

May 2022 Readiness Working Group #1

Friday, 19 November 2021

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AEMO

Competition Law Meeting Protocol

AEMO is committed to complying with all applicable laws, including the Competition and Consumer Act 2010 (CCA). In any dealings with AEMO regarding proposed reforms or other initiatives, all participants agree to adhere to the CCA at all times and to comply with this Protocol. Participants must arrange for their representatives to be briefed on competition law risks and obligations.

Participants in AEMO discussions **must**:

1. Ensure that discussions are limited to the matters contemplated by the agenda for the discussion
2. Make independent and unilateral decisions about their commercial positions and approach in relation to the matters under discussion with AEMO
3. Immediately and clearly raise an objection with AEMO or the Chair of the meeting if a matter is discussed that the participant is concerned may give rise to competition law risks or a breach of this Protocol

Participants in AEMO meetings **must not** discuss or agree on the following topics:

1. Which customers they will supply or market to
2. The price or other terms at which Participants will supply
3. Bids or tenders, including the nature of a bid that a Participant intends to make or whether the Participant will participate in the bid
4. Which suppliers Participants will acquire from (or the price or other terms on which they acquire goods or services)
5. Refusing to supply a person or company access to any products, services or inputs they require

Under no circumstances must Participants share Competitively Sensitive Information. Competitively Sensitive Information means confidential information relating to a Participant which if disclosed to a competitor could affect its current or future commercial strategies, such as pricing information, customer terms and conditions, supply terms and conditions, sales, marketing or procurement strategies, product development, margins, costs, capacity or production planning.



Agenda

Greg Minney

Agenda

#	Time	Topic	Presenter
1	10:00 – 10:05	Welcome and Agenda	Greg Minney
2	10:05 - 10:20	RWG Objectives and Scope	Greg Minney
3	10:20 – 10:50	Global Settlements: Refresh and Scope	Greg Minney
4	10:50 – 11:20	MSDR & MCPI: Refresh and Scope	Meghan Bibby
5	11:20 – 11:50	Overall May 2022 Program Milestones and RWG schedule	Greg Minney
6	11:50 – 12:00	ASWG Update	Simon Tu
7	12:00 – 12:15	UFE Focus Group Update (UFE FG)	Blaine Miner
8	12:15 – 12:30	Forward Plan and Other Business	Greg Minney
9	12:30 – 13:00	Questions	Greg Minney
10	1:00	Meeting Close	Greg Minney

RWG Objectives & Scope

Greg Minney

Governance



- May 2022 RWG will be a consolidation of 5MS PCF and RWG topics and objectives.
- An Executive Forum is not proposed given the scope and impact of the changes. Participants will be responsible for briefing their Executives.
- Focus Groups may be established and closed as required, in consultation with RWG.

RWG Objectives

- The purpose of the May 2022 Readiness Working Group is to provide two-way communication between AEMO and market participants that are progressing projects/programs for the changes that will be implemented on 1 May 2022.
- AEMO and RWG members will work together on the following objectives:
 - Identify and develop key milestones to ensure that readiness activities for May 2022 are aligned with high level Program deliverables.
 - Provide oversight and assessment of readiness preparations.
 - Provide detailed expertise into the development of cutover and testing activities.
 - Identify and manage industry risks and issues.
 - Identify topics that require Focus Groups and provide direction to these groups and where applicable approval of the outcomes of these groups.

RWG Scope

- The RWG will be focused on the changes that will be implemented by AEMO on 1 May 2022.
- RWG will be responsible for the development of key market readiness planning deliverables, including:
 - Market Readiness Strategy
 - Industry Testing Strategy and Plan
 - Market Trial Strategy and Plan(s)
 - Industry Transition and Go Live Strategy and Cutover Plan(s)
- The following implementation projects are covered:
 - Global Settlements (GS)
 - Metering Coordinator Planned Interruption (MCPI)
 - MSATS Standing Data Review (MSDR) – Version 1
- The following sections will identify the scope of changes that are being implemented 1 May 2022.

Global Settlement: Refresh and Scope

Greg Minney

Global Settlement background

WHAT?

The [AEMC announced](#) a final rule to introduce a 'global settlement' framework for settlement of the demand side of the wholesale electricity market, moving away from the settlement-by-difference approach.

WHY?

GS rule change:

Global Settlement is an alternative methodology to settlement-by-difference, where unaccounted for energy (UFE) costs are distributed equitably across all retailers.

The benefits outlined in the AEMC's ruling include:

- Improved transparency, leading to fewer settlement disputes between retailers and lower levels of unaccounted for energy (UFE) over time.
- Competition on equal terms between the local retailer and other retailers
- Improved risk allocation, so that risks are allocated to those parties that are best placed to manage them.

HOW?

- AEMO is responsible for implementing the GS rule and has established the **Five-Minute Settlement and Global Settlement Program** to manage this activity.
- The GS Program is working with industry to ensure the GS rule is in place and participants are ready by the rule commencement dates.
- Industry engagement and consultation is managed by industry working groups and forums.

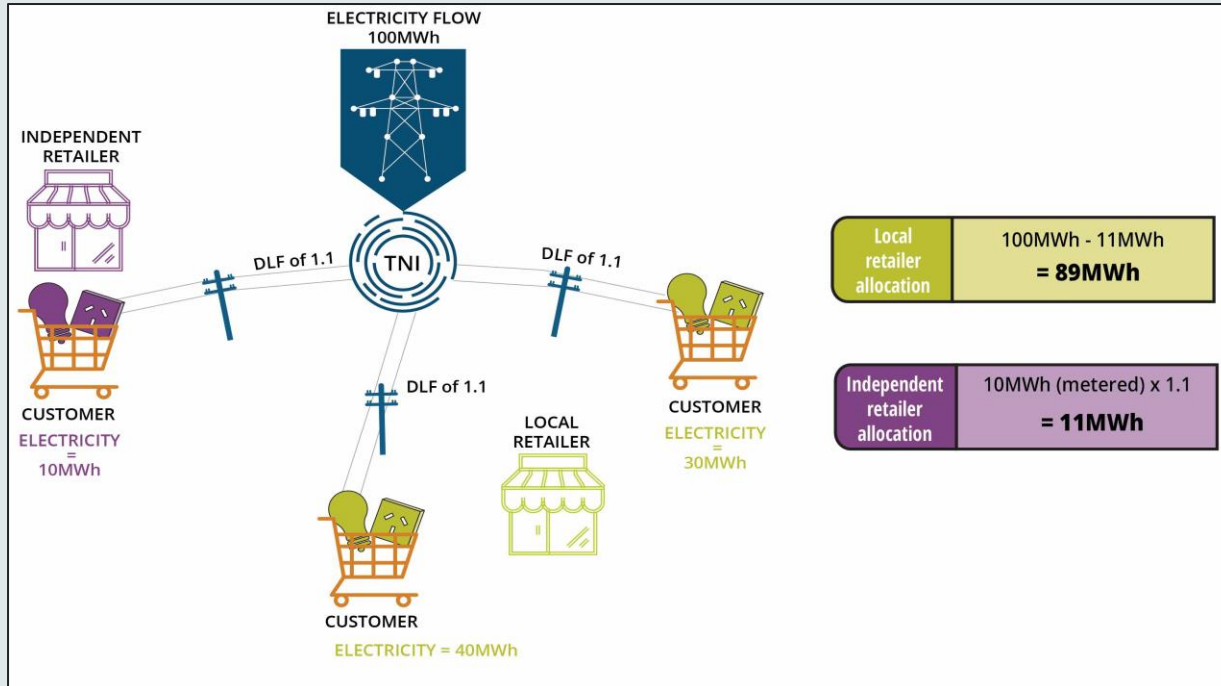
WHEN?

Rule Commencement dates:

- **1 October:** GS soft-start
- **1 May 2022:** Full commencement of GS.
- **1 June 2022:** AEMO to publish first UFE report
- **1 March 2023:** AEMO to publish UFE Guidelines

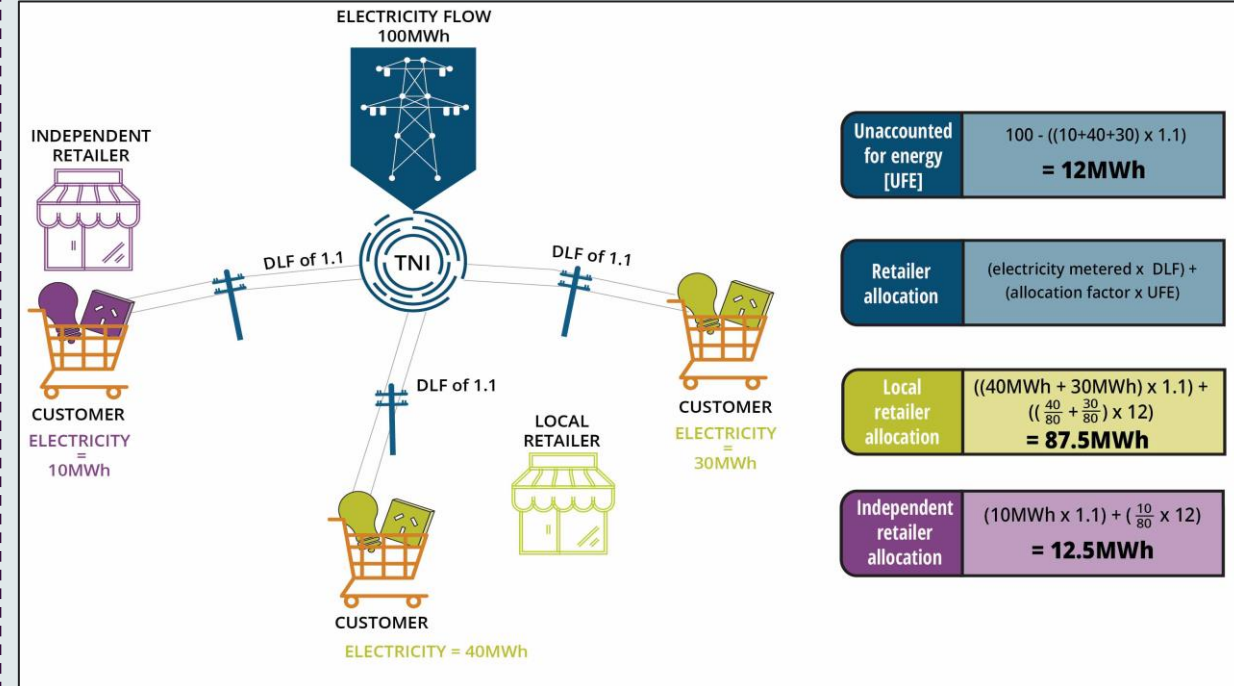
What will change with GS?

Current retailer settlement arrangements: Settlement by difference



Currently, a limited number of retailers carry the cost of Unaccounted For Energy (UFE). UFE is electricity that has been consumed, but cannot be traced to a particular meter. Examples of activities which contribute to UFE might include lighting for traffic signals, streets or parks. Historically, before consumer competition was introduced, UFE was billed to the local area retailer. This is known as "Settlement By Difference".

Global Settlement retailer settlement arrangements



With the commencement of global settlement, all retailers will share the cost of UFE.

Further Information:

AEMC: <https://www.aemc.gov.au/rule-changes/global-settlement-and-market-reconciliation>

UFE Focus Group meeting pack: <https://aemo.com.au/consultations/industry-forums-and-working-groups/list-of-industry-forums-and-working-groups/may-2022-readiness-working-group-rwg>

GS soft-start

The Global Settlements soft-start took place with 5MS Rule commencement on 1 October. AEMO commenced reporting of UFE on this date in order to ease the transition to Global Settlement rule commencement on 1 May 2022.

The following standing data changes required for GS Rule Commencement have already been put in place and populated by participants as per MTP timings (noting not all have completed):

- Activate Tier 1 Basic NMI datastreams and send meter reads.
- Register all Non-Contestable Unmetered Loads (NCONUML) and send meter reads.
- Update NMI Classification Codes to support new classifications (BULK, XBOUNDARY, NREG, DWHOLSAL).
- Register all cross-boundary metering and send meter reads.

The following functional changes are also complete:

- Introduction of new UFE reconciliation reports (RM43, RM46).
- Updates to CATS Change Requests to include and validate new NMI Classification Codes. Changes to standing data will be displayed within the MSATS Browser and CATS report responses. Where NMIs are associated to cross-boundary supplies, a second TNI (TNI2) and/or second Network Service Provider (NSP2) may be included in the standing data.

Scope relating to GS for 1 May 2022

Scope of Changes	To be confirmed
Global Settlement of Market vs Settlement by difference	Development and publication of UFE report on 1 June 2022
Transition to Global Settlement (GLOPOOL Update)	Development and publication of UFE Guidelines on 1 March 2023
Objection and Notification updates related to participant roles (LR/ FRMP “GLOPOOL”	
Financial settlement of UFE	
LR to no longer receive metering data for Settlement reconciliation	

Full release schedule will be included in an updated version of the Functionality Deployment Matrix v1.6 on the website - due for publication by 19 Nov 2021.



MSDR & MCPI: Refresh and Scope

Meghan Bibby

Background

MSATS Standing Data Review

- MSATS Standing Data Review (MSDR) was established after a request from the Information Exchange Committee (IEC) in 2017 for AEMO to review MSATS standing data as part of the competition in metering changes.
- AEMO established proposed changes for consultation in 2020 after engaging industry in pre-consultation to identify fields within the MSATS procedures that should be added, updated or removed in respect of date in the following categories:
 - Metering Installation Information within the Metering Register Information
 - NMI Details within MSATS
- After three rounds of consultation, the final determination was published in September 2020.
- More information is available on the MSDR consultation page: <https://aemo.com.au/consultations/current-and-closed-consultations/msats-standing-data-review>

Metering Coordinator Planned Interruption

- MCPI introduces a new standing data field and was bundled in with MSDR to avoid the release of two schemas for the new standing data fields.
- Rule change can be found at <https://www.aemc.gov.au/rule-changes/introduction-metering-coordinator-planned-interruptions>
- Consequential changes to retail procedures were consulted as part of the MSDR process.

Project status

- Changes will be made to the B2M aseXML Schema to deliver the changes required for MSDR.
- The following topics and decisions have been progressed through industry:
 - The fields that will be changed, removed or added
 - The use of a 12 month compliance holiday for every field, with the exception of GPS Coordinates at 3 years
 - The population methods that will be available to market participants, and their use for each field type:
 - Change Requests
 - AEMO updates on behalf of participants
 - Blind Update Tool

MSDR/MCPI scope for 1 May 2022

- Delivering the changes required for 1 May 2022 is high risk due to the complexity of solution architecture along with resource and environment contention
- In light of the prioritisation of delivering rule changes, there is a significant risk associated with the bundling of GS, MSDR, MCPI
- Therefore, AEMO has reviewed the scope for MSDR Version 1.
- AEMO had planned to deliver the following scope on 1 May 2022:
 - Changes to MSATs to reflect new and changed fields from MSDR
 - MCPI: Shared Isolation Point Flag
 - aseXML Schema changes
 - Blind Update Tool
- AEMO now will only deliver as follows:

1 May 2022	7 November 2022
MCPI: Shared Isolation Point Flag	New and amended MSDR fields
aseXML schema changes	Retired/deprecated fields
Blind Update Tool: Shared Isolation Point Flag	Scripts for data changes
	Blind Update Tool: Selected New Fields as per Data Transition Plan

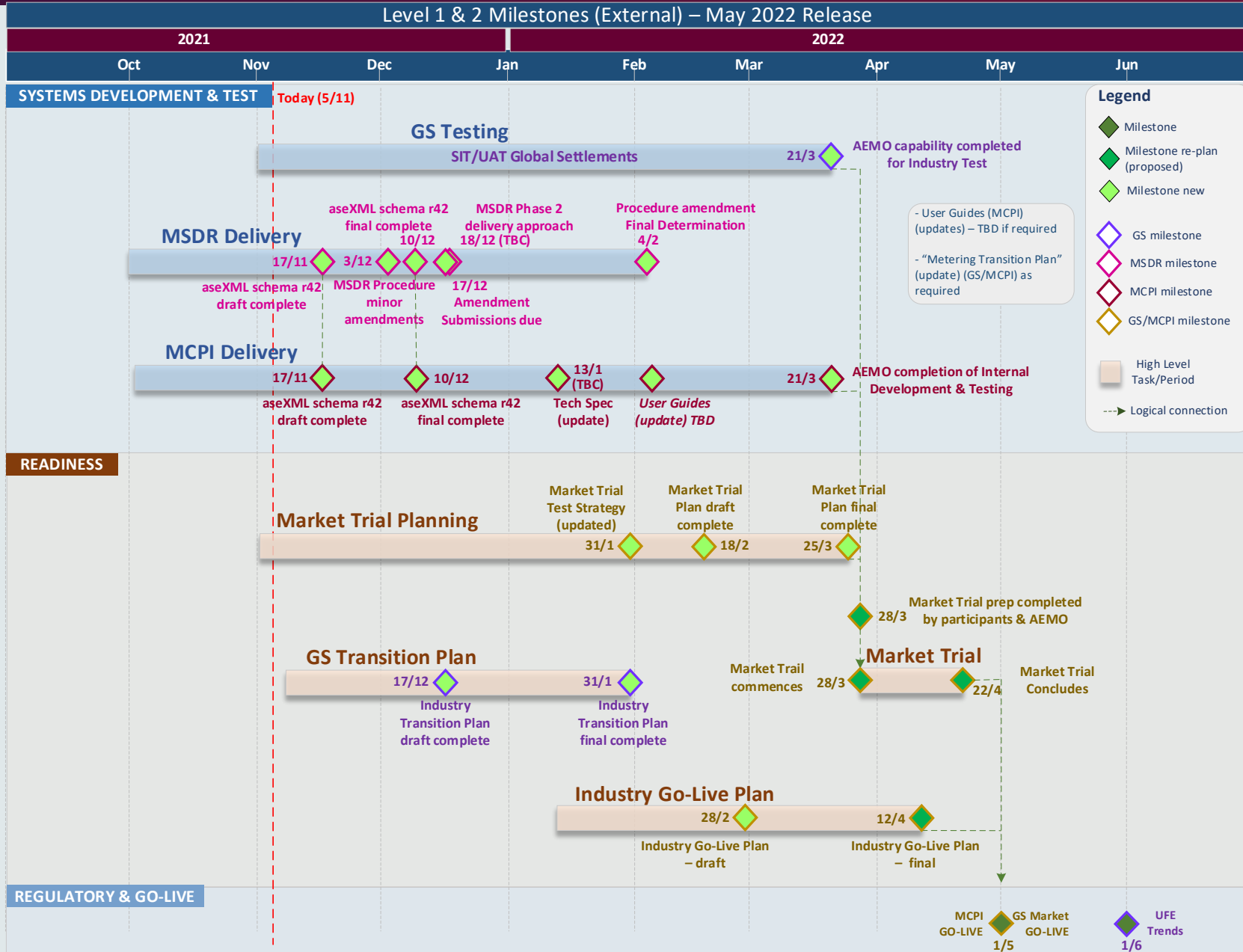
- This defers the release of new and amended MSDR fields into MSATS Standing Data until **7 Nov 2022**
- AEMO will commence the NER minor amendment process on the commencement date change by 3 Dec 2021. Market participants will have 10 business days to provide feedback.



May Program Milestones and Timings

Greg Minney

May 2022 Release Timeline



May 2022 Milestone List (1 / 2)

ID	Description	Workstream	Date	Owner
L2-MS/MC-01	Draft aseXML Schema r42 (includes MS DR and MCPI) presented to ASWG	MSDR / MCPI	12-Nov-21	AEMO
L2-MS-02	MSDR Procedure minor amendments process commences	MSDR	03-Dec-21	AEMO
L2-MS/MC-03	Final aseXML Schema r42	MSDR / MCPI	10-Dec-21	AEMO / ASWG
L2-RE40	Industry Transition Plan - GS (Draft update)	GS	17-Dec-21	AEMO
L2-MS09	MSDR Procedure minor amendments submissions due	MSDR	17-Dec-21	Participants
L2-MS05	MSDR Phase 2 delivery approach	MSDR	18-Dec-21 (TBC)	AEMO
L2-MC04	Tech Spec update – MCPI BUT and CR Processing	MCPI	13-Jan-22 (TBC)	AEMO
L2-RE37	May Release Industry Test Strategy	GS / MCPI	31-Jan-21	AEMO / Participants
L2-MS10	MSDR Procedure amendment Final Determination	MSDR	04-Feb-21	AEMO
L2-MC06	User Guides Updates	MCPI	Feb-22 (TBC)	AEMO
L2-RE38	Market Trial Plan - Draft	GS / MCPI	18-Feb-22	AEMO / Participants

May 2022 Milestone List (2/2)

ID	Description	Workstream	Date	Owner
L2-RE41	Industry Transition Plan -GS (Final)	GS	28-Feb-22	AEMO
L2-RE42	AEMO capability completed for Market Trial / Industry Test	GS / MCPI	21-Mar-22	AEMO
L2-MC07	AEMO completion of Internal Development and testing	MCPI	21-Mar-22	AEMO
L2-RE39	Market Trial Plan - Final	GS / MCPI	25-Mar-22	AEMO/ Participants
L2-RE26/27	Market Trial Preparation completed	GS / MCPI	28-Mar-22	AEMO/ Participants
L1-18	Market Trial Commencement	GS / MCPI	28-Mar-22	AEMO / Participants
L2-RE21	May Release Go-Live Plan - Final	GS / MCPI	12-Apr-22	AEMO
L1-20	Market Trial Completion	GS / MCPI	22-Apr-22	AEMO/ Participants
L1-5	GS and MCPI Go Live	GS / MCPI	01-May-22	AEMO/ Participants
L1-23	Trends in UFE Report	GS	01-Jun-22	AEMO
L1-24	Guidelines for UFE Reporting Framework	GS	01-Mar- 23	AEMO

Engagement Framework

Engagement Option	Purpose	Frequency / Timeframe	Representation	Materials
Readiness Working Group	<ul style="list-style-type: none"> Overall Program management <ul style="list-style-type: none"> Program milestones Transition Plan updates (change from original proposal with separate Focus Group, reflecting change in scope) Cutover and Go-Live Plans Issue and risk management Initiative Dependencies Specialist Focus group timing / requirement – e.g. UFE Workshop 	Monthly	<ul style="list-style-type: none"> Applicable Participant resources e.g., Project Managers AEMO resources 	<ul style="list-style-type: none"> Meeting packs and notes distributed to mailing list and published to AEMO's website
Industry Testing Focus Group	<ul style="list-style-type: none"> Scope, plan, coordinate and execute Market trial/Industry testing 	Monthly from Jan/Feb 22	<ul style="list-style-type: none"> Test managers, Test Analysts 	<ul style="list-style-type: none"> Test plan Test cases Test data
Specialist Workshops	<ul style="list-style-type: none"> Discuss and consider key concepts and/or implications associated to a specific topic e.g.: <ul style="list-style-type: none"> UFE settlement, reporting and management <ul style="list-style-type: none"> Concepts and mechanics Obligations, Participant and AEMO MCPI (if requested) <ul style="list-style-type: none"> Obligations, population requirements 	As required	<ul style="list-style-type: none"> Participant and AEMO SMEs 	<ul style="list-style-type: none"> Content and meeting packs available prior to session, notes and other artefacts distributed to mailing list and published to AEMO's website
Dedicated mailbox	<ul style="list-style-type: none"> Provides a single point of contact to AEMO re the program <ul style="list-style-type: none"> Connect participants with the correct AEMO representative to assist with questions or suggestions 	Working days/ Best efforts response	<ul style="list-style-type: none"> As required 	<ul style="list-style-type: none"> Distribution of program information Two-way exchange of information/feedback Confidential email exchanges between AEMO and participants
One-on-one meetings	<ul style="list-style-type: none"> Provide: <ul style="list-style-type: none"> An opportunity for Participants to raise specific matters with AEMO confidentially AEMO an opportunity to understand Participant Readiness 	As requested/required	<ul style="list-style-type: none"> Applicable Participant resources and AEMO 	<ul style="list-style-type: none"> Confidential discussion
Q&A Sessions	To ensure Participants have an opportunity to ask questions as required	TBD		

Indicative Topic Schedule

Month	RWG	Industry Testing Focus Group
November	<ul style="list-style-type: none"> • Scope and governance confirmation • Plan on a page/Milestone review • Discuss key dependencies, risks and issues 	N/A
December	<ul style="list-style-type: none"> • Confirmation of key risks, issues and dependencies • Test Strategy and trial approach • Approach to GS Transition • Progress updates 	N/A
January	<ul style="list-style-type: none"> • Review milestone progress • Review GS Transition Plan • Tech Spec Approach? (For MCPI) • Establish Industry Testing Focus Group 	N/A
February	<ul style="list-style-type: none"> • Review milestone progress, risks and issues • Tech Spec Review / questions • Discuss key topics • Consider escalating items 	<ul style="list-style-type: none"> • Develop Test Strategy/Plan
March	<ul style="list-style-type: none"> • Review milestone and transition plan progress • Review risk and issues • Discuss the proposed Industry Go-Live Plan • Review and endorse Release Test Strategy/Plan 	<ul style="list-style-type: none"> • Conduct participant testing
April	<ul style="list-style-type: none"> • Review milestone and transition plan progress • Receive Industry Testing Planning Update • Finalise Industry Go-Live Plan 	<ul style="list-style-type: none"> • Complete participant testing
May	Go Live	

Note: This table provides an initial indication of the draft topic schedule, for discussion. This schedule is under development and will continue to evolve over the course of the program.

aseXML Schema Update

Simon Tu

MSDR changes to aseXML Schema

- Verbal update to be provided



UFE Focus Group Update

Blaine Miner

UFE Focus Group Update

- First meeting of the UFE FG occurred last Friday 12 Nov 2021
- Attendance
- Agenda
 - May 2022 Program
 - Approach, governance and purpose
 - Global Settlements 101
 - Provision of high-level FAQs to provide a basis for the remainder of the agenda e.g., UFE allocation and exemptions
 - How AEMO Calculates UFE and UFEF
 - Explanation of key terms
 - Illustration of key calculations
 - RM Reports
 - Explanation of the RM43 and RM46 reports and their potential use
 - UFE in Settlements
 - Explanation of variances between RM reports and Settlements tables during 'soft start' period
 - UFE Management
 - AEMO reporting obligations and timings
 - Industry priorities and expectations during the soft start period
- Next meeting scheduled for Friday 3 Dec 2021



Forward Planning & Other Business

Greg Minney

Next Steps

- AEMO to publish update Functionality Matrix by 19 Nov 2021
- AEMO to commence minor amendment process to defer the commencement date of MSDR by 3 Dec 2021
- Risks and Issues review will take place at the next RWG on 14 Dec. Please provide any risks or issues for inclusion to the GSMSDR mailbox by 3 Dec.
- Please provide feedback on milestones by 3 Dec 2021 to GSMDR mailbox.
- If you would like to make any changes to your organisation's RWG nominations as a result of the change to TFG, please contact GSMSDR@aemo.com.au

Upcoming Meetings

NOVEMBER

Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

DECEMBER

Su	Mo	Tu	We	Th	Fr	Sa
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

JANUARY

Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

WORKING GROUPS

Readiness (RWG)

FOCUS GROUPS

UFE (UFE FG)

Transition (TFG)

OTHER

Q&A session

Industry Testing

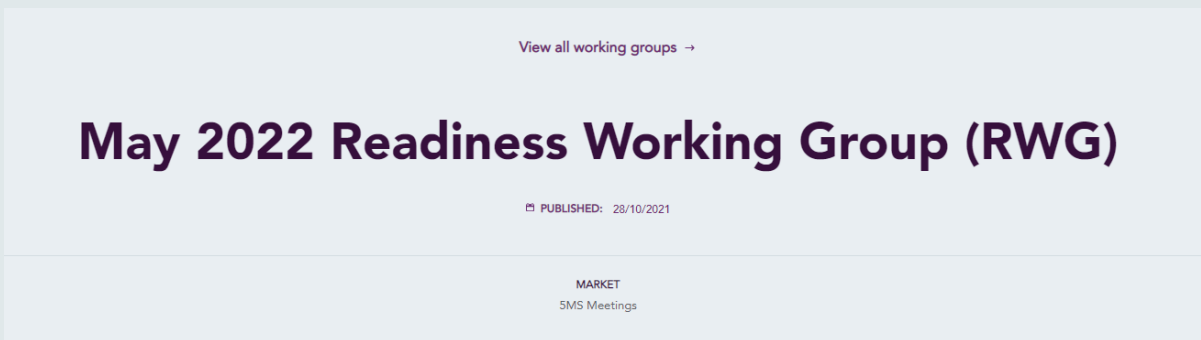
National Public Holiday

State Public Holiday

AEMO Holiday Closure

*Relevant state has been marked in a comment for VIC, NSW, QLD & SA only.

Website Resource Development



- Currently working on launching new AEMO website pages to support May 2022 Program.
- Until pages are launched, you can find the [May 2022 Readiness Working Group \(RWG\)](#) page in the [AEMO Consultations](#) tab.
- The May 2022 Readiness Working Group (RWG) page will incorporate all Terms of Reference, meeting packs and meeting notes for the RWG and May 2022 Focus Groups.

Questions