

IMPACT & IMPLEMENTATION REPORT – SUMMARY SECTION
(For AEMO to complete and administer)

Issue Number	IN011/14		
Impacted Jurisdiction (s)	NSW & ACT		
Proponent	Deep Juneja	Company	AEMO
Affected Gas Markets(s)	NSW & ACT Retail Gas Market	Consultation process (Ordinary or Expedited)	Ordinary
Industry Consultative forum(s) used	GRCF	Date Industry Consultative forum(s)consultation concluded	29 August 2014
Short Description of change(s)	NSW/ACT Procedures Audit related updates and other minor amendments		
Procedure(s) or Documentation impacted	NSW/ACT Retail Market Procedures Lost Gas Customer Service Protocol		
Summary of the change(s)	<p>This gas consultation relates to minor documentation only updates to the NSW-ACT Retail Market Procedures that:</p> <ol style="list-style-type: none"> 1. Align the operational process with regulatory requirements for the STTM 9-month distribution system recalculations, as identified in the Feb 2014 NSW/ACT retail market audit 2. Amend some minor typographical errors 3. Minor amendments in the Lost Gas Customer Service Protocol, used for identifying a gas customer's current gas Retailer 		
I&IR Prepared By	Deep Juneja	Approved By	Fiona Savage
Date I&IR published	12 Aug 2014	Date Consultation under 135EE or 135EF concludes	01 Sept 2014
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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 proposed changes in this impact and implementation report (IIR) are based on a series of non-material amendments to the NSW-ACT Retail Market Procedures (RMP).</p> <p>The last NSW-ACT Gas Retail Market Audit findings, published in February 2014, for the period July to December 2013 discovered that the business process associated with the recalculations of the 9-month STTM distribution system allocations is inconsistent with the obligations under clause 33.15(2) of the NSW & ACT Retail Market Procedures (Procedures).</p> <p>The issue being that the STTM input data required for these 9-month recalculations is received by the NSW/ACT Gas Retail Market Business System (GRMBS) after the last business day of the 9th month, which is when the recalculations are supposed to be processed by GRMBS under the current Procedural obligations. Hence AEMO is considered to be in breach of the Procedures, even though it is not possible to process the recalculations due to the absence of the input data. AEMO is therefore proposing to amend the Procedures clause 33.15(2) to reflect the business process correctly in the Procedures.</p> <p>Additionally AEMO is taking this opportunity to amend some minor typographical errors in the Procedures. Refer to Attachment A for the marked-up amendments associated with this change.</p> <p>AEMO is also making some minor amendments in the Lost Gas Customer Service Protocol, used for identifying a gas customer's current gas Retailer. Refer to Attachment B for the marked-up amendments associated with this change.</p> <p>The proposed effective date for these changes is to align with RMP Changes 2014 Package 2 consultation, to reduce the number of RMP versions being issued to participants.</p>
<p>2. Reference documentation</p> <ul style="list-style-type: none"> • Procedure Reference • GIP/Specification Pack Reference • Other Reference 	<ul style="list-style-type: none"> • RMPs for NSW/ACT • Lost Gas Customer Service Protocol
<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 	<p>As noted in section 1, the proposed amendments in this IIR are documentation only changes that remove ambiguity in the RMPs and Lost Gas Customer Service Protocol.</p>

<p>the operation of the Procedures</p> <ul style="list-style-type: none"> • A marked up version of the Procedure change 	
<p>4. Explanation regarding the order of magnitude of the change (eg: material, non-material or non-substantial)</p>	<p>These changes are non-material as they are documentation changes only.</p>

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 requested to complete submissions to the PPC. Submissions closed on 5 August 2014. AEMO received submissions from AGL, Lumo, EWON and Jemena.</p> <p>Gas Retail Consultative Forum (GRCF) participants were asked to complete and submit a Stakeholder Assessment Forms (SAF) to AEMO with cost benefit data that AEMO will use, in summarised form, to develop the IIR.</p> <p>In terms of costs, no participant submitted a SAF. AEMO did receive feedback on the proposed changes and none of the participants 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 no costs to implement the proposed changes.</p> <p>In terms of benefits, the following intangible benefits are likely to be realised:</p> <ul style="list-style-type: none"> • Clarity to the timings associated with the 9-month recalculations. • Correction of the minor typographical errors increases the efficiency of the Procedures. • Increased readability of the Procedures and the Lost Gas Customer Service Protocol used for identifying a gas customer’s current gas Retailer.
<p>6. The likely implementation effect of the change(s) on stakeholders (e.g. Industry or end-users)</p>	<p>This is a documentation change only. There should be no system or business process implication for AEMO or Participants.</p>
<p>7. Testing requirements</p>	<p>Nil.</p>
<p>8. AEMO's preliminary assessment of the proposal's compliance with section 135EB: - consistency with NGL</p>	<p><u>Consistency with NGL and NGR:</u> AEMO’s view is that the proposed changes are consistent with the NGL and NGR. The proposed changes promote clarity and consistency for the market.</p>

<p>and NGR, - regard to national gas objective - regard to any applicable access arrangements</p>	<p><u>National gas objective</u> <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 will assist to facilitate the efficient operation of the NSW-ACT retail gas market, and are in the long-term interests of participants and consumers as it promotes clarity and consistency.</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 15 July 2014, AEMO published the Proposed Procedure Changes (PPC) for consultation under the Approved Process. Submissions to the PPC closed on 5 August 2014. Submissions to the PPC closed on 16 April 2014. AEMO received submissions from AGL, Lumo, EWON and Jemena.</p> <p>Participants supported the proposed changes.</p> <p>Feedback was received that suggested further minor changes that, in AEMO's opinion, added further clarity to the proposed changes. AEMO has decided to update the original proposed changes that were contained in the PPC, and these changes are enclosed in Attachment C. In summary the further changes are:</p> <ol style="list-style-type: none"> 1. Amending further typographical errors in the RMPs clause 1.9 and 24.1 2. Deletion of redundant clause 3.2(1) in the RMPs 3. Minor wording changes to the Lost Gas Customer protocol

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 changes for this consultation.</p>
<p>11. If applicable, a proposed effective date for the proposed change(s) to take effect and justification for that timeline.</p>	<p>The proposed effective date for these changes is to align with RMP Changes 2014 Package 2 consultation, to reduce the number of RMP versions being issued to participants</p>

ATTACHMENT A – PROPOSED RETAIL MARKET PROCEDURE CHANGES
IN011/14 – NSW/ACT Audit related updates and other minor amendments
Blue represents additions Red and strikethrough represents deletions – Marked up changes

Extract from Version 13.0 of the RMP-NSW & ACT

Amend the wording in RMP clauses as follows:

Audit finding:

33.15 STTM distribution system allocation – monthly recalculations

...

- (2) By the fourth business day after the last day of the ninth month ~~On the last business day of the ninth month~~ after month M, AEMO must recalculate each user's STTM distribution system allocation, and each component of the user's STTM distribution system allocation, for a network section for each gas day in month M.

Minor typographical errors:

1.3 Definitions

substituted means in relation to a meter reading or energy value:

- (1) a calculated or estimated meter reading or energy value agreed between the relevant network operator and user, or
- ~~(3)~~ (2) a customer meter reading,

1.9 Approvals and determinations by ~~Rules administrator~~ AEMO

If a clause of these Procedures refers to a matter being approved or determined by AEMO, AEMO will give such approval or make such determination in writing and make a copy of the approval or determination available on AEMO's website.

6.8 Assessment of user change data and meter reconnection

- (1) Upon receipt of the user change data for a delivery point, AEMO must validate the user change data by confirming each of the following matters:
-
- (f) that the date proposed under **clause 6.2(6)** is:
- (i) if the change of user transaction is a COU move-in, no earlier than the date the transaction was initiated; and
- ~~(i)~~ (ii) otherwise, no earlier than day +5; ~~and~~

24.1 Meter data agent to co-operate with ~~Rules administrator~~ AEMO

- (1) Whenever a common approach to the provision of services to be provided by a meter data agent under these Procedures is required, a meter data agent must co-operate with AEMO to facilitate the effective development and implementation of processes and other requirements for these Procedures.

28.3 User to notify AEMO of negative forecast requirement

....

- (2) The *user* must notify AEMO under **clause 28.3(1)** immediately upon the *user* determining that the *forecast requirement* will be less than zero, and in any case by no later than 1600h on *nomination day -2*.
- (3) ~~If the *user* is unable to notify AEMO, then the *user* must notify AEMO.~~ There is no clause 28.3(3).

Redundant clause:

3.2 Participant information

- (1) ~~AEMO will notify all existing *users*, *network operators* and *accredited meter data agents*.~~ There is no clause 3.2(1).

ATTACHMENT B

Operating Procedure: Lost Gas Customer Service Protocol: NSW/ACT Gas Industry Protocol for identifying a gas customer's current gas Retailer

Updates to

1. the title of the document to match the wording in the Procedures clause 47.1,
2. references to the NSW Department of Energy,
3. AEMO's contact details in the 'Further Information' section,
4. the 5 step gas retailer discovery process, as per EWON comments for their preference to follow the same discovery process as the gas retailers rather than having to refer customers who contact EWON to a gas retailer,
5. updates to steps 1 (b) and step 5 in relation to clarifying privacy law related obligations, and
6. other minor updates.

Please see attached protocol for details.



NSW-ACT_Lost_Gas
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ATTACHMENT C
Participant Feedback and AEMO response



PPC Review
IN011-14 Participant