

IMPACT & IMPLEMENTATION REPORT – SUMMARY SECTION

(For AEMO to complete and administer)

Issue Number	IN028/16		
Impacted Jurisdiction (s)	South Australia		
Proponent	Danny McGowan	Company	AEMO
Affected Gas Markets(s)	Retail	Consultation process (Ordinary or Expedited)	Expedited
Industry Consultative forum(s) used	GRCF	Date Industry Consultative forum(s)consultation concluded	22 August 2016
Short Description of change(s)	Documentation changes only to Specification Pack to support REMCo to AEMO transition.		
Procedure(s) or Documentation impacted	Refer to artefacts listed in section 2 of this Impact and Implementation Report (IIR)		
Summary of the change(s)	The current AEMO Specification Pack applies in both Western Australia (WA) and South Australia (SA). The documents that make up the Specification Pack contain things like the Retail Energy Market Company (REMCo) logo and terms that such a Gas Market Rules (WA) that will no longer apply after the transition therefore the AEMO Specification Pack documents will need minor amends to remove such references from the documentation.		
I&IR Prepared By	Danny McGowan	Approved By	Alicia Volvricht
Date I&IR published	9 September 2016	Date Consultation under 135EE or 135EF concludes	30 September 2016
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IMPACT & IMPLEMENTATION REPORT – DETAILED REPORT SECTION

CRITICAL EXAMINATION OF PROPOSAL

<p>1. Description of change(s) and reasons for change(s)</p>	<p>The REMCo Board and the AEMO Board have agreed that REMCo and the Western Australia (WA) gas retail market are to be transitioned into AEMO (the “Transition”). The preferred timeline for the Transition to be completed is 31 October 2016.</p> <p>The AEMO Specification Pack provides the technical specifications on how the IT systems for REMCo and the gas retail market participants are to be implemented to comply with the Retail Market Rules. The Specification Pack is made up of agreed technical standards and business processes that enable Users, Network Operators, and Market Operators (REMCo and AEMO) to transfer information between each others’ systems.</p> <p>The current AEMO Specification Pack applies in both WA and South Australia (SA), and is drafted in a generic way to apply in both jurisdictions, with minimal WA-only and SA-only sections.</p> <p>The AEMO Specification Pack documents will need minor amendments to remove the REMCo logo, replace the term Gas Market Rules with Retail Market Procedures etc.</p>
<p>2. Reference documentation</p> <ul style="list-style-type: none"> • Procedure Reference • GIP/Specification Pack Reference • Other Reference 	<p>The Specification Pack, including:</p> <ul style="list-style-type: none"> • Specification Pack Usage Guidelines; • Interface Control Document; • FRC B2B System Interface Definition; • FRC B2M-B2B Hub System Specifications; • FRC B2M-B2B Hub System Architecture; • FRC CSV Data Format Specification; • Connectivity Testing and Technical Certification; • Readiness Criteria; • B2B Service Order Specification Part 1; and • B2B Service Order Specification Part 2.
<p>3. The high level details of the change(s) to the existing Procedures</p> <p>This includes:</p> <ul style="list-style-type: none"> • A comparison of the existing operation of the Procedures to the proposed change to the operation of the Procedures 	<p>AEMO and REMCo have reviewed and updated each of the documents contained in the AEMO Specification Pack to reflect the redundant WA references. Only administrative changes will be made to the AEMO Specification Pack; so the SA gas retail market technical protocols, systems, and interfaces will not change. This will ensure that the Transition will not have any implications for SA gas retail market participants or gas consumers.</p> <p>The changes have been marked up in each of the documents.</p> <p>Attachment A includes a table that summarises all of the changes that are to be made to the AEMO Specification Pack to enable the Transition.</p>

<ul style="list-style-type: none"> A marked up version of the Procedure change 	<p>In summary, the following changes have been made:</p> <ol style="list-style-type: none"> Remove the preamble at the beginning of each document to reference the current jurisdictional arrangements in both SA and WA (i.e. AEMO as the Market Operator for SA, subject to the Retail Market Procedures; and REMCo as the Market Operator for WA, subject to the Retail Market Rules); all references to “REMCo” have been changed to “AEMO”; removal of the REMCo logos in the header at the top of each document; and other minor documentation changes to replace WA terminology (i.e. Rules replaced with Procedures). <p>If approved the changes above will be included in an updated version of the AEMO Specification Pack.</p>
<p>4. Explanation regarding the order of magnitude of the change (eg: material, non-material or non-substantial)</p>	<p>AEMO considers that the proposed changes in this proposal are non-material for the following reasons:</p> <ul style="list-style-type: none"> this is documentation change only and no systematic changes required to the WA Gas Retail Market System (GRMS) to implement these changes Market Participants will not be required to modify their systems as a result of the proposed changes no amendments are required to the SA Retail Market Procedures.

ASSESSMENT OF LIKELY EFFECT OF PROPOSAL	
<p>5. Overall Industry Cost / benefit (tangible / intangible / risk) analysis and/or cost estimates</p>	<p>As prescribed in the “Approved Process”, registered participants and interested stakeholders were invited to make a submissions to the Proposed Procedure Change (PPC). Submissions closed on 22 August 2016. AEMO received submissions from APA/AGN/Allgas, and Origin.</p> <p>In terms of costs, AEMO did not receive feedback from participants that raised any concerns in relation to any cost impacts to industry. AEMO has therefore concluded that there are no participant costs for implementing any of the proposed changes.</p> <p>For AEMO, these are documentation changes only and therefore there are no costs to implement.</p> <p>Whilst none of the submission noted any benefits, AEMO is of the view that the likely benefits of updating the AEMO Specification Pack is that redundant terminology is removed.</p>
<p>6. The likely implementation effect of the change(s) on stakeholders (e.g. Industry or end-users)</p>	<p>There are not expected to be any process or implementation impacts as a result of the proposed changes to the AEMO Specification Pack.</p> <p>This is a documentation change only. As such, AEMO, REMCo or any of the Market Participants will not be required to make any modifications to their existing systems or business processes.</p>
<p>7. Testing requirements</p>	<p>None required.</p>
<p>8. AEMO's preliminary assessment of the</p>	<p><u>Consistency with NGL and NGR:</u></p>

<p>proposal's compliance with section 135EB:</p> <ul style="list-style-type: none"> - consistency with NGL and NGR, - regard to national gas objective - regard to any applicable access arrangements 	<p>AEMO's view is that the proposed changes for IN028/16 are consistent with the NGL and NGR.</p> <p><u>National gas objective</u></p> <p><i>"Promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, safety, reliability and security of supply of natural gas."</i></p> <p>It is AEMO's view that the proposed changes for IN028/16 will assist to facilitate the efficient operation of each of the retail gas markets, and are in the long-term interests of consumers as it promotes clarity and consistency.</p> <p><u>Applicable access arrangements</u></p> <p>AEMO's view is that the proposed changes for IN028/16 are not in conflict with existing Access Arrangements. The Distributor did not raise concerns with the proposed amendments in relation to their Access Arrangement.</p>
<p>9. Consultation Forum Outcomes (e.g. the conclusions made on the change(s) whether there was unanimous approval, any dissenting views)</p>	<p>On 8 August 2016 AEMO published on its website a Proposed Procedure Change (PPC) that recommended minor documentation changes to Specification Pack to support REMCo to AEMO transition. Registered participants and interested stakeholders were invited to make submissions which closed on 22 August 2016.</p> <p>AEMO received submissions from APA/AGN/Allgas, AGL and Origin Energy and none of those submissions opposed the changes.</p>

RECOMMENDATION(S)	
<p>10. Should the proposed Procedures be made, (with or without amendments)?</p>	<p>AEMO recommends that the changes be made as drafted for the procedure change for IN028/16 (Specification Pack document change to support REMCo to AEMO transition).</p>
<p>11. If applicable, a proposed effective date for the proposed change(s) to take effect and justification for that timeline.</p>	<p>AEMO proposes an effective date of 31 October 2016 for the proposed changes for IN028/16 (Specification Pack document change to support REMCo to AEMO transition).</p> <p>The rationale for this timeline is it reflects the targeted timeline put forward by REMCo in its application to the WA Economic Regulation Authority (ERA) that if approved by the ERA will transition the WA gas retail market operations from REMCo to AEMO.</p>

ATTACHMENT A – Table Indicating the Changes to the Specification Pack (see section 3)

The following table summarises all of the changes that are to be made to the Specification Pack to enable the Transition. AEMO will use the updated AEMO Specification Pack to operate the WA and SA gas retail markets.

Ref	Clause	Current	Change
Specification Pack Usage Guideline			
1	Front cover		<ul style="list-style-type: none"> Delete the <i>REMCo</i> logo.
2	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. <ul style="list-style-type: none"> (a) Several terms have been changed to a general term where possible with a market specific definition; and... This approach is to promote interchange-ability in these documents for the benefit of stakeholders from... 	<ul style="list-style-type: none"> Delete the entire section.
3	The term - <i>Specification Pack</i>	<ul style="list-style-type: none"> The term <i>Specification Pack</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>AEMO Specification Pack</i> as the term is used in the <i>procedures</i> (the WA Gas Retail Market Procedures). This change would align the terminology in the <i>procedures</i> for both WA and SA.
4	The term <i>Gas Retail Market Rules</i>	<ul style="list-style-type: none"> The term <i>Gas Retail Market Rules</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>Retail Market Procedures</i>.

Ref	Clause	Current	Change
5	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
6	2.0		<ul style="list-style-type: none"> All the document version numbers are to be updated.

Ref	Clause	Current	Change
Interface Control Document			
7	Covering page	<ul style="list-style-type: none"> Update the listed client: 	<ul style="list-style-type: none"> Client: Australian Energy Market Operator Limited (AEMO).
8	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. <ul style="list-style-type: none"> (a) Several terms have been changed to a general term where possible with a market specific definition; and... This approach is to promote interchange-ability in these documents for the benefit of stakeholders from... 	<ul style="list-style-type: none"> Delete the entire section.
9	The term <i>Gas Retail Market Rules</i>	<ul style="list-style-type: none"> The term <i>Gas Retail Market Rules</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>Retail Market Procedures</i>.
10	The term <i>relevant Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
11	The term <i>rules</i>	<ul style="list-style-type: none"> The term <i>rules</i> is used. 	<ul style="list-style-type: none"> Replace with <i>Procedures</i>.
FRC B2B System Interface Definitions			
12	Front cover		<ul style="list-style-type: none"> Delete the <i>REMCo</i> logo
13	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the 	<ul style="list-style-type: none"> Delete the entire section.

Ref	Clause	Current	Change
		<p>South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes.</p> <p>(a) Several terms have been changed to a general term where possible with a market specific definition; and...</p> <p>This approach is to promote interchange-ability in these documents for the benefit of stakeholders from...</p>	
14	The term - <i>Specification Pack</i>	<ul style="list-style-type: none"> The term <i>Specification Pack</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>AEMO Specification Pack</i> as the term is used in the <i>procedures</i> (the WA Gas Retail Market Procedures). This change would align the terminology in the <i>procedures</i> for both WA and SA.
15	The term <i>Gas Retail Market Rules</i>	<ul style="list-style-type: none"> The term <i>Gas Retail Market Rules</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>Retail Market Procedures</i>.
16	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
17		<ul style="list-style-type: none"> Appendix D, section 9.1 specifies the LVI, but does not require provision of the LVI. 	<ul style="list-style-type: none"> Insert the following text at the beginning of section 9.1 in Appendix D: <i>AEMO</i> will make available the following low-volume interface service for <i>Users</i> that have a market share of no more than 500 <i>MIRNs</i>.
FRC B2M-B2B Hub System Specification			
18	Front cover		<ul style="list-style-type: none"> Delete the <i>REMC</i>o logo
19	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the 	<ul style="list-style-type: none"> Delete the entire section.

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		<p>South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes.</p> <p>(a) Several terms have been changed to a general term where possible with a market specific definition; and...</p> <p>This approach is to promote interchange-ability in these documents for the benefit of stakeholders from...</p>	
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21	The term <i>Gas Retail Market Rules</i>	<ul style="list-style-type: none"> The term <i>Gas Retail Market Rules</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>Retail Market Procedures</i>.
22	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
FRC B2M-B2B Hub System Architecture			
23	Front cover		<ul style="list-style-type: none"> Delete the <i>REMCo</i> logo
24	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. (a) Several terms have been changed to a general term where possible with a market specific definition; and... 	<ul style="list-style-type: none"> Delete the entire section.

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26	The term <i>Gas Retail Market Rules</i>	<ul style="list-style-type: none"> The term <i>Gas Retail Market Rules</i> is used throughout the document. 	<ul style="list-style-type: none"> Replace with <i>Retail Market Procedures</i>.
27	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
28	Section 1.4 , Definitions and Acronyms		<ul style="list-style-type: none"> Add the acronym <i>AEMO</i>.
29	Section 1.4 , Definitions and Acronyms	<ul style="list-style-type: none"> Amend the definition of the acronym SAWA. 	<ul style="list-style-type: none"> SAWA – South Australia / Western Australia – two separate jurisdictions for the GRMS.
FRC CSV Data Format Specification			
30	Front cover		<ul style="list-style-type: none"> Delete the <i>REMCo</i> logo
31	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. 	<ul style="list-style-type: none"> Delete the entire section.

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34	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
Connectivity Testing and Technical Certification			
35	Front cover		<ul style="list-style-type: none"> Delete the <i>REMC</i>o logo
36	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. <ul style="list-style-type: none"> (a) Several terms have been changed to a general term where possible with a market specific definition; and... <p>This approach is to promote interchange-ability in these documents for the benefit of stakeholders from...</p> 	<ul style="list-style-type: none"> Delete the entire section.

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39	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>relevant Market Operator</i> is used. 	<ul style="list-style-type: none"> Replace with <i>AEMO</i>.
40	Section 4		<ul style="list-style-type: none"> Replace WA contact details with AEMO contact details
Readiness Criteria			
41	Front cover		<ul style="list-style-type: none"> Delete the <i>REMC</i>o logo
42	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. <ul style="list-style-type: none"> (a) Several terms have been changed to a general term where possible with a market specific definition; and... This approach is to promote interchange-ability in these documents for the benefit of stakeholders from... 	<ul style="list-style-type: none"> Delete the entire section.
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46	The term <i>Market Operator</i>	<ul style="list-style-type: none"> The term <i>rule</i> is used. 	<ul style="list-style-type: none"> Replace with <i>clause</i>.
47	Section 2	<ul style="list-style-type: none"> Market participants do not need to become <i>AEMO members</i> to participate in the WA gas retail market, they just need to execute the <i>WA Gas Retail Market Agreement</i>. The prerequisites for testing listed in section 2 need to be updated accordingly. 	<ul style="list-style-type: none"> Readiness Criteria for New Participants ... For WA, new entrants must become <u>parties to the <i>Western Australian Gas Retail Market Agreement</i> (being the agreement between gas market participants for the purposes of section 11ZOF of the <i>Energy Coordination Act 1994 (WA)</i>)</u> prior to participating in the Readiness Testing Process. For SA, no such requirement exists.
B2B Service Order Specifications, Part 1			
48	Front cover		<ul style="list-style-type: none"> Delete the <i>REMCo</i> logo
49	Preamble	<ul style="list-style-type: none"> This document has been modified to comply as closely as possible with the jurisdictional conditions of both the South Australian and Western Australian gas retail markets in place since 1 October 2009. The reader needs to be aware of the following changes. (a) Several terms have been changed to a general term where possible with a market specific definition; and... This approach is to promote interchange-ability in these documents for the benefit of stakeholders from... 	<ul style="list-style-type: none"> Delete the entire section.
50	The term <i>REMCo</i>		<ul style="list-style-type: none"> Replace with <i>AEMO</i>

Ref	Clause	Current	Change
B2B Service Order Specifications, Part 2			
No changes required			