

IMPACT AND IMPLEMENTATION REPORT (IIR) – SUMMARY SECTION

(For AEMO to complete and administer)

Issue Number	IN027/14, IN001/15, IN008/15, IN016/15, IN020/15, IN022/15, IN024/14, IN023/15 and IN028/15.		
Impacted Jurisdiction (s)	VIC, QLD, SA and NSW/ACT.		
Proponent	Danny McGowan	Company	AEMO
Affected Gas Markets(s)	Retail	Consultation process (Ordinary or Expedited)	Ordinary
Industry Consultative forum(s) used	Gas Retail Consultative Forum (GRCF)	Date Industry Consultative forum(s)consultation concluded	18 April 2017
Short Description of change(s)	Minor changes to the gas Retail Market Procedures (RMP) and Technical Protocols (TP) to progress industry’s broader program of work to harmonise the various jurisdictional retail documentation wherever possible.		
Procedure(s) or Documentation impacted	Refer to documents listed in section 2 of this Impact and Implementation Report (IIR).		
Summary of the change(s)	AEMO and participants have identified a number of minor changes to the gas RMPs and TPs that will further underpin the efforts to achieve harmonised documentation across all jurisdictions. The majority of changes involve making the definitions in the RMPs and certain clauses within the body of the RMP consistent across all jurisdictions.		
IIR Prepared by	Danny McGowan	Approved by	Ruth Guest
Date IIR published	19 May 2017	Date Consultation under 135EE or 135EF concludes	19 June 2017
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IMPACT & IMPLEMENTATION REPORT – DETAILED REPORT SECTION

CRITICAL EXAMINATION OF PROPOSAL

1. Description of change(s) and reasons for change(s)

The changes proposed in this IIR mostly involve aligning the definitions used in the RMPs so that they are the same for each jurisdiction. The changes also involve minor rewording of some existing clauses within the body of the RMPs so that they align with other jurisdictions. None of these changes alter any of the existing obligations placed on participants or AEMO other than one change to the Queensland RMP (clause 6.2.2) which pertains to the mapping of heating value zones to custody transfer meters. For this clause new obligations are placed on AEMO, Retailers and the Network Operators to agree when a new heating zone takes effect.

These changes contribute to AEMO's and industry's long term aim to increase consistency between the regulatory frameworks for all retail gas markets and creates efficiency for those participants operating in multiple gas retail markets.

The following items form part of these changes:

- IN027/14 – (Several minor changes to VIC and QLD RMPs that were identified during the NSW/ACT Retail Gas Project (NARGP))
- IN001/15 – (Several minor edits to the QLD RMPs that AGL has identified)
- IN008/15 – (Make the definition of “meter” between jurisdictions consistent)
- IN016/15 – (Amend the RMPs, VIC, SA and QLD to reflect which organisation delivers the Complete MIRN listing to Retailers.)
- IN020/15 – (Amend the QLD RMP to place an obligation on the Distributor to tell AEMO of a changes to the mapping of the Heating Value zones).
- IN022/15 – (Amend the VIC and QLD RMPs to allow transfer to also occur on non-business)
- IN024/14 – (Amend the definition of Allowable period to remove the references to “notification” as it not required).
- IN023/15 – (Correct typographical error VIC process flow diagram), and
- IN028/15 – (Remove the process flows that are not relevant to the Victorian jurisdiction because that state has not adopted the National Energy Customer Framework (NECF))

Anyone wishing to make a submission for this final stage consultation are to use the response template provided in **Attachment C**. Submissions close 19 June 2017 and should be e-mailed to grcf@aemo.com.au.

<p>2. Reference documentation</p> <ul style="list-style-type: none"> • Procedure Reference • GIP/Specification Pack Reference • Other Reference 	<ul style="list-style-type: none"> • Retail Market Procedures (RMP) for VIC (version 12.0), QLD (version 13.0), SA (version 11.0) and NSW/ACT (version 17.0); • Gas Interface Protocol for VIC (version 19.0) and QLD (version 16.0); • Participant Build Pack 1 (PBP1) <ul style="list-style-type: none"> ○ Process Flow Diagrams (version 3.4) • Participant Build Pack 4 <ul style="list-style-type: none"> ○ Queensland Specific Build Pack (PBP4) (version 9.0)
<p>3. The high level details of the change(s) to the existing Procedures</p> <p>This includes:</p> <ul style="list-style-type: none"> • A comparison of the existing operation of the Procedures to the proposed change to the operation of the Procedures • A marked up version of the Procedure change 	<p>As noted in section 1 of this IIR, the proposed changes focus on harmonising the RMPs across jurisdictions. The draft versions of the RMPs for each jurisdiction illustrating tracked changes between the current version and the proposed changes are included in Attachment A.</p> <p>There are also a couple of minor changes to the TP. These changes include removing processes described in Participant Build Pack 1 that are not relevant to the Victorian jurisdiction because that state has not adopted the National Energy Customer Framework (NECF). The draft versions of the TPs for each jurisdiction illustrating tracked changes between the current version and the proposed changes are included in Attachment B.</p> <p>All changes in attachment A and B are documentation changes only and have no IT system or material business process impacts.</p>
<p>4. Explanation regarding the order of magnitude of the change (eg: material, non-material or non-substantial)</p>	<p>AEMO considers that the proposed changes in this proposal are non-material as they are documentation changes only.</p>

ASSESSMENT OF LIKELY EFFECT OF PROPOSAL	
<p>5. Overall Industry Cost / benefit (tangible / intangible / risk) analysis and/or cost estimates</p>	<p>Section 9 of this IIR describes the consultation steps undertaken by AEMO prior to the issuing of this IIR. During these consultation periods, no participant has raised any concerns in relation to any cost impacts to industry. AEMO has therefore concluded that there are no participant costs to implement the proposed changes.</p> <p>For AEMO, these are documentation changes only and therefore there are no costs to implement.</p> <p>In terms of benefits, there are no tangible benefits however the following intangible benefits are likely to be realised:</p> <ul style="list-style-type: none"> • increased consistency within the retail gas regulatory framework; • more uniform RMP across all jurisdictions will reduce the complexities normally associated with entering gas retail markets, particularly for those retailers wanting to operate in more than one jurisdiction; and • increased readability of the RMPs.

6. The likely implementation effect of the change(s) on stakeholders (e.g. Industry or end-users)	This is a documentation change only. As such, AEMO or any of the participants will not be required to make any material modifications to their existing systems or business processes.
7. Testing requirements	None required.
8. AEMO's preliminary assessment of the proposal's compliance with section 135EB: - consistency with NGL and NGR, - regard to national gas objective - regard to any applicable access arrangements	<p><u>Consistency with NGL and NGR:</u> AEMO's view is that the proposed change is consistent with the NGL and NGR. The proposed change promotes consistency across four jurisdictions.</p> <p><u>National gas objective</u> <i>"Promote efficient investment in, and efficient operation and use of, natural gas services for the long term interests of consumers of natural gas with respect to price, quality, safety, reliability and security of supply of natural gas."</i></p> <p>It is AEMO's view that this change removes any costs associated with unnecessary differences in process and procedures, and is in the long-term interests of consumers as it promotes clarity and consistency.</p> <p><u>Applicable access arrangements</u> AEMO's view is that the proposed change is not in conflict with existing Access Arrangements. No Distributor raised concerns with the proposed amendments in relation to their Access Arrangement.</p>
9. Consultation Forum Outcomes (e.g. the conclusions made on the change(s) whether there was unanimous approval, any dissenting views)	<p>In early 2017 the GRCF endorsed a program of work to implement several proposed minor procedure changes that emerged during the NSW/ACT Retail Gas Project (NARGP). These changes have been bundled into a consolidated suite of changes that form the basis of this IIR.</p> <p>In early March, AEMO's regulatory and legal subject matter experts completed a reviewed the proposed minor procedure changes and prepared marked up versions of the RMPs that incorporated the proposed changes.</p> <p>In late March, AEMO issued the marked up versions of the RMPs and sought feedback from the Gas Retail Consultative Forum (GRCF). AEMO received feedback from Multinet, APA, AGL and Momentum Energy.</p> <p>In mid-April, the consolidated feedback and further marked up RMPs, along with marked up version of PBP1 Process Flow Diagrams, were issued to participants in preparation for an 18 April workshop. During this workshop further changes were suggested by participants which AEMO supported. Noting the further changes, participants did not raise any significant issues and were supportive of all changes progressing to the IIR stage.</p> <p>The additional changes noted and agreed at the workshop have been included in the marked up version of the RMPs and PBP1 Process Flow of this IIR.</p>

RECOMMENDATION(S)	
10. Should the proposed Procedures be made, (with or without amendments)?	AEMO recommends that the changes to the artefacts be made as drafted in Attachment A and B.
11. If applicable, a proposed effective date for the proposed change(s) to take effect and justification for that timeline.	AEMO proposes an effective date on 31 July 2017.

Attachment A - Retail Market Procedures

Blue represents additions **Red** and **strikeout** represents deletions – Marked up changes

The draft versions of the Retail Market Procedures showing tracked changes between the current version and the proposed changes is attached separately to this document.

Attachment B - Technical Protocol

Blue represents additions **Red** and **strikeout** represents deletions – Marked up changes

The draft versions in full for Vic and QLD Technical Protocol showing tracked changes between the current version and the proposed changes is attached separately to this document.

These documents are:

- Gas Interface Protocol VIC.
- Gas interface Protocol QLD.
- Participant Build Pack 1 (Process Flow Diagrams); and
- Participant Build Pack 4 (Queensland Specific Build Pack (PBP4))

Attachment C - IIR response template.

The IIR response template has been attached separately to this document.