

UFE Reporting Guidelines

FIRST STAGE CONSULTATION PARTICIPANT RESPONSE TEMPLATE

Participant: Red Energy and Lumo Energy

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1. Context

This template is to assist stakeholders in giving feedback on the content of the initial draft version of the *UFE reporting guidelines* that will form the basis of UFE Trends Reports in accordance with NER 3.15.5B.

2. Questions

Section	Description	Participant Comments
1.1	<p>Purpose and scope</p> <p>AEMO intends to publish each UFE Trends Report by 1 June each year covering a 12 month reporting period (For the (year “x”) UFE Trends Report the reporting period is 1 May (year “x-1”) to 30 April (year “x”).</p> <p>Q1. Do stakeholders require a different reporting timeframe?</p> <p>Q2. If so, what reporting timeframe is appropriate? What benefits will be realised through a different reporting timeframe?</p>	<p>Red Energy and Lumo Energy (Red and Lumo) strongly recommend AEMO to adopt the following timeframes:</p> <ul style="list-style-type: none"> - For the UFE report to be aligned with the publication of Loss Factors - currently taking place on 1 June. - For both UFE and Loss Factors to be published on 1 May, instead of 1 June. <p>The preference for 1 May (or earlier) is to allow time for the information to be evaluated and accounted for when assessing the financial impacts on items being reviewed around the same period such as as VMO and DMO.</p>
2	<p>Summary of analysis of UFE</p> <p>Charts in this section provide a summary of the UFE calculation components for each local area. The current proposal is to provide UFE component charts for the current reporting period based on FINAL version metering data. Q1. Should the corresponding charts for the previous reporting period also be included? If so, what benefits will be realised?</p>	<p>Red and Lumo request the following:</p> <ul style="list-style-type: none"> - For the charts to show a weekly view rather than a monthly view. This granular detail is more relevant and useful to work with when undertaking trend analysis. It allows for any associated events in a short period of time, which may impact on the trending volume, to be more accurately identified. - Reports to include the weekly source data feeding into the report, even if as a reference table - example table below. This is much more useful to work with rather than just a visual

Section	Description	Participant Comments																
		<p>of a chart displaying trends which cannot easily be analysed without the source data. The source data could be saved in a different location with a link provided in the report.</p> <table border="1" data-bbox="996 371 2083 638"> <thead> <tr> <th></th> <th>Week #</th> <th>Week #</th> <th>Week #</th> </tr> </thead> <tbody> <tr> <td>TME</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> <tr> <td>ADME</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> <tr> <td>UFE</td> <td>xx</td> <td>xx</td> <td>xx</td> </tr> </tbody> </table> <p>- AEMO should provide previous reporting period charts. Historical periods are useful in tracking the overall trend and undertaking any comparison over time (improvements, degradation, etc...) against the current 12 month trend being reported on.</p> <p>- The analysis from AEMO needs to compare and talk to the trends identified between previous periods of reporting, not just within the current 12 month period in the report.</p>		Week #	Week #	Week #	TME	xx	xx	xx	ADME	xx	xx	xx	UFE	xx	xx	xx
	Week #	Week #	Week #															
TME	xx	xx	xx															
ADME	xx	xx	xx															
UFE	xx	xx	xx															
3	<p>UFE benchmark analysis</p> <p>AEMO proposes to publish the median, average, upper limit and lower limit UFE values as benchmarks for each local area per reporting period. Q1. Is there a better methodology to determine benchmarking for a <i>local area</i>? If so, provide details of that methodology.</p>	<p>No comment at this stage.</p>																
4	<p>UFE source analysis</p>	<p>Red and Lumo request AEMO to include illegal consumption as a variable. AEMO will need to consider the most appropriate source and methodology to obtain this data (i.e. Networks, MDP/MC, etc...).</p>																

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	<p>Areas of UFE source analysis are related to variables that modify metering data, as identified in section 4 of the Initial Draft <i>UFE reporting guidelines</i>.</p> <p>Q1. Are there other variables that modify metering data that should be included in the <i>UFE reporting guidelines</i>? If so, provide details of the other variables and their effect on metering data</p> <p>Q2. Should the importance/effect of these variables be ranked? If so, which variables should be analysed initially?</p>	<p>Red and Lumo see there are 3 variables which are ranked at the top, with the remainder having equal importance depending on their volume at the time of reporting. The 3 top ranked variables are:</p> <ul style="list-style-type: none"> - DLF value changes – historical analysis of DLFs (<i>Top priority</i>) - Accumulation (BASIC) meter replacement with interval meters (<i>Top priority</i>) - Illegal consumption (<i>Top priority</i>)
5	<p>Recommendations – UFE visibility improvements</p> <p>Q1. What are the benefits in reporting UFE values at a more granular level than at the local area? Noting that reporting at TNI level is not meaningful for local areas that have virtual TNIs.</p> <p>Q2. Should the seasonal variance information be presented in another way? If so, how should this information be presented and what will be the benefits of presenting the information in this alternative way?</p>	<p>Red and Lumo see greater benefits in reporting UFE factors at the TNI & participant level. It is currently not possible to reconcile UFE factor against Participant/TNI level whilst these are based on local area network. Reporting at the more granular level would allow for the reconciliation with the Settlement Report which is at the Participant & TNI level.</p> <p>The weighting of UFE for participants is different to market values - leading to reconciliation impacts at the TNI/Customer level. This was not an issue for the previous settlement processes and has become a challenge we seem to struggle to overcome.</p> <p>With regards to the presentation of the seasonal variance information. Any factors which have the potential of impacts on the generation and consumption of energy should be considered as a factor for potential analysis of UFE trend. Insights and analysis of the changing conditions across seasons are important to ascertain the likely impacts on UFE - changing conditions such as: consideration for solar increase/decrease, daylight hours, unmetered supply (i.e. street lights), one off or ongoing changing weather conditions (El Niño and La Niña). On this basis, Red and Lumo request the following:</p> <ul style="list-style-type: none"> - As per our request to section 2 (further above), should AEMO provide the weekly source data behind the reporting, this would allow participants to undertake their own seasonal application and analysis to any peaks/trophs observed.

Section	Description	Participant Comments
		- AEMO needs to highlight within the charts (suggest colour coding) each season for a quick visual presentation of possible seasonal trend changes.
6	<p>Recommendations – UFE reduction actions</p> <p>Q1. Are there other actions which should be explored to reduce UFE?</p> <p>Q2. Who holds the information to support these actions?</p>	Red and Lumo require transparency of any and all actions planned, and/or taken, to reduce UFE. Especially if these can assist the overall market and not just one participant. We recommend this be an industry wide shared source of information.
Appendix A.1	<p>UFE analysis supporting information.</p> <p>Additional information to support UFE analysis in each local area. These charts are:</p> <ul style="list-style-type: none"> • UFE for the local area • UFE for the local area as a percentage of local area ADME • UFE for the local area by metering data version, i.e. Prelim, Final, Rev 1 and Rev 2. <p>Q1. Do the proposed charts, provide sufficient information, in conjunction with the charts in Section 2. to facilitate UFE analysis?</p> <p>Q2. If not, which other additional information is required? Provide details of other additional information required and the benefits of providing the additional information.</p> <p>Q3. Who holds the additional information?</p>	See our response to Section 2.

3. Other Issues Related to the UFE Reporting Guidelines

Stakeholders to provide details of other UFE related aspects that have not been included in the proposed *UFE reporting guidelines* and provide details of the benefits of these additional reporting items.

Participant Comments
Given settlement calculations are done at the participant ID/TNI for the Settlement Report, Red and Lumo would like the supporting information that's currently not available in the RM43.
Red and Lumo would like to understand if power outages impact UFE estimates or finals?
Red and Lumo would like to understand from AEMO, where abnormalities to the trend are identified, what actions are to be taken where there is insufficient time to resolve abnormalities.