

IN003/20 – Gas Life Support Supplementary Questionnaire

Responses to be emailed to grcf@aemo.com.au by due **COB 31 March 2020**.

Review comments submitted by: **Multinet Gas**

Date: **23/03/2020**

Contact Person: **Kelly Murray**

Topic	Please Provide Response Here
Question 1 – Benefits of change	
<p>Please provide, in detail, what benefits the change will have on your organisation (in terms of efficiency, customer benefits, privacy, etc.). If any monetary benefits are provided (e.g. in terms of annual FTE savings), these will be kept confidential.</p>	<p>MGN believes that the market processes really do need to be improved so that we are able to adequately support Life Support customers and meet our obligations without the risk of damaging our reputation and also incurring potential fines for regulatory breaches. Victorian distributors need better information/contact details and for this information to be received in a timely manner so we are able to provide our life support customers with the best possible protection and notifications for supply interruptions. With significant emphasis from the Australian Regulators and from the Community to ensure compliance to this process, we believe that automation is pivotal in maintaining our data records accurately and in a timely manner.</p> <p>MGN believes that by implementing a B2B solution for life support this will most certainly reduce errors/mistakes that could be made within the current manual process of populating a CSV file and relying on email transmission of this data. B2B is a much more efficient process that enables updates to be sent through within a timely manner therefore minimising errors that could result in the disconnection of gas for a life support customer and can have system checks incorporated to ensure any possible errors are identified within B2B transactions</p> <p>It will also reduce risk of handling/ storing personal identifying information through email.</p> <p>MGN does believe that there will be a significant increase of Life Support accounts that require registration within our database and as Distribution Code changes have now been</p>

	<p>made for Victoria, we foresee that to manage this task via the current manual CSV file will need an extra [REDACTED] a year to manage this process at a cost of approximately [REDACTED] a year.</p> <p>By Implementing the B2B solution MGN believes that it will reduce the workload required by [REDACTED] to around 10% which could then be absorbed within current employee volumes.</p>
Question 2 – Costs of change	
<p>Please provide what costs the change will create for your organisation as an order of magnitude (i.e. "low", "medium", or "high"). If any monetary values (e.g. once-off implementation costs, and any ongoing annual cost) are provided (e.g. in terms of the cost of system changes), these will be kept confidential.</p>	<p>A high-level magnitude of costing for MGN to implementation LSN and LSR costs came in at [REDACTED]. This is a one-off cost and there will be no ongoing costs unless changes are made from the existing functionality built to accommodate the LSN and LSR process. MGN understands this implementation of the B2B process will be considerably complex and require significant changes and collaboration across market participants however we feel that the benefits do out way the costing.</p> <p>MGN requires to build a new interface for Life Support Notification – This will be both inbound and outbound interface.</p> <p>A new interface for Life Support Request - This will be both inbound and outbound interface.</p> <p>Changes required within existing database to update, send and store Life Support details. These Life Support requests/notifications will need to be triggered manually.</p> <p>MGN requires the ability to trigger these transaction and this functionality does not currently exist.</p> <p>Current database does not store life support customer details or time slices. This functionality is required to correctly manage the Life Support and the RP role.</p> <p>Changes to UI, interfaces.</p> <p>Life Support notifications/requests can come from participants who are not currently the FRO in the system. A process to handle these types of transactions will be required to be built.</p> <p>Further changes are also required in MGN’s other application that handle the receipt and pass through of these new transactions.</p>

	<p>Whilst these costs from the outset will not immediately return a financial benefit, over the next 7 years following the implementation of the automation MGN will see a positive cost avoidance.</p>									
<p>Question 3 – Volume of gas life support customers</p>										
<p>Please provide the volume of gas life support customers your organisation currently has registered. Please also provide the average rate of gas life support registrations and deregistrations per month for your organisation, as well as any notes you would like to provide on how AEMO should interpret these data.</p>	<p>MGN currently has 41 life support customers registered.</p> <p>MGN understands that this volume is low and manageable at this stage utilising existing resources. MGN has had no obligation until this new ruling commences to register accounts with Life Support. MGN previously agreed that it was in the best interests of our customers to flag accounts with Life Support only if the retailers marked them as Medically certified. MGN estimates the volume increase rise to 1000-2000 once this new ruling comes into effect 1st July.</p>									
<p>Question 4 – Alternatives to LSN and LSR</p>										
<p>If AEMO decides not to recommend the adoption of LSN and LSR, will your organisation likely make any changes to your existing implementation of the Gas Life Support Industry Guide process?. If so, provide details on the type of changes you intend to put forward.</p>	<p>Yes.</p> <p>MGN will still need to make changes to our database so that we can manage the information we receive via the manual CSV file to support the Life Support process. We need to implement a secure way to store this data. We also need to build functionality within our database to monitor and review, update and report on this data so that MGN can ensure compliance to this process. These system changes to our database would be quite significant and costly also.</p>									
<p>Question 5 – Value Rating (1-7)</p>										
<p>Please indicate your organisation's value rating if the proposal to adopt the LSN and LSR aseXML transactions proceeds, as compared with the status quo or the alternative(s) identified in Question 4. Please select one of the following.</p> <table border="1" data-bbox="145 1206 851 1407"> <thead> <tr> <th>Rating</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1 =</td> <td>Large negative outcome if proposal proceeds</td> </tr> <tr> <td>2 =</td> <td>Moderate negative outcome if proposal proceeds</td> </tr> <tr> <td>3 =</td> <td>Small negative outcome if proposal proceeds</td> </tr> </tbody> </table>	Rating	Description	1 =	Large negative outcome if proposal proceeds	2 =	Moderate negative outcome if proposal proceeds	3 =	Small negative outcome if proposal proceeds	<p>Value Rating</p>	<p>6</p>
Rating	Description									
1 =	Large negative outcome if proposal proceeds									
2 =	Moderate negative outcome if proposal proceeds									
3 =	Small negative outcome if proposal proceeds									

4 =	No net benefit or cost if proposal proceeds		
5 =	Small positive outcome if proposal proceeds		
6 =	Moderate positive outcome if proposal proceeds		
7 =	Large positive outcome if proposal proceeds		
Question 6 – Any other comments?			
Does your organisation have any other comments that it wishes AEMO to consider in its formulation of the IIR?		Multinet Gas Networks has concerns that if we are to now proceed with the implementation of the LSN/ LSR transactions, that the we would need at least 18 months to implement a project of this magnitude therefore Q3 2021 to deliver may not be achievable.	