POC Executive Forum No.7 Meeting Notes

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| MEETING: | POC Executive Forum |
| DATE: | Tuesday 20 June 2017 |
| TIME: | 12:30AM-2:00 PM (AEST) |
| LOCATION: | AEMO Offices Melbourne, Sydney, Brisbane, Adelaide- Video/Teleconference |

Attendees:

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| Attendees | Company |
| Glenn Pallesen | ActewAGL Distribution |
| Kate Goatley | ActewAGL Retail |
| Gino Fragapane | AGL Energy Limited |
| Bob Poker | Alinta Energy |
| Emma Youill | Ausnet Services |
| Fiona Walker | Australian Energy Regulator |
| Ammar Al Juboori | Covau Pty Limited |
| Carly Irving | Energex Limited |
| Andrew Hunt | Energex Limited |
| Tim Evans | Energy Australia |
| Stefanie Macri | Lumo Energy Australia |
| Arun Wadhwa | Origin Energy |
| Jan Prichard | Origin Energy |
| Matthew Hunt | PWC |
| Nick Burjorjee | PWC |
| Chris Hookey | Red Energy |
| Dana Rankine | SA Power Networks |
| Doug Schmidt | SA Power Networks |
| James Barton | Simply Energy |
| Mike Paine | TasNetworks |
| Warren Brooks | TasNetworks |
| Violette Mouchaileh | AEMO (Chair) |
| Ben Healy | AEMO  |
| Jennifer Fikret | AEMO (Minute taker) |

**Red indicates an action.**

1. **WELCOME AND INTRODUCTION**

Attendees were welcomed to the forum.

V. Mouchaileh explained the purpose of the forum as per the Agenda.

**2.0 APOLOGIES AND MINUTES**

Minutes of the previous Executive Forum were circulated on 1 June 2017.

**3.0 POWER OF CHOICE PROGRAM UPDATE – B. Healy**

June Readiness Report – B. Healy referred to summary report for June 2017. The Report status remained amber, however the risk rating moved to high as the risks themselves have not changed, but the threshold of industry has. An increase in the number participating in reporting occurred for June. A key risk highlighted related to processing distribution faults and emergencies, and also the Order in Council.

Participants were informed all distributor businesses are required to publish “terms and conditions” for which they will operate as the initial MC (per clause 11.86.7 of the NER) by 1 September. It is expected that negotiations (if required) are currently underway. If possible, distributor business could release drafts of their T&C’s to address a number of items raised by retailers through readiness reporting.

There still appears to be uncertainties around Transition and Cutover in the report. The IT&CFG are working at a granular level and recommendations will filter through in the next month, after which the start of contingency planning and some high level scenarios to run over the top of the plan can commence.

Clarity of safety regulations – S. Macri informed the forum the Commonwealth sent a request for proposal on an approach to remote re-en/de-en to the AEC and ENA. The AEC have decided to put forward a voluntary code, of which the proposal is in final draft stage. The proposal will be circulated to safety regulators and the ENA soon for consideration. Peter Cole is the main contact at ENA. The proposal submitted will be a joint proposal from AEC and the Competitive Metering Industry Group (CMIG). S. Macri noted that the proposal only deals with the re-energisation and de-energisation and the status of other safety regulation changes required is not known.

 ***Action 1:*** *S. Macri to advise AEMO when further details known for circulation.*
***Action 2:*** *B. Healy to contact M. Whitfield to obtain next steps and circulate to group.*

The PCF have a more detailed risk list and will be discussing this at Thursday’s PCF Meeting.

G. Fragapane (AGL) apologised for not attending the Executive Forum in the past and queried what plan is in place to deal with customer impacts. J. Prichard also queried what the impacts to customers and the building industry could be. There is no roll-back if a bush fire or cyclone occurs with the effect that large volume of meters need to be replaced as networks will no longer be able to replace meters. . She is also concerned on the range of information yet to be shared around aged meter replacement programs (including meter family failures). A. Wadhwa raised the concern on industry focus for compliance with the new obligations and lack of progress at jurisdiction level for supporting regulation changes, such as safety cases, right to entry for etc. This may result in poor customer experience. V. Mouchaileh acknowledged the PoC timetable is tight, however the work groups are working in an effective and timely manner to achieve testing in July/Aug. Engaging PWC to do the Readiness Review is to obtain a snapshot of where the market is at around the state of readiness, the risks, and mitigations in place at this time, and then link it back to readiness. If there is there too much risk alternative plans may need to be considered. Three alternatives may be 1) nothing changes come 1 December, 2) the date be changed or; 3) the date stays and it is managed around. The outcome of the review will assist AEMO and industry to make this decision.

J. Prichard raised concerns around meter stocks, availability of crews, etc. and is concerned the decision may be too late to deal with these. C. Irving from Energex reported the lead time on ordering meter stocks is months and in fact it is no longer possible to get new stocks of basic meters. J. Prichard raised concern with compressed testing period and as built consultation on the procedures still underway. Three weeks between industry testing completion to go live date limits the industry ability to address any major issues. G. Fragapane noted AGL will not stock up on meters when commercial agreements are not in place. V. Mouchaileh encouraged participation in the PWC review and to supply Executive Sponsor details for contacting by PWC.

J. Prichard noted customers (also electricians/builders) are unaware of the forthcoming change and have a lack of understanding. S Macri noted each jurisdiction is approaching the changes differently. ASPs are contacting the ministers’ office as they do not know where to get a meter from, so there is a need to collectively get the message out there. C. Irvine noted Energex have been proactively conducting roadshows with contractors, keeping them up to date on impacts to them and customers.

**4.0 READINESS REVIEW**

Timeline – online surveys will take place in July, then collation of output, followed by one on one conversations with project sponsors. The Terms of Reference and timeline will be sent once finalised. A status report from PWC (being mindful of confidentiality) will be released mid-July. AEMOs report will disclose some individual participant outcomes to enable them to assist participants if required, however these will not be broadcast to industry or other participants. Discussions with Executive Forum, the IEC and AEMO Board is planned for the first week of August to explore options.

M. Hunt (PWC) explained the context of the review is collation of information to drive action AEMO needs take on issues identified. The surveys and interviews are not an audit or review, as such PwC will not be reviewing supporting project information and artefacts of participants. Output will be reported on a non-identifiable basis, however AEMO will have access to this. The survey is being undertaken to enable a consistent method of questioning and quantifiable statistical outcomes to assist AEMO in the decision of 1 December. The survey will be aligned to AEMO’s readiness criteria and will also touch base on project governance activities in each organisation.

AEMO will supply a contact list to PWC which must represent the participant’s organisation and their view. The organisation can control who completes the survey and an email address is supplied to PWC at the end of the survey. S. Macri noted the survey should be reviewed internally regardless of who submits it. PWC stated the intent of the survey is to remove judgement and focus on what drives particular decisions by AEMO.

A concern was raised that those not participating will not complete the survey. AEMO will follow up non-participating organisations, however there is no mechanism to mandate a response to the survey. F. Walker (AER) noted the AER can write to non-completers and follow up. PWC recognise the importance of getting this done ASAP as the questions are very targeted on whether they expect risks to be mitigated by 1 Dec.

PWC stated the review may highlight a range of risks, some of which are mitigated and some not. AEMO will need to work out who is responsible for mitigating these risks. S Macri noted the risk profile is different in varying jurisdictions and PWC informed participants to specify the jurisdiction it applies to and if none are specified, it will be assumed it is wherever your business operate.

PWC spoke of logistics and may meet via video conference with some organisations.

V. Mouchaileh thanked and encouraged participants to partake in PWC Readiness Review.

**NEXT MEETING**

The next Executive Forum take place on 25 July 2017.