

NEM Reform Program RDC Collaborative Workshop

Workshop #2
2 August 2023



1. Welcome

We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture.

We pay respect to their Elders past, present and emerging.

Agenda

#	Time	Topic	Ask of Committee	Presenter(s)
1	9:00 – 9:05am	Welcome		Peter Carruthers
2	9:05 – 9:10am	RDC Workshop Objectives	For noting	Peter Carruthers
3	9:10 – 9:15am	NEM Reform Implementation Roadmap - Update	For noting	Lance Brooks
4	9:15 – 9:30am	Change Register	For discussion	Lance Brooks
5	9:30 – 10:10am	Material Changes - Change Management & Impact Assessment (CM&IA) <ul style="list-style-type: none">• Changes in scope and timing• Changes in timing only	For discussion	Lance Brooks
6	10:10 – 10:30am	Foundational and Strategic Initiatives	For discussion	Ulrika Lindholm / Andrew Bell
7	10:30 – 10:45am	Executive Forum	For discussion	David Reynolds
8	10:45 – 10:55am	Open discussion	For discussion	All
9	10:55 – 11:00am	General Questions and Other Business	For discussion	Peter Carruthers

Appendix A: Competition law meeting protocol


“Please note that this meeting will be recorded by AEMO and may be accessed and used by AEMO for the purpose of compiling minutes. By attending the meeting, you consent to AEMO recording the meeting and using the record for this purpose. No other recording of the meeting is permitted”

2. RDC Workshop Objectives

Objectives – Workshop & Change management process

Workshop Objectives

- Identify and inform Committee Members of incremental and material changes across the Roadmap in accordance with the Change Management Process
- Determine initial impacts for AEMO, Participants and Consumers resulting from the changes
- Identify key issues for further impact assessment, including opportunities for bundling, sequencing and prioritisation
- Seek RDC advice in relation to strategic direction of NEM Reform Program
 - Foundational & Strategic initiative feasibility
 - NEM Reform Executive Forum



CHANGE MANAGEMENT AND IMPACT ASSESSMENT

DATE:	
NEM2025 INITIATIVE:	
SUBJECT:	
COMPLETED BY:	

This Change Management and Impact Assessment provides a means for identification and documentation of potential implementation impacts associated with changes to key reform initiatives captured as part of the NEM2025 Reform Program and documented in the Regulatory & NEM2025 Implementation Roadmap

IMPACT ASSESSMENT

Question / Assessment	Response / Description
What is the nature of the change?	
When is the change to come into effect?	
What are the impacts to AEMO?	
What are the impacts to Participants?	
What are the impacts to Consumers?	
RDC Advice & Conclusions	
AEMC Advice & Conclusions	
AER Advice & Conclusions	

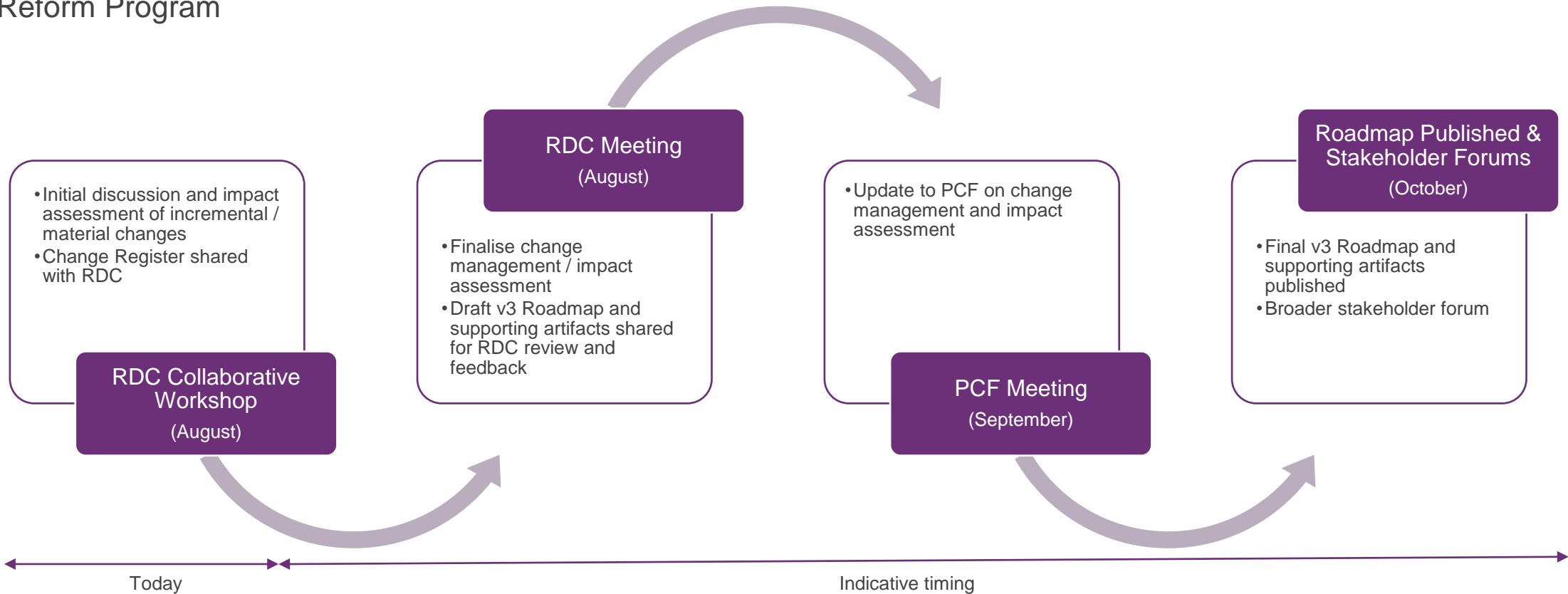
RECOMMENDATIONS

CHANGE REQUIRED TO ROADMAP	YES <input type="checkbox"/>	NO <input type="checkbox"/>	
CHANGE TO BE MADE			
IMPLICATION OF CHANGE			
APPROVED BY			
DATE			

3. NEM Reform Implementation Roadmap – Update

Keeping the NEM Reform Implementation Roadmap up to date

Today's session represents the first step in the process of updating the Roadmap capturing both incremental or material changes across initiatives in accordance with the Change Management Process established for the NEM Reform Program



4. Change Register

The following material changes have been identified as of July 2023

Changes in Scope and Timing (see section 5)	Changes in Timing only (see section 5)	Changes in Scope and / or Timing (and action proposed)
<ul style="list-style-type: none"> Capacity Incentive Scheme Enhanced Information Operational Security Mechanism Data Services 	<ul style="list-style-type: none"> Congestion Relief Market & Priority Access Model Scheduled Lite SCADA Lite Dynamic Operating Envelopes DER Data Hub & Registry Services DER Operational Tools Distribution Local Network Services Bill Transparency Network Visibility Electric Vehicles Charging Standing Data Register 	<ul style="list-style-type: none"> Extension of the application of IRM to RRO (New) Amendment of the MPC, CPT and APC (New) Extending the Regulatory Framework to Hydrogen and Renewable Gases (timing) DWGM Heating Values (committed status and timing) Compensation and dispute resolution frameworks (New)
<p align="center">ESB Post-2025 Related Reforms</p>		<p align="center">Non-NEM2025 and Gas Reforms</p>

The following incremental changes have been identified as of July 2023

NEM2025 Related Reforms (and action proposed)

- Business Rules Engine [Dependent Project]

(Update initiative to reflect implementation via AEMO's Operational Technology Roadmap program in order to align with other dependent projects Operational Decision-Making Tools, Operational Data Store and Forecasting Platform Uplift)

Non-NEM2025 and Gas Reforms (and action proposed)

- Efficient Provision of Inertia

(Update rules development phase to reflect current AEMC timeline – Draft determination: February 2024)

5. Material Changes – Change Management and Impact Assessment (CM&IA)

Changes in scope and timing

Capacity Incentive Scheme

- The Government will establish the CIS to underwrite new investment in clean energy, accelerating the development of cheap, clean renewable generation and storage and ensuring the smooth transformation of Australia's energy market
- The CIS is **still under policy development which is being lead by the Commonwealth Government**
- Stage 1 of the Capacity Investment Scheme was announced in the 2023-24 Budget and will be rolled out in 2023, involving:
 - a tender in South Australia and Victoria, to be delivered by AEMO, including for AEMO to undertake contract management activities for selected projects
 - a Commonwealth/New South Wales tender in partnership with the NSW Electricity Infrastructure Roadmap.
- The DCCEEW is to design the auction process in late 2023 to operate in SA and VIC, and continue work on a national rollout of the scheme building on the year one tender process
- Tender details for South Australia and Victoria are to be announced in October 2023

Given the current policy direction for the CIS it appears unlikely a significant industry wide investment in IT systems or business processes will be required under the NEM Reform Program

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Capacity Incentive Scheme
SUBJECT:	Change in scope and timeline

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> As part of the May 2023 budget the Commonwealth Government confirmed initial, high-level details of an underwriting mechanism for investment in new clean generation including the proposed timing for the first auctions Further details including tender guidelines and processes are anticipated October 2023
When is the change to come into effect?	<ul style="list-style-type: none"> First auctions for SA and VIC to be held in late 2023 prior to being rolled out nationally
What are the impacts to AEMO?	<ul style="list-style-type: none"> AEMO to deliver auctions in SA and VIC and undertake contract management activities for selected projects Given the current policy direction for the CIS it appears unlikely a significant investment in AEMO's IT systems or business processes will be required

AEMO Advice & Conclusions:
 CIS to remain within the NEM Reform Program / Roadmap for now, with AEMO & RDC to monitor final policy outcomes and determine its status in October 2023

RDC Advice & Conclusions:
 Input sought from RDC

AEMC Advice & Conclusions:
 Input sought from AEMC

Enhanced Information

- In February 2023, Energy Ministers agreed to immediately implement ‘enhanced information’ reforms to provide east-coast market participants with better information on the optimal location for new generation and storage
- In July 2023, the ESB published a final decision paper ([here](#)) which outlined its proposed solution for:
 - AEMO to publish annually an ‘**enhanced locational information**’ report
 - The report will draw from and consolidate existing sources of locational information existing information from sources including, but not limited to Transmission Annual Planning Reports (TAPRs), system strength charges, Marginal Loss Factors (MLFs) and Renewable Energy Zone (REZ) scorecards from the Integrated System Plan (ISP)
 - AEMO is to publish the first report in early 2024, followed by consultation on ways to improve the ELI report, prior to the second report publication in 2025
 - **AEMO to work with TNSPs** to consider opportunities for alignment of inputs, assumptions and methodologies for congestion and network capacity information provided through TAPRs, in addition other potential improvements if appropriate.

The ESB’s proposed solution does not require a Rule change

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Enhanced Information
SUBJECT:	Defined scope and change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> ESB has set out its proposed solution providing for enhanced information to be provided to stakeholders to inform decisions about where to locate projects in the NEM. The solution provides for consolidation of information from existing sources and for consultation with industry
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – First report due early 2024
What are the impacts to AEMO?	<ul style="list-style-type: none"> AEMO will initially leverage its existing sources of information and resources, to produce the ‘enhanced locational information’ (ELI) report. This represents incremental increase in scope for AEMO’s planning teams AEMO is required to run consultation processes with industry on ways to improve the ELI report

AEMO Advice & Conclusions:
Update the Roadmap to reflect the scope and assessment of initiative implementation requirements ahead of first report published early 2024

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Operational Security Mechanism

- The AEMC has proposed a shift in the focus of its OSM rule change to identify more immediate solutions that address the need for power system security signalling their intention to investigate options to streamline and simplify existing security services frameworks.
- The AEMC has indicated that investigation will be carried out in relation to system strength, inertia and the Network Support and Control Ancillary Services (NSCAS) frameworks – including how contracts for such ancillary services are scheduled in real-time and improvements to the directions process.
- Further, the AEMC indicated key concerns identified in the initial OSM rule change such as putting in place frameworks to procure ESS to support the NEM and reduce the need for the AEMO to use ‘directions’ and supporting new investment in ‘plant’ technologies that provide services are to be covered in its upcoming directions paper.
- Details of the AEMC’s proposed forward direction are available [here](#) with a directions paper from the AEMC is anticipated in mid-2023

This represents a significant change in scope of the OSM initiative from that assumed under the Roadmap and supporting materials

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Operational Security Mechanism
SUBJECT:	Change in scope and timeline

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> Material change in scope (and likely timeline for implementation) with a new objective of streamlining and simplifying existing security services frameworks (system strength, inertia, NSCAS). Development of a single optimisation engine to be run ahead of real time, separate to NEMDE no longer required
When is the change to come into effect?	<ul style="list-style-type: none"> Change in scope has been announced Further details, including scope and timeline for the initiative subject to the AEMC rule change consultation process <ul style="list-style-type: none"> Directions Paper: Mid 2023, Final Determination: Late 2023
What are the impacts to AEMO?	<ul style="list-style-type: none"> Uncertain and subject to AEMC final rule determination Assumption: Significantly reduced IT systems or business process changes required

AEMO Advice & Conclusions:
 AEMO and RDC to monitor progress of the AEMC’s rule change consultation. Replace current assumed execution / solution delivery phase with placeholder subject to final rule determination

RDC Advice & Conclusions:
 Input sought from RDC

AEMC Advice & Conclusions:
 Input sought from AEMC

Data Services

- The ESB has finalised for consideration by Energy Ministers the proposed **NEL Amendment (Data Access) Bill 2023** available on the ESB's website alongside policy position paper that incorporates the development of:
 - A new Data Services Unit within AEMO in the short term to grow necessary capability, resources and processes required to safely facilitate greater access to a wide range of analytics and publicly released data for trusted policy, planning and public research bodies.
 - Specifically, draft legislative amendments will allow (but not require) AEMO to share protected data safely with trusted "prescribed" bodies (Class A and Class B)
 - The Amendment therefore seeks to expand AEMO's functions, clarify AEMO's right to use information and ensures that recipients of protected information are responsible for their use and disclosure of it, not AEMO
- The ESB also recommended AEMO facilitate a Stakeholder Advisory Group that supports advice and early action on emerging data needs so that data services remain focused on stakeholder needs and a clear consumer benefits objective.
 - AEMO will be developing supporting Guidelines to be published to provide greater transparency, consistency and streamlining in data sharing.
 - The aim is to have some early services in place with the legislative amendments by the end of 2023
- Depending on the final decision of Energy Ministers, including proposed funding arrangements for this new function AEMO has identified alternative approaches to meeting its new Data Services obligations.

This represents a significant change in timing and progress of the Data Services initiative from that assumed under the Roadmap and supporting materials with policy details now finalised and subject to bill passing

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Data Services
SUBJECT:	Change in scope and timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> Final policy design and legislative amendments now with Ministers for consideration <ul style="list-style-type: none"> A new data services unit to be built within AEMO to ensure safe data-sharing practices and support greater access to a wide range of analytics and publicly released data. A Statutory Advisory Group to be facilitated by AEMO to support the new data services unit.
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – legislative amendments were proposed in June 2023 with the development and work on an implementation approach commencing
What are the impacts to AEMO?	<ul style="list-style-type: none"> AEMO to establish a Statutory Advisory Group and common data access guidelines aligned with the legislative changes. AEMO will establish a minimal standing team leveraging existing AEMO resources which will be scaled up subject to Energy Minister and approval funding approaches.

AEMO Advice & Conclusions:
 Update the Roadmap to reflect ongoing policy design and development phase (e.g. to December 2023) to reflect ESOM consideration of funding approach.

RDC Advice & Conclusions:
 Input sought from RDC

AEMC Advice & Conclusions:
 Input sought from AEMC

Changes in timing only

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Congestion Relief Market & Priority Access Model
SUBJECT:	Change in timeline

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> The ESB published a Consultation Paper in May 2023 and has created two prototype models to run scenarios for the transmission access reform package, including CRM and Priority Access As part of its consultation paper, the ESB noted policy design and development (including rules development) will continue into the second half of 2023 A decision by Energy Ministers to proceed (or not) is anticipated in late 2023
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – policy development and design phase is yet to be finalised and consultation remains open
What are the impacts to AEMO?	<ul style="list-style-type: none"> No direct implementation impact at this time as a) final policy / design are still to be finalised and b) indicative implementation has not previously been reflected in the roadmap Depending on policy outcomes, may contribute to a congested 2025 delivery year

AEMO Advice & Conclusions:
Update the Roadmap to reflect ongoing policy design and development phase (e.g. to December 2023)

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Scheduled Lite
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> In January 2023 AEMO submitted its Scheduled Lite rule change request to the AEMC. At this time, the rule change consultation process has not commenced as assumed under the Roadmap It is anticipated this process will commenced imminently (e.g. July / August 2023)
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – the rules change consultation process has not commenced
What are the impacts to AEMO?	<ul style="list-style-type: none"> A potentially congested 2025 delivery year remains even after extending the timeframe out for rule consultation placing increased pressure on AEMO resources in delivery – subject of FD (if made) and review of timeline sequencing

AEMO Advice & Conclusions:
Update the Roadmap to reflect the change in timeline for the AEMC’s rule consultation process. No further changes to assumed scope at this time

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	SCADA Lite
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> AEMO has yet to commence implementation of the SCADA Lite initiative as assumed under the Roadmap. AEMO is in the final stages of planning process and will seek funding in accordance with its internal investment commitment process accordingly imminently AEMO anticipate the planning phase to be completed by October 2023, with execution to occur between October 2023 and March 2024 (anticipated go-live 1 March 2024)
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – Delivery of this solution has not commenced
What are the impacts to AEMO?	<ul style="list-style-type: none"> No change in scope. AEMO currently developing plan for engagement with impacted participants. SCADA Lite will enable other NEM reform initiatives (e.g. Scheduled Lite)

AEMO Advice & Conclusions:
Update the Roadmap to reflect the change in timeline for implementation of this initiative. No further changes to assumed scope at this time

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	DOE, Data Hub & Registry Services, DER Operational Tools, DLNS
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> • Various DER initiatives remain in the policy development and design phase with the scope of these initiatives subject to ongoing reviews and industry trials including: <ul style="list-style-type: none"> • AER Review of regulatory framework for flexible export limit implementation (Issues Paper published OCT 2022), • ESB’s interoperability policy directions paper (OCT 2022), • AEMC’s review of CER technical standards (Draft report published APR 2023), and • Project Edge - Fairness in DOE Objective Function Report (published APR 2023)
When is the change to come into effect?	<ul style="list-style-type: none"> • Immediately – Policy development and design remains ongoing
What are the impacts to AEMO?	<ul style="list-style-type: none"> • To be determined and subject to final policy / rule change outcomes

AEMO Advice & Conclusions:
 Extension of the policy design and development phase for these initiatives in the Roadmap (e.g. to December 2023) to reflect ongoing consultation

RDC Advice & Conclusions:
 Input sought from RDC

AEMC Advice & Conclusions:
 Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Bill Transparency
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> In July 2023, the ESB published its consultation paper on billing transparency seeking stakeholder views on viable options for creating greater transparency and on key recommendations for moving forward Following the transition of the ESB, the AEMC will become the lead agency for stakeholders to engage with in relation to this consultation
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – policy development and design phase is yet to be finalised and consultation remains open
What are the impacts to AEMO?	<ul style="list-style-type: none"> To be determined and subject to final policy / rule change outcomes.

AEMO Advice & Conclusions:
Update the Roadmap to reflect ongoing policy design and development phase (e.g. to December 2023) and open consultation

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Network Visibility
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<ul style="list-style-type: none"> In July 2023, the ESB published its consultation paper on the benefits of increased visibility of networks seeking stakeholder views on the likely value of making specific network-related data sets available to market and policy makers, making CER planning decisions and managing network-related risks Following the transition of the ESB, the AER will become the lead agency for stakeholders to engage with in relation to this consultation
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – policy development and design phase is yet to be finalised and consultation remains open
What are the impacts to AEMO?	<ul style="list-style-type: none"> To be determined and subject to final policy / rule change outcomes

AEMO Advice & Conclusions:
Update the Roadmap to reflect ongoing policy design and development phase (e.g. to December 2023) and open consultation

RDC Advice & Conclusions:
Input sought from RDC

AEMC Advice & Conclusions:
Input sought from AEMC

Change Management & Impact Assessment

DATE:	26 July 2023
NEM2025 INITIATIVE:	Electric Vehicles Charging Standing Data Register
SUBJECT:	Change in timeline greater than 2 months

What are the implementation impacts to Participants?

IMPACT ASSESSMENT

QUESTION / ASSESSMENT	RESPONSE / DESCRIPTION
What is the nature of the change?	<p>In June 2023, the ESB published its Consultation Outcomes Report outlining its recommended two-phase implementation path:</p> <ol style="list-style-type: none"> Expanding the DERR to include EVSE data and complementary measures to improve processes and engage installers (for AEMO to lead with industry input) New frameworks for CER installers to be incorporated in the AEMC’s Review into CER Technical Standards (Final Report due July / August 2023)
When is the change to come into effect?	<ul style="list-style-type: none"> Immediately – the ESB has published its Consultation Outcomes Report
What are the impacts to AEMO?	<ul style="list-style-type: none"> Review (with industry) current DERR data collection frameworks and other measures to support compliance Develop and submit a rule change request to the AEMC on EVSE standing data (intending for submission by the end of 2023)

AEMO Advice & Conclusions:

Update the Roadmap to reflect ongoing policy design and development phase (e.g. to December 2023), in addition to inclusion of Rules development phase to reflect AEMC consideration of AEMO RCR (e.g. from January 2024)

RDC Advice & Conclusions:

Input sought from RDC

AEMC Advice & Conclusions:

Input sought from AEMC

Proposed recommendations

Further to these recommendations, AEMO will update the Roadmap to account for those non NEM2025 and Gas Reform initiative changes

Initiative	Update Roadmap (Timing, Initiative Name, Stage Gate)	Complete Detailed Impact Assessment	Re-assess Bundle, Sequence & Prioritisation	Remove Initiative
Capacity Incentive Scheme	✓	✗	✗	✗ (To be assessed in Oct 2023)
Enhanced Information	✓	✓ (AEMO to assess initiative implementation)	✗	✗ (Subject to AEMO assessment)
Operational Security Mechanism	✓	✓ (Further details of scope required)	✓ (Further details of scope required)	✗
Data Services	✓	✓ (Subject to ESOM outcomes)	✗	✗
Congestion Relief Market & Priority Access	✓	✗	✗	✗
Scheduled Lite	✓	✗	✗	✗
SCADA Lite	✓	✗	✓ (e.g. Schedule Lite)	✗
Bill Transparency	✓	✗	✗	✗
Network Visibility	✓	✗	✗	✗
EV Charging Standing Data Register	✓	✗	✗	✗
DOE, Data Hub & Registry Services, DER Operational Tools, DLNS	✓	✗	✗	✗

Next Steps

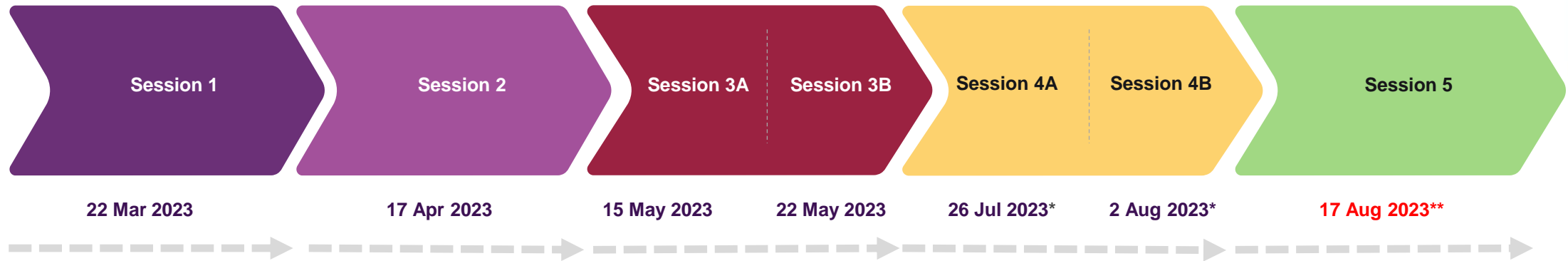
- Additional feedback sought from Committee members on impacts resulting from material changes to initiatives and updates to Roadmap (**August**)
- Change Management and Impact Assessment of material changes finalised (**late August / September**)
- Revised draft Roadmap v3 shared with the RDC for review ahead of next RDC meeting (**late August**)
 - Including updates to supporting material (e.g. Initiative Briefs, Program Scope)
- **RDC Meeting (29 August)**
- PCF update on Change Management and Impact Assessment (**September**)
- Roadmap and supporting materials published + Stakeholder Forum (**indicative – October**)




6. Foundational and Strategic Initiatives

- Identity and Access Management (IDAM)
- Industry Data Exchange (IDX)
- Portal Consolidation (PC)

Industry Consultation update

- On 14 July, AEMO adjusted the schedule to allow industry additional time for consideration of the transition strategy, and in respect of AEMO's resource availability and how changes in AEMO's timeline affects participant's time and resource commitments.
- Additionally the AEMO team has in the development of materials for the transition strategy concluded that there will be less technical specific content to discuss with the technical focus group members in a separate workshop.
- Transition Strategy workshops 4A and 4B are therefore to be run as mixed business and technical forum on each of the two Session 4 dates;
 - 4A workshop walks through the conceptual approach and captures initial inputs and considerations from industry
 - 4B considers the initial feedback and discusses proposed strategy, seeking in-principle agreement of focus group alignment.



Session	Introduction – IDX, IDAM & PC	Discovery Workshops – IDAM and PC	Target State Discussion	Transition Strategy	Conclusions and Business Case
Agenda*	<ul style="list-style-type: none"> • Introduce initiatives • Outline workshop plan 	<ul style="list-style-type: none"> • Pain points and benefits • Survey 	<ul style="list-style-type: none"> • Concept walkthrough • Survey 	<ul style="list-style-type: none"> • Transition Strategy • Impacts & Benefits • Survey 	<ul style="list-style-type: none"> • Summary • Options
Audience					

Legend:  Business Focus Group  Technical Focus Group  All interested stakeholders who nominated to Focus Groups

* Dates updated as per 14 July.
 ** Date for the Business case workshop to be informed after completion of Transition strategy consultations.

Next steps

- Planned next steps (original intention, prior to consultation session of 26 July)
 - Progress transition strategy & roadmap through consultation with technical and business focus groups between 26 July and 02 August
 - Progress business case through a phased consultation with focus group. The timelines for business case focus groups will be assessed during the Transition Strategy industry consultation sessions and confirmed by 09 August.
 - AEMO to share early draft business case for discussion at the 29 August RDC meeting.
- However, industry feedback from consultation session of 26 July means adjustments are required
 - Sufficient time for participants to absorb and provide meaningful response
 - Getting the balance right between defining a transition roadmap and defining the business case
- AEMO team is presently absorbing/considering the feedback and will provide a verbal update to the RDC.

7. Executive Forum



Context

- The NEM Reform Program has been established to implement a comprehensive package of reforms to support the energy transition.



The challenge

- The NEM Reform program requires a significant contribution across the industry to deliver the reforms successfully.
- Some of the key challenges:
 - Size and complexity of the reform program, collectively
 - Variable level of impacts across participants
 - Uncertainty in the timing, scope and progression of individual initiatives
 - Managing investment in a disciplined manner
 - Deliverability and resourcing
 - Competing demands across the industry and within individual participants

Executive Forum

The proposal



- The challenges highlight the importance of undertaking an integrated and coordinated approach to the implementation program.
- **AEMO is establishing an open Executive Forum to build on its industry wide engagement structure.**
- The Executive Forum will facilitate engagement between executive level organisational representatives from across industry.

The Executive Forum is intended to provide a forum for Industry Executives to:

- Hear overall plans, status and risks in relation to industry readiness first-hand
- Discuss issues and success factors relating to timely industry investment/mobilisation for delivery
- Consider and raise risks relating to delivery effectiveness and efficiency
- Raise and consider risks external to NEM Reform that may require action/mitigation
- Identify ways for industry to collaborate more effectively and address the challenges identified

The Forum will contribute to an integrated and coordinated approach to delivery, contributing to informing and navigating uncertainty and de-risking delivery

Executive Forum



The ask of participants

- The Executive Forum is targeted at Executive level organisational representatives. The committee should include suitably qualified members representing AEMO's breadth of stakeholders, including government, industry, and consumers across the jurisdictions in which AEMO operates.
- **AEMO is inviting organisations to each put forward one representative to attend each Executive Forum.**



Proposed agenda

The focus of this forum will include:

- Forum purpose and objectives
- Program challenge and response,
- AEMOs Foundational & Strategic Initiatives* update
- Overall program delivery status and costs.



AEMO has scheduled an executive forum for the **23 August 2023.**



Executives interested in attending the NEM Reform program Executive forum can submit their nominations to NEMReform@aemo.com.au

8. Open Discussion

- Challenges or issues
- Areas for improvement

9. General Questions and Other Business



NEMReform@aemo.com.au



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Appendix A: Competition law meeting protocol and AEMO forum expectations

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**:

- Ensure that discussions are limited to the matters contemplated by the agenda for the discussion
- Make independent and unilateral decisions about their commercial positions and approach in relation to the matters under discussion with AEMO
- 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:

- Which customers they will supply or market to
- The price or other terms at which Participants will supply
- Bids or tenders, including the nature of a bid that a Participant intends to make or whether the Participant will participate in the bid
- Which suppliers Participants will acquire from (or the price or other terms on which they acquire goods or services)
- 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.



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