

# Summary of Roadmaps Stakeholder Forum – 11 May 2022



## High Level Summary

This document provides a high-level summary of the 11 May 2022 stakeholder forum, including key comments/feedback provided during the forum and actions for AEMO/stakeholders. This is not intended to be complete record of the forum, but rather provides an overview of the content presented, discussion themes and key questions that arose. This document should be considered alongside the forum slide pack presented on 11 May 2022.

## Regulatory Implementation Roadmap (draft version 7)

Following introductory remarks, Peter Carruthers outlined the specific objectives of this forum – to present and seek stakeholder feedback on the regulatory implementation roadmap (draft version 7) and the NEM2025 implementation roadmap.

The following updates/milestones to the regulatory implementation roadmap draft version 7 were discussed:

- Global Settlements, Metering Coordinator Planned Interruptions and MSATS Standing Data Review (r42 schema) implementation on 1 May 2022,
- Electricity B2B changes v3.7 scheduled go-live of 7 November 2022,
- Electricity B2B changes v3.8 expected go-live of May 2023, noting current consultation process,
- Standalone Power Systems (SAPS) committed commencement of 30 May 2023, noting current consultation process,
- Consumer Data Rights committed commencement of 15 November 2022 (tranche 1), 15 May 2023 (tranche 2), 1 November 2023 (tranche 3) and 1 May 2024 (tranche 4), noting current consultation process,
- ST PASA committed 31 July 2025 go-live and current workshop program,
- Enhancing Operational Resilience to Indistinct Events committed go-live date of 9 March 2023,
- Declared Wholesale Gas Market (DWGM) Enhancements confirmed as on track for 1 January 2023 go-live,
- Measures to Improve Transparency in the Gas Market updated for current SA Parliamentary process and the need for a six-month implementation window following law and rule changes,
- DWGM Distribution Connected Facilities updated to proposed go-live of 1 October 2023 as per the draft rule, noting that AEMO considers a two-year implementation window is necessary,
- Detailed implementation schedule updated to include electricity B2B changes v3.8, Standalone Power Systems and Integration of Energy Storage Systems as well as alignment of May 2023 schema changes (to the extent these are required).

<i>Ref</i>	<i>Feedback/Comment/Question during forum</i>	<i>Response/Action</i>
1	<i>Standalone Power Systems</i> Travis Worsteling (Energy Australia) raised a concern about the commencement date for SAPS, noting an implementation approach	Commencement date was made by the South Australian Energy Minister. A rule change would be needed to change the

	has not yet been determined. If implementation involves a single change to an identifier then May 2023 maybe feasible, however given that consultation is currently taking place, Energy Australia considers it difficult to be ready for May 2023.	commencement date. AEMO to consider a risk assessment. Request for stakeholders to raise this issue in their submissions to establish the number of stakeholders who consider SAPS timing a key risk.
2	<i>Extending the Roadmap</i> Travis Worsteling (Energy Australia) requested that future iterations of the roadmap include more industry wide impacts that are not AEMO specific where, for instance, all retailers/networks/large portion of participants are impacted (e.g. billing guideline changes).	Stakeholders to liaise with AEC and ENA about coordinating industry reforms (that have limited AEMO impacts). Dor Son Tan (ENA) volunteered to manage any network enquiries around augmenting the roadmap. Request that network business contact Dor Son Tan.
3	<i>Consumer Data Right</i> Christophe Bechia (Red Energy) sought confirmation that CDR tranche 1 is on schedule for November 2022 commencement.	AEMO confirmed that CDR is on track with APIs to be available in pre-production environment as per schedule.

## NEM2025 Implementation Roadmap (version 1)

Stakeholders were provided with an overview of:

- the purpose/role of the NEM2025 implementation roadmap,
- the role of the Reform Delivery Committee (RDC),
- the scope of the NEM2025 implementation roadmap,
- the process for preparing the NEM2025 implementation roadmap,
- the alternative NEM2025 implementation roadmap pathways,
- the trade-offs,
- AEMO's preferred pathway, the strategic pathway,
- key differences between the alternative NEM2025 implementation roadmap pathways,
- next steps including timeframe for stakeholder feedback.

<i>Ref</i>	<i>Feedback/Comment/Question during forum</i>	<i>Response/Action</i>
4	<i>NEM2025 Roadmap Scope</i> Mark Riley (AGL) commented that despite the capacity mechanism and congestion management model being out of scope for version 1, it should be made clear to stakeholders that there	Noted. AEMO will include the Capacity Mechanism and Congestion Management Model initiatives into version 2 of the Roadmap.

	will be additional work for those initiatives should they proceed and that they would be a key part of the roadmap	
5	<i>NEM2025 Roadmap Scope</i> Ben Skinner (AEC) questioned why an inertia market mechanism was not included on the scope (slide 23) given that this is one of the ESB's recommendations for post 2025 reforms.	Inertia market and ahead market are in the next wave of reforms. Reforms considered within a longer timeframe are not within scope of version 1. As reform delivery plans develop further, the roadmap will be adjusted accordingly.
6	<i>NEM2025 Roadmap Scope</i> A couple of stakeholders sought clarification on the initiatives listed on slide 23, in particular DER Data Hub & Registry Services and DER Operational Tools as these appeared to be new initiatives.	Confirmed that stakeholders had identified initiatives that had a name change (as compared to the previous slide pack presented in November 2021). These were adjusted to be a more accurate descriptor of the sort of initiative.
7	<i>Cost Benefit Analysis of Initiatives</i> Justin Betlehem (AusNet Services) asked if there is going to be an independent cost benefit assessment on each of these initiatives.	A cost benefit assessment is up to the policymakers for those initiatives that are at the policy proposal stage and the rule maker where the initiative is at the rule making stage. The rule maker needs to determine that the initiative meets the National Electricity Objective. There is a regulatory approval process for each initiative and the roadmap provides a view of the potential program as whole. There is therefore some uncertainty about initiatives in that they might not proceed or proceed in a different form than originally intended. AEMO is preparing a business case assessing the alternative roadmap pathways presented in version 1 of the roadmap.
8	<i>Enhancements to the NEM2025 Roadmap</i> Dor Son Tan (ENA) suggested that AEMO identify which initiatives might be subject to a rule change or if they are NEM-declared projects or other.	AEMO may consider incorporating the stage of the initiative/type of initiative of the roadmap as a summary view. AEMO has published NEM2025 implementation roadmap Initiation Briefs which provide an overview of each initiative including the next steps stage. These are available on AEMO's website at <a href="#">nem-2025-</a>

		<p><a href="#">implementation-roadmap---initiative-briefs.pdf (aemo.com.au)</a>.</p> <p>AEMO is currently running a separate consultation process on the declared project status of the NEM2025 Reform Program. This consultation process outlines that all the initiatives captured in the NEM2025 implementation roadmap would make up the scope of the declared project. Information, including how to make a submission, to this consultation is available on AEMO's website <a href="#">here</a>.</p>
9	<p><i>Participant Impacts</i></p> <p>Mark Riley (AGL) indicated there needs to be consideration of the flow on impact of these changes, in terms of participant investment requirements/participant impact assessment and the need for a post go-live clean-up period.</p>	<p>AEMO is looking to structure the delivery program through regular cadence of system releases. AEMO is working with RDC to assess participant impacts and is currently compiling data that will be considered as part of any final decision on pathway. AEMO will facilitate a discussion with RDC on how hypercare periods/clean-up periods following go-live of initiatives can be accommodated on the roadmap.</p>
10	<p><i>Reform Costs and Budget Processes</i></p> <p>Jennifer Brownie (Queensland Electricity Users Network) sought some clarification as to whether the AEMO 2022-23 Budget and forecasts for 2022-23 to 2025-26 clearly identify expenditure associated with the regulatory pathway</p> <p>Jennifer Brownie (Queensland Electricity Users Network) wanted to understand the timing of the business case in relation to the AEMO budget.</p>	<p>NEM2025 reforms are included in the budget for next financial year and the outer years, based on high level assumptions. These are therefore factored into AEMO's debt requirements.</p> <p>No cost recovery mechanism has been assumed at this stage, although the NEM Declared Project consultation commenced on 11 May 2022.</p> <p>At this stage, the timing for the AEMO budget and the business case is similar with both expected to be released in June 2022 or shortly thereafter.</p>
11	<p><i>Post reform reviews</i></p> <p>Jeff Roberts (EvoEnergy) questioned whether industry has reviewed recent reforms (delivered over the past five years) in terms of learnings.</p> <p>Mark Riley (AGL) suggested that industry should consider not only project learnings, but market benefits.</p>	<p>PWC conducted a review on the lessons learned from five-minute settlement implementation and presented the findings to an executive forum. PWC and AEMO plan to present on reform program lessons learned at the next Electricity Retailer Consultative Forum on 23 June 2022.</p>

	Stakeholders indicated that they are interested to have a briefing on the five-minute settlement lessons learned.	AEMO will raise with the RDC how post reform learnings are factored into the NEM2025 roadmap process.
12	<i>Business Case – Potential Costs</i> Jennifer Brownie (Queensland Electricity Users Network) wanted to understand if an industry cost estimate has been prepared Stakeholders (Justin Betlehem, AusNet Services and Mark Riley, AGL) suggested that industry participants could forecast costs based on published design or provide an order of magnitude of costs.	AEMO advised that external consultants are assisting in the development of a business case (for both pathways) which will include a quantitative assessment of AEMO’s costs and benefits and a qualitative assessment of participants’ costs and benefits. AEMO understands through discussions at the RDC the difficulty in developing informed cost estimates due to there not being sufficient detail. AEMO will discuss with the RDC the approach to assessing potential participant costs at the next meeting.
13	<i>Business Case – Risk Management</i> Bryn Williams (SA PowerNetworks) wanted to know how the business case will account for the strategic pathway risks in that there is the potential for investment in systems for reforms that do not ultimately proceed.	The business case may include scenario analysis where projects are considered in and out of scope.
14	<i>Business Case – Potential NEM Fee Impact</i> Shaun Cole (Origin) asked whether the business case assessment for each pathway, will consider the potential impact on NEM fees (e.g. near or longer term)	A short statement will be included in the Business Case with a more complete analysis to be undertaken as part of the NEM Declared Project Stage 2 process and consultation.
15	<i>NEM2025 Implementation Roadmap</i> Mark Riley (AGL) wanted to get a better understanding of which platform uplifts support which initiatives.	AEMO has identified the independencies through a relationship mapping exercise. This is presented in the information paper where both pathways set out the dependencies between initiatives. The initiation briefs also provide details on dependencies.