draft Determination and more preferable draft rules	29 February 2024
Stakeholder submissions due	11 April 2024
Stakeholder consultation	March - April 2024
Commission publishes Final Determination and more preferable final rules	July 2024
Proposed implementation date for the rules	2 February 2026

AEMO is proposing to present a High-Level Implementation Design in April 2024

#### Disconnection for non-payment



- If the primary retailer disconnects, existing arrangements for large customer disconnections would apply.
- In a scenario where there is a second settlement point behind the primary connection point and the primary connection point is disconnected, the customer would also lose supply at the secondary NMI and de-energisation would occur at both points.
- Similarly, the existing approach to re-energisation would apply, in that each retailer must apply for re-energisation (that is, the secondary settlement point would not automatically be re-energised when the primary connection point is re-energised). As noted above, obligations to notify about disconnection could be included in contractual arrangements between the customer and FRMPs.
- For the purposes of settlement, AEMO metrology procedures would specify that when metering data providers (MDPs) 'flag' to AEMO when there is a disconnection or network outage at the connection point, AEMO can then use that flag when processing the metering data for the secondary settlement points (and revert the value to zero). This will then flow through to existing arrangements for settlement under Chapter 3 of the NER. The Commission considers that retailers at primary connection points and the customer (and therefore secondary FRMP) would be able to agree terms relating to the treatment of any energy flows at times of a supply outage on the network without the assistance of additional market processes. This approach acknowledges that large customers have unique arrangements and complex contractual arrangements governing matters with and between their retailers. These requirements would be provided as amendments to Div 5 of the NERR (s104, 106A, s111, s113, 116, 119).

### Assets and Secondary NMI Establishment



- 3.2.3 Switching of assets across FRMPs
- The Commission notes that there are risks to primary retailers posed by switching of resources between the primary and secondary NMIs. Switching could undermine the hedging positions of retailers and, thereby, their ability to offer customers hedged products. We also note some jurisdictions impose restrictions on switching between points in service installation rules, and that customers and FRMPs will take these rules into account when choosing arrangements that best suit their business model. Given this, the Commission considers that the choice to switch and any risks posed by customer switching could be managed by contractual arrangements between the customer and FRMPs, and we do not propose to regulate this activity in the NER.
- 3.3.1 DNSPs would be responsible for establishing and maintaining secondary NMIs
- The Commission has determined that the role of establishing and maintaining NMIs should sit with the DNSPs, consistent with arrangements for establishing and maintaining NMIs at the primary connection point. The Commission's draft rule provides that these responsibilities and processes would extend to secondary settlement points. These responsibilities include:
  - creating a NMI for a secondary settlement point at small customer premises (at the request of the customer or the customer's retailer)
  - linking the NMI at the secondary settlement point to the NMI at the primary connection point (that identifies the main metering installation at the premises), and
  - maintaining NMI standing data at secondary settlement points.

#### Settlement and metering arrangements



- 3.4.1 Settlement and metering arrangements
- The draft rules provide that subtractive settlement arrangements would apply between the primary connection point and secondary settlement point(s) at large customer premises. This would minimise the need for upgrade to systems currently used by market participants and AEMO.
- This approach also reflects well-established arrangements used by market participants under the embedded network framework,
  thereby reducing transaction and system change costs. DNSP billing would remain unaffected by the approach in the draft rules, as they
  would continue to bill the retailer at the primary connection point based on total usage at the premises.
- These arrangements would be provided for in amendments to AEMO procedures. The Commission notes that we considered alternative approaches and do not propose to introduce other metering arrangements for settlement, such as multi-element or parallel metering.
- New meter type 9 could be used at primary connection point and secondary settlement point at large customer premises
- The draft rules provide that large customers could use the new meter type 9 at the primary connection point and secondary settlement point. This would enable large customers to use technology with in-built measurement capability at these points, such as EV chargers. The main benefits for large customers associated with this change would be reduced metering costs (it would avoid the need to install a separate meter alongside the technology). Customers could still choose to use a type 4 meter at these points if they prefer. The arrangements for the proposed meter type 9 are described in detail at Chapter five.





- The draft rules and AEMO procedures would determine arrangements for when secondary NMIs become inactive. Where appropriate, these leverage existing arrangements used under the embedded network framework.
- Secondary FRMPs could choose to cease being a FRMP by declaring the NMI to be inactive AEMO procedures would provide that where a secondary FRMP chooses to cease being a FRMP by declaring the NMI to be inactive, the inactive NMI would automatically revert to the primary.
- As per existing arrangements for inactive NMIs, data would still be collected and all metering roles would stay in place, but would not be "turned on." If the customer doesn't use the secondary settlement point/NMI, the roles remains inactive. If the customer opts back in, the metering roles become active again. This approach is well understood and used under the embedded network framework. These requirements would be provided in AEMO procedures and in amendments to Chapter 2 of the NER (see draft rules, Ch 2- s2.10.1) and in AEMO procedures.
- Onus on the second FRMP to deactivate NMI where a large customer changes status to a small customer
- Some stakeholders noted that there are situations where large customers fall below the threshold for this status and need to be classified as small customers. If the large customer was using the draft framework for flexible trading and its status changed to a small customer, the draft rules and AEMO procedures would provide that the onus is on the secondary FRMP to deactivate the NMI at the secondary settlement point. This approach would reduce burden on AEMO and metering service providers and allocate the responsibility to the party with an existing contractual relationship with the customer. These requirements would be provided as amendments to chapter 2 of the NER (see draft rules, Ch 2- s2.3.2) and in AEMO procedures.

#### **AEMC Implementation considerations**



- 3.5 Implementation considerations
- As noted throughout this chapter, a range of changes will be required to implement the framework in the draft rules. Key changes required to implement this draft framework include:
  - Updates to AEMO's MSATS system, primarily related to the proposed secondary NMIs.
  - Changes to retailer billing systems to account for the existence of secondary settlement points.
  - Updates to DNSP systems to enable establishment and maintenance of secondary NMIs.
  - Updates to AEMO procedures, primarily MSATS Procedures, Metrology Procedures, and Service Level Procedures\*, and
  - Updates to AER guidelines related to embedded network arrangements, including the Network Exemption Guidelines and Retail Exemption Guidelines.
- See further information about implementation considerations at Chapter seven. The costs associated with changes that would have the greatest impact are detailed in Chapter six and in Energeia's draft report.

<sup>\*</sup>Indicative assessment is a substantial impact to Retail and Metering procedures

#### Subtractive settlement arrangements



- Subtractive settlement arrangements would apply
- As with large customer premises with secondary settlement points (Section 3.3), subtractive settlement arrangements would apply between the primary connection point and secondary settlement point(s) at small customer premises.
- The Commission considers that this approach would minimise the need for upgrades to systems currently used by market participants and AEMO. This approach also reflects well-established arrangements used by market participants under the embedded network framework, thereby reducing transaction and system change costs. These arrangements would be provided for in amendments to AEMO procedures.

#### Technical arrangements for Small Customers



- 4.2.3 Technical arrangements for secondary settlement points secondary metering arrangements for small customers
- New meter type 8 would be able to be used at the secondary settlement point
- The draft rules provide that the new meter type (type 8, described in detail in Chapter five) could be used at secondary settlement points at small customer premises. This would enable small customers to use technology with in-built measurement capability at secondary settlement points, such as behind the meter batteries or EV chargers.
- As indicated in Section 5.2.3, type 8 meters would need to obtain pattern approval from the National Measurement
  Institute to give industry and consumers alike confidence in the meter accuracy. However, to introduce flexibility for these
  metering arrangements and lower metering costs, the draft rules would require AEMO procedures to set out the meter
  specifications and minimum service specifications for type 8 meters (instead of having the NER define those
  specifications).
- By reducing metering costs associated with the CER device, the Commission considers that this will make it easier for small customers to use their CER flexibly and access new value streams. These benefits are described in more detail at Section 6.2.2. These arrangements would be provided for in amendments to NER Chapter 7 for the purpose of creating a new meter type and specifying which meter type can be used for second settlement points (see Appendix E Summary of draft rules, E.3.6).

#### Market Arrangements



- The Commission has determined to introduce two meter types in the NER as shown in Figure 5.1 to accommodate differences in accuracy (as outlined below in Section 5.2.3) and type 8 and type 9 meters can be used in more circumstances than the proposed MEFM.124 These arrangements would be provided for in amendments to Chapter 7 of the NER. Figure 5.1 shows that:
- Type 8 meters would have the following characteristics:
  - Permitted for use at second settlement points in small customer premises e.g. EV charger at a second settlement point.
  - In-built measurement devices and external measurement devices would be considered a meter for the purposes of this meter type (if they meet requirements set out in the NER, including pattern approval by the National Measurement Institute).
  - Accuracy limit of plus or minus 2 percent.
  - Volume limit of 750 MWh125 per annum at the connection point (to use their in-built functions for measuring energy flow, data storage, remote communications, and time as metered data for settlement in MSATS).

#### Market Arrangements

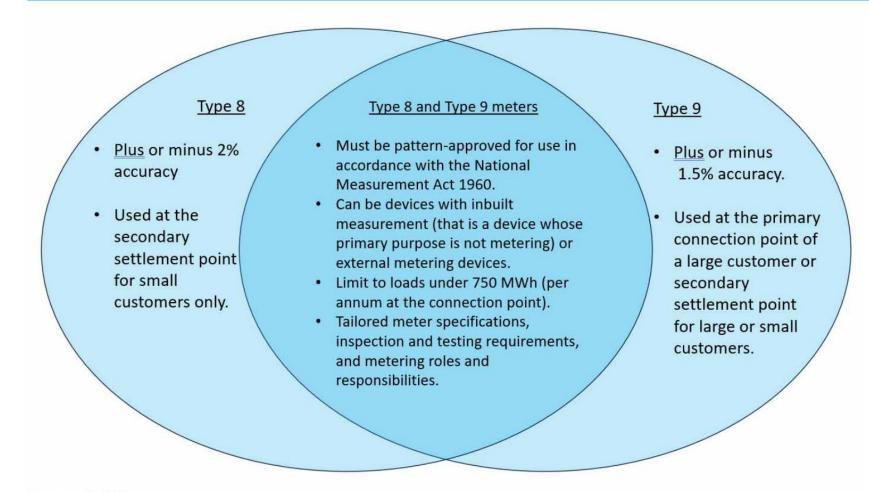


- Type 9 meters would have the following characteristics:
  - Permitted for primary connection points other than at small customer premises (e.g. public lighting, street furniture and kerbside charging) and large customer secondary settlement points.
  - In-built measurement devices and external measurement devices would be considered a meter for the purposes of this meter type (if they meet requirements set out in the NER, including pattern approval by the National Measurement Institute).
  - For example, meters may be used for flows that are not considered 'minor,' such as NBN cabinets and EV chargers. 125 This is consistent with the annual volume limit for a Type 4 meter. 126 We note that some stakeholders suggested that other small loads such as parking sensors and CCTV cameras could be included in the new metering arrangements. The Commission notes that devices that meet the meter specifications, are pattern approved and function in accordance with Chapter 7 could indeed be considered a type 9 meter for settlement purposes. 40 0 Australian Energy Draft rule determination Market Commission Unlocking CER Benefits rule change 29 February 2024
  - Accuracy limit of plus or minus 1.5 percent.
  - Volume limit of 750MWh per annum at the connection point (to use their in-built functions for measuring energy flow, data storage, remote communications, and time as metered data for settlement in MSATS).

#### Market Arrangements



Figure 5.1: Type 8 and Type 9 similarities



Source: AEMC

#### Market functionality (roles and responsibilities)



- 5.2.2 Market functionality (roles and responsibilities)
- The draft rule proposes changes to the accreditation requirements for MPs and MDPs. In its rule change request, AEMO proposed establishing new accreditation categories for MPs and MDPs for the provision of services within private metering arrangements and minor energy flow metering installations. This included providing a mechanism for the MP to enable the assessment and application of an equivalently accessible display as contemplated by NER clause 7.8.2(a). AEMO also stated that DNSPs should not be excluded from acting in the role of MC, MDP and MP for street furniture minor energy flow metering installations given these assets are often maintained by DNSPs and housed within DNSP infrastructure. During consultation, stakeholders noted the following:
  - Many MPs sub-contract other parties for the installation of meters.
  - Some electric vehicle supply equipment installers have relationships with providers of MP and MDP services, but few of them are accredited to provide this service themselves.
  - The MP role is important to ensure that meters are installed correctly and that data is being transmitted to AEMO appropriately.
  - The MC has the ultimate responsibility for the metering installation, including inspection and testing.
- However, the MC may not have the same skills and expertise that an MP has.
  - MDPs have their own systems which may not operate with the new in-built measurement technology.
  - Requiring an MP to oversee the installation of lights with measurement capability may not be necessary given the measurement technology is in-built and can be monitored remotely through a Central Management System (CMS).
  - The cost of metering services, including having an MDP and MP, may be more than initial meter installation costs and could impact the cost benefits of measuring energy flows in street lights.

#### Market functionality (roles and responsibilities)



- Minor changes to the MP responsibilities
- The draft rule includes amendments to NER clauses 7.3.2 and S7.2.2(a) to reflect that customers may provide type 8 metering installations such as EV chargers themselves (including legacy devices), in which case the Metering Provider will be responsible for commissioning and maintaining the installation, but not providing or installing it.

#### 7.8.1 Metering installation requirements

- (d) Installation of a type 8 metering installation for a secondary settlement point may be carried out by any person qualified under applicable law to install the relevant metering installation.
- (e) The Metering Coordinator at a connection point must ensure that there is not a type 8 metering installation at the connection point unless it is a secondary settlement point within the premises of a small customer.

#### Contestability for type 8 and type 9 meters



- The MC, MDP, and MP roles are contestable for type 8 and type 9 meters
- The draft rule provides for type 8 and type 9 meters to have some different arrangements for metering roles and responsibilities compared to other meter types (notably when compared to Type 4 or Type 7). Under Type 7 or noncontested unmetered loads, DNSPs act as the MC and undertake calculations to determine the electricity usage for settlement purposes. As noted, a number of submissions supporting the MC role being contestable, noting that many stakeholders agreed it may be most practical for DNSPs to do the role. Energy Queensland Limited noted that it is "important for DNSPs to have the option to perform the MC, MP, MDP functions, but we would not support a mandatory obligation to do so." Some DNSPs noted that they are trying to move away from providing metering services and as such, allowing other providers to function in the MC role may assist in circumstances where the DNSP does not wish to take on the MC role for Type 9 meters (notably for street lights). Based on stakeholder feedback and the Commission's assessment criteria, the Commission has determined to make the MP, MC, and MDP roles contestable for type 8 and type 9 metering installations (including smart street lighting). **DNSPs could offer this service through their ringfenced** contestable service provider. This approach would enable street lighting customers, namely councils, to benefit from the new meter type without the DNSP needing to provide MC services. Where DNSPs wish to serve in the role of MC for type 9 metering installation (notably street lights) the Commission is advised that DNSPs can apply to the AER for a ringfencing exemption.

#### Contestability for type 8 and type 9 meters



- The draft rule proposes that the responsibility for setting metering specifications, inspection and testing requirements (under an asset management plan), and procedures for meter installation and maintenance is placed with AEMO. The draft rule, however, includes a minimum standard for type 8 and type 9 meters, including for these meters to be pattern-approved. Likewise, requirements for electronic data transfer facilities and facilities for storing interval energy data under clause 7.8.2 of the NER have been extended to type 8 and type 9 meters in the draft rule. The draft rule would require AEMO to set out the minimum service specifications in their procedures for type 8 and type 9 meters. AEMO must have regard to the principle that a service provided by a type 8 or 9 metering installation must:
  - comply with any applicable requirements of the NMA
  - provide for the recording of sufficient historical data consistent with current requirements of the NER
  - provide for the remote retrieval of metering data
  - provide for interval energy data to be prepared and recorded in intervals which correspond to a trading interval.
- The Commission expects AEMO will also take into account international standards, consumer and manufacturer cost impacts, and flexibility for the inclusion of new and emerging technologies. We anticipate this approach will make it easier for minimum service specifications to respond to advancements in measurement capability in technology over time. Furthermore, this allows for further consultation with original equipment

#### Alternative inspection and testing requirements



- AEMO's rule change request proposed that minor energy flow metering installations be subject to less onerous inspection and testing requirements than other meter types.
- Specifically, AEMO proposed that Chapter 7 be amended to clarify the ability of MCs to propose bespoke arrangements for the testing and inspection of existing, new, and emerging metering devices, technologies, and systems.
- Stakeholders supported tailored inspection and testing requirements citing costs, practicality, and the likely variation between CER devices with in-built measurement capability.
- For street lights, the IPWEA noted that physical inspection requirements would be particularly impractical and, thus, should be rejected. Rather, 'inspection of performance should more appropriately take place via the central management.'
- The draft rule allows the MC for type 8 and type 9 meters to propose alternative testing and inspection arrangements to AEMO for approval through an asset management strategy.
- If the relevant MC does not have an asset management strategy approved by AEMO, it must comply with the testing and inspection requirements for type 8 and 9 meters outlined in Schedule 7.6 of the NER.

#### Key Energia Findings and Estimates



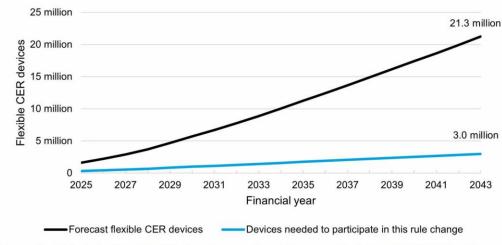
Table 6.3: Energeia draft findings - costs of implementation - draft rules for flexible trading at large customer premises and optimising CER at residential premises.

Action	Who bears the cost	Annualised cost per device	
Updating AEMO systems	All customers	\$0.49	
Updating retailer/metering coordinator systems	All customers	\$0.49	
Updating network systems	All customers	Negligible	
NMI allocation	Shared by retailer and CER device owner	\$8.42	
Device certification	CER device owner	Negligible	
Device system changes	CER device owner	Negligible	

Source: Benefit Analysis of Load-Flexibility from Consumer Energy Resources - Draft Report, 29 Feb 2024, p 20.

Note: We have only included the portion of device certification costs and device system changes incurred by market participants, in this case the purchasers of CER devices. Manufacturers and installers bear any remaining costs. Additionally, Energeia found the costs of system changes to networks are negligible as they can already apply sub-metering arrangements to multi-element meters.

Figure 6.3: Break even estimates for flexible CER devices needed to participate in the rule changes



Source: Benefit Analysis of Load-Flexibility from Consumer Energy Resources - Draft Report, 29 Feb 2024, p 39.





- Blaine Miner (AEMO) spoke to the Unlocking CER benefits through Flexible Trading slides
- Blaine mentioned that he had included these slides into the pack to assist the WG with its initial consideration of some of the key aspects being proposed in the AEMC's Draft Determination and Rule
- Areas of discussion included:
  - The proposed effective date of 2 February 2026
  - Key features of the proposed framework, including:
    - DNSPs being responsible for establishing and maintaining secondary NMIs (s 3.3.1), not a role, or system logic, LNSPs currently perform
    - There must be only one customer at the connection point.
  - Each retailer having to apply for re-energisation (that is, the secondary settlement point would not automatically be re-energised when the primary connection point is re-energised)
  - Secondary FRMPs could choose to cease being a FRMP by declaring the NMI to be inactive
    - Inactive NMIs, data would still be collected and all metering roles would stay in place, but would not be "turned on."
    - Question: Who pays for the MDP and MP services while the secondary NMI is inactive?
  - The AEMC's assertion on the size of the impact to Industry
  - The introduction and application of 2 new metering types (Type 8 and 9 meters)
  - The references to Small Customers in the Draft Report
  - Members ensuring that they read the AEMC Draft Report and the Draft Rule in partnership to fully appreciate what is being proposed in identifying
    potential impacts



For more information visit

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