



Information Exchange Committee

C/ - IEC Secretariat – AEMO Ltd

Level 22

530 Collins Street

Melbourne VIC 3000

Tel: (03) 9609 8000

Fax: (03) 9609 8080

B2B Procedures

Draft Consultation Change Pack

Prepared by: Information Exchange Committee

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1. Notice of Consultation

This notice informs all Registered Participants and interested parties (Consulted Persons) that AEMO is conducting a consultation on B2B Procedures on behalf of the Information Exchange Committee (IEC) which have been developed and amended as a result of the **National Energy Retail Amendment (Strengthening protections for customers requiring life support equipment) Rule 2017 No. 3**.

This consultation is being in accordance with the Rules consultation requirements detailed in clause 8.9 of the NER.

The IEC invites written submissions on this Draft Consultation. Submission instructions are provided in Section 8.

2. Background

This document has been prepared to detail proposed amendments to the B2B Procedure: Customer and Site Details Notification Process to meet the requirements of the AEMC's Life Support Rule Change. This document proposes changes to the current B2B Procedures as recommended by the B2B Working Group (B2BWG) to the IEC and provides information on the impacts of the proposed changes. The information provided, meets the requirements for changing the B2B Procedures as detailed in Sections 7.17.4 and 8.9 of the National Electricity Rules.

It also provides information considered by the IEC in determining if a prima facie case exists for amending the B2B Procedures, namely:

- an issues statement (see Section 3)
- a summary of changes to the B2B Procedures, including consideration of the B2B Principles (see Section 3)
- an impact statement, including consideration of the B2B Objective (see Section 6)

The proposed changes have been considered and endorsed by the IEC's B2BWG.

The impacted Procedure is B2B Procedure: Customer and Site Details Notification Process version v3.2.

3. Scope / Issues Statement

The proposed changes under consultation have been developed as a result of a Rule change (Rule 2017 No 3) submitted by the AEMC titled 'Strengthening protections for customers requiring life support equipment'.¹

The AEMC consultation took place during 2017 and led to amendments in the National Energy Retail Rules (NERR) placing specific obligations on both Retailers and Distribution Networks in relation to obtaining, storing, exchanging and managing Life Support information.

Members of the B2B Working Group representing industry, requested the IEC to participate in the AEMNC Rule consultation and initiate work to develop amended B2B Procedures to deal with the outcome of the new Rule.

The members of the B2B working groups are:

Retailers	Distributors	Metering
AGL	SA Power Networks	Acumen Metering
Origin	TasNetworks	Vector
Red/Lumo	Endeavour Energy	PlusES
Simply Energy	AusNet Services	IntelliHub

Following the release of the final Rule by the AEMC, the IEC requested the B2BWG to review the impact of the AMEC Rule change and develop the required amendments to the B2B Procedures.

This document lists the proposed changes to the B2B Procedures as developed, discussed and primarily agreed through consultation with the B2BWG. The proposed changes under the B2B consultation have an effective date of 1 February 2019.

The proposed change to the B2B Procedure: Customer and Site Details Notification Process are in summary:

- Inclusion of a new section detailing the exchange of Life Support information including the introduction of two new B2B transactions, namely the LifeSupportRequest and the LifeSupportNotification
- The details of the information to be included in a Life Support Notification which supports the registration, update, de-registration and reconciliation of Life Support customer information;
- Processes to share and request life support information; and'
- The introduction of a new Life Support reconciliation process which utilises the new life support transactions and supersedes the current one which used the Customer Details Notification.

As a result of these inclusions to manage Life Support processes, the Customer Details Notification was amended to remove the Life Support reconciliation process as it is now contained within the Life Support Notification process;

¹ <https://www.aemc.gov.au/rule-changes/strengthening-protections-for-customers-requiring>

There were other minor changes made to clarify the use of the 'Sensitive Load' field and minor editorials to improve clarity of the procedural requirements.

Detailed amendments are shown in the Draft B2B Procedures published with this report.

4. Consultation Date Plan

The following table details the proposed consultation date plan:

Action	Start Date	End Date	Notes
IEC – Initial Meeting Agreement by the IEC that a prima facie case exist and that consultation should commence.	21 November 2017		Instructions to the B2BWG were given to reconvene after the life support rule change was final to discuss changes to B2B Procedures that would be required to implement this rule change.
IEC issue notice of consultation for publication by AEMO	19 March 2018		
Participant submissions to be provided to AEMO.	19 March 2018	26 April 2018	
Submission receipt date	26 April 2018		
Consider all valid submissions and prepare the Draft Determination report. This includes the change marked procedures.	27 April 2018	23 May 2018	Following the initial consideration and report to the IEC, the IEC directed the B2BWG to change direction away from an e-mail solution and prepare the draft determination to be based on a B2B transaction.
IEC Meeting – Review Draft Determination	9 May 2018 23 May 2018		
Publish Draft Determination consultation (incl. change marked B2B Procedures)	25 May 2018		
Participant submissions to Draft Determination to be provided to AEMO.	25 May 2018	12 June 2018	
Submission receipt date	19 June 2018		
Consider all valid submissions and prepare the Final Determination report. This includes the change marked procedures	19 June	4 July 2018	4 July 2018 is the date required by the IEC for papers to enable them to make the decision to publish on the 18 July 2018.
IEC Meeting – Review Final Determination	18 July 2018		
AEMO Publish B2B v3.2 Final Determination	23 July 2018		
B2B Procedure v3.2 effective date*	1 Feb 2019		

****The effective date is integral to this consultation and as such, the IEC welcomes submissions that recommend an alternative effective date in line with the requirements of NEM participants.***

5. B2B Proposal

The proposed changes directly impact the B2B Procedure: Customer and Site Details Notification Process documented in Section 3 and referenced further in Section 9 of this document.

5.1 B2B Principles

The IEC considers that the B2B Proposal supports each of the B2B Principles as follows:

B2B Principle	Justification
<i>B2B Procedures should provide a uniform approach to B2B Communications in participating jurisdictions.</i>	The proposed B2B Procedures support a uniform approach to B2B Communications in participating jurisdictions through the creation of a standardised transaction and process to manage Customer Life Support Requirements.
<i>B2B Procedures should detail operational and procedural matters and technical requirements that result in efficient, effective and reliable B2B Communications.</i>	The proposed B2B Procedures improve the communications process between participants through the development of consistent processes and information exchange.
<i>B2B Procedures should avoid unreasonable discrimination between B2B Parties.</i>	The proposed B2B Procedures do not introduce changes that would discriminate between Local Retailers, Market Customers and Distribution Network Service Providers as the obligations are identical on all parties. The development of the Low Volume Interface will provide the technical mechanism for any participant with a small number of Life Support customers, while the transaction will provide a consistent mechanism for participants with larger volumes.
<i>B2B Procedures should protect the confidentiality of commercially sensitive information.</i>	The proposed B2B Procedures do not introduce changes that would compromise the confidentiality of commercially sensitive information.

6. Impact Statement

This impact statement sets out an overview of the likely impacts, including benefits and costs, of the proposed amendments to the B2B Procedures on AEMO, and B2B Parties

6.1 B2B Factors

The IEC, on recommendation from the B2BWG, has determined that the B2B Factors have been achieved for this B2B Proposal as described below.

B2B Factors	Justification
<i>The reasonable costs of compliance by AEMO and B2B Parties with the B2B Procedures compared with the likely benefits from B2B Communications;</i>	The proposed B2B Procedures provide a clear, auditable and reliable information exchange mechanism. Noting that the new obligations in regard to Life Support information now have civil penalties associated with the management of this information and that historic fines have been \$20000 per event, a safe, secure and clear mechanism to transfer information is needed within the industry.
<i>The likely impacts on innovation in and barriers to entry to the markets for services facilitated by advanced meters resulting from changing the existing B2B Procedures;</i>	The proposed B2B Procedures do not impose barriers to innovation or market entry as this current option allows for the use of the Low Volume Interface, via MSATS Web Portal.
<i>The implementation timeframe reasonably necessary for AEMO and B2B Parties to implement systems or other changes required to be compliant with any change to existing B2B Procedures.</i>	It should be possible to implement the proposed B2B Procedures in the available timeframe assuming that there are no further material changes to the requirements.

6.1.1 Benefits

The B2B Proposal supports the B2B Factors in the following ways:

- The proposed procedure supports the new obligations imposed on Retailers and Distributors through the amendments to the National Energy Retail Rule amendment on life support;
- A standard mechanism used nationally minimises the cost of managing multiple jurisdictional processes;
- Clearly defined and auditable information exchange between the participants ensures compliance by all parties in respect of managing Life Support requirements for customers.

6.1.2 Detriments

- The proposed solution (B2B transaction) is more complex than was originally envisaged. However, the dictates of the Rules require more complexity than was originally allowed for and a B2B transaction is considered to be a more efficient option for the Retailers and Distributors than the initial e-mail proposal.

6.2 Current Production Systems

The B2BWG has advised that *Retailers and Distributors* and other interested participants will need to either update their internal systems or rely on the low volume interface.

The aseXML schema will need to be updated to incorporate the new life support fields for the new transactions.

AEMO will have to undertake the development of new transactions that will be enabled for use via the Low Volume Interface to provide this option.

6.3 MSATS Procedures

AEMO has advised that there is no assessed impact to the Market Settlements and Transfers Solution (MSATS) Procedures as a result of this B2B Proposal.

7. Cost Benefit Statement

There has been no specific cost benefit undertaken for this change, as there is no optionality in regard to the requirement to meet the new obligations enshrined in the amended National Energy Retail Rules (NERR).

There was substantial debate at industry and IEC level regarding the most appropriate final outcome, which was either a B2B transaction or a centralised database. However, the rule obligations become enforceable from 1 February 2019.

The IEC considered the 'To Be' solution which could be delivered within that time frame and meet the new obligations. This 'To Be' solution was either a central repository for Life Support Registrations or a B2B transaction solution. Initially it was believed that an e-mail solution was achievable for February 2019 as an interim solution, with the longer-term solution being delivered by late 2019.

It was determined that a central repository could not be built and delivered by late 2019, which left the delivery of the more permanent solution for late 2019 as a B2B transaction. Therefore, the solution which could be delivered for February 2019 would be either an email solution or B2B Transaction solution.

However, ensuring compliance to the new Rule obligations via an e-mail solution led to more detailed and complex requirements which were not initially envisioned.

The IEC took a straw-poll of participants. There were 21 responses, 7 in favour of an e-mail solution and 14 in favour of Option a B2B transaction.

The IEC was then asked to finalise their decision for the next stage of consultation and made a determination that a B2B Transaction solution would be a more efficient and effective solution to meet the new obligations and could be delivered by the February 2019 deadline, noting that work would continue with the review of the requirements for a central repository for Life Support registrations.

The B2B Working Group were therefore tasked with amending the drafted procedures to convert them Life Support Requirements to a B2B transaction, which are detailed in the Draft Determination.

8. Submissions

The IEC invite written submissions on the B2B Procedure: Customer and Site Details Notification Process Consultation – v3.2

Consulted parties are requested to identify any information in their submission that is considered to be confidential. The IEC require the consulted party to provide reasons as to why information is regarded as confidential.

8.1 Sending Submissions

Submissions are requested in electronic format using the 'Participant Response Pack Template' published on the AEMO website, as all submissions will be published on the AEMO website.

Submissions must be forwarded to the IEC, C/O AEMO by 5:00pm AEST on 19 June 2018

Please email submissions, using the template, via Email to:
NEM.Retailprocedureconsultations@aemo.com.au

Alternatively, you may post submissions to:
Market Change
C/O- AEMO
GPO Box 2008S, Melbourne VIC 3001

9. Proposed Changes

The proposed changes are detailed within the attached draft procedures published with this report.

10. Abbreviations

10.1 Abbreviations

B2B	Business to Business
B2BWG	B2B Working Group (established under the Information Exchange Committee)
DNSP	Distribution Network Service Provider
IEC	Information Exchange Committee
MSATS	Market Settlement and Transfer Solution