

Summary:

- Project status remains amber in April 2017:
 - Status of "at risk" of achieving project deliverables on schedule.
 - Progress approximately 20% (substantially unchanged).
 - Risk rating of "medium".
- Participant categories:
 - All participant categories reporting amber ("at risk").
 - AEMO overall reporting green ("within schedule").
- Jurisdictional status and rating in line with overall project status apart from a high risk rating in Victoria from both Retailers and Distributors.

APRIL 2017 READINESS REPORT



Highlighted risks:

- Amber status relates primarily to constrained timelines for delivery:
 - Extent and complexity of changes in relation to impacts of the Victorian Government deferral decision.
 - Uncertainties in operation of business processes (e.g. meter churn).
 - Compressed timeframes for system design, build and testing.
 - Compressed timeframes for registration and accreditation including e-hub accreditation.
- Other issues highlighted include:
 - Lack of clarity on safety regulations.
 - "Medium" to "high" risk rating highlighted in Victoria relates to the ongoing uncertainty associated with:
 - The details associated with the Victorian Government deferral decision with industry awaiting the release of their Order in Council to understand the impacts.
 - > VICAMI meter type classification.
- Mitigating actions include:
 - Participants are undertaking impact assessments for the final B2B procedures and package 2 AEMO procedures.
 - AEMO progressing industry test planning and commencing industry transition and cutover planning.
 - AEMO released the draft e-hub accreditation process and application form on 6 April 2017 for industry feedback.
 - Vic Government convening working group.



Number of submissions:

- 34 reports received in total representing the following participant roles (increased from 31 in March):
 - 17 retailers (increased from 14)
 - 13 distribution businesses (includes initial MC, MP and MDP)
 - o 5 metering companies (MPD, MP) (unchanged)
 - 6 metering coordinators (MC) (decreased from 7)
 - 3 embedded network manager (ENM) (unchanged)
- Approximately 20 retailers are not yet taking part in industry reporting:
 - These retailers have been contacted and AEMO will continue to follow up.

Note that organisations can nominate for multiple roles and participants can submit combined reports (i.e. one report for two distribution businesses)

		AEMO Power of Choice Implementation Program Monthly Readiness Report	Mono	day, 3 April 2017				AEMO
Overall Status		Commentary The overall project status remains amber with participants reportin project delivery at risk of being delivered by 1 December 2017 . A risk persists for the project overall due to aggressive timelines con of uncertainty around the operation of business processes under t Procedures and dependency on new and immature market particip of risk persists in Victoria due the lack of details on the implement. Government decision to defer Metering Competition in Victoria.			Rating: Issues: Low # 3 1	v #		
		and NEM Participants Readiness Criteria	AEMO	Retailers	Distributors	MP and MDP	Metering Coordinator	Embedded Networks (ENM, Third party e-hu ENO)
	Category essment and preparati	Criterion on	Status Note	Status Note	Status Note	Status Note	Status Note	Status Note Status Note
1	Assessment and	Consequences of the POC reforms for your business considered, and appropriate implementation plans are in place		#1	#1			
2	preparation	Key readiness planning documents delivered						
1		Updated retail electricity market procedures and associated documents published						
2	Legal, regulatory,	Internal policies updated for consistency with regulatory changes including jurisdictional regulations and requirements (e.g. safety)		#2	#2			
3	contractual and policy	Operationally critical commercial contracts in place		#3		#3	#3	#3
4	nla	Accreditation and registration activities completed	\bigcirc	#4		#4	#4	#4
Peo		Operational roles specified, assigned to staff, and training						
1 Bus	People siness processes	Operational roles specified, assigned to staff, and training delivered					\bigcirc	
1		Updated, validated and approved business processes in place			#5			
2	Business processes	Successfully validated critical business processes during industry testing	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc
3 Mar	ket systems	Process work-arounds in place for any issues identified during industry testing	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc	\bigcirc
1		Delivery of the re-developed B2B e-hub for industry testing						
2	Market systems	Successfully tested market systems capable of being moved into production		#6	#6	#6	#6	#6
3		Performance of, and communication between, market systems validated during industry testing	\bigcirc	\bigcirc	#7	\bigcirc	#7	#7
Trar	nsition planning	Transition and cutover plan(s) in place			\bigcirc		#8	#8
.2	Transition planning	Prerequisite transition and cutover processes completed (e.g. trial data conversions and cutover dress rehearsals)	\bigcirc	\bigcirc		#8	#8	#8
			lurisdiet	ional Status				
	Jurisdiction	Comments	AEMO	Retailers	Distributors	MP and MDP	Metering Coordinator	Embedded Networks (ENM, Third party e-hu ENO)
ACT NSW QLD SA TAS VIC		Jurisdictional risk is a reflection of overall project risk.	Status Risk	Status Risk	Status Risk	Status Risk	Status Risk	Status Risk Status Risk
		Jurisdictional risk is a reflection of overall project risk.		\bigcirc	\bigcirc	\bigcirc	\bigcirc	O
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		Jurisdictional risk is a reflection of overall project risk.		\bigcirc		\bigcirc	\bigcirc	
		Jurisdictional risk is a reflection of overall project risk, with additional risk noted due to the uncertainty associated with the Victorian Government Transition to Metering Competition in Victoria decision timing in March 2017, and the treatment of VICAMI meters.				\bigcirc		

AEMO Power of Choice Implementation Program

Monthly Readiness Report



Monday, 3 April 2017

		Varianc	es			
Note #	Explanatio	n of Variance	Mitigating Act	ng Actions		
	Variance reported by Participants: development at risk due to uncerta operation and dependency on new	Detailed implementation plan ainty of rule and procedural v and immature market participants Plans are being re-assessed due to				
			Participants are continuing to engage with the relevant departments and safety bodies.			
2	Variance reported by Participants: arrangements on schedule is at ris need to be entered into with indus	sk due to volume of contracts that				
3	service provider maturity.					
ŀ		e is at risk due to lack of an E-Hub	AEMO released the draft e-hub accreditation process and application form for feedback from participants on 6 April 2017. Vic DBs are continuing to seek confirmation from AEMO, AER and Victorian Government on whether meters can remain as Type 5 MRIM.			
	Variance reported by DBs: Progre to required rework from the final B has been impacted by the Victoria		Business process activity continuing (impact assessment between final and draft procedures), additional experienced resources and subject matter experts sourced.			
<u>,</u>	Variance reported by Participants: are dependent on finalisation of pro- specifications for completion. Prog Victorian Government deferral dec	gress has been impacted by the	Participants are gathering detailed business and system requirements (undertaking impact assessments between final and draft procedures).			
,		Testing timelines are contingent on becoming increasingly compressed	Participants engaging in development of In	dustry Testing Strategy		
	Variance reported by Participants: dependent on above activities (bu arrangements, system build and te are a concern.					
3						
		Notes	s			
	Progress	Key - Progress and Status	atus	Key - Risk Rating		
Harvey	balls represent progress towards achieving the criterion	Colour indicates the readiness status		Rating		
		Criterion is within agreed schedule and				

~0%	\bigcirc	~50%	Criterion is within agreed schedule and deliverable requirements		High	
~10%		~60%	Criterion is at risk of not meeting requirements and corrective action may be required		Medium	
~20%		~70%	Criterion not meeting requirements. Immediate corrective action required		Low	
~30%		~80%			See POC Industry Risk Register for open risks and issues:	
~40%		~90%	Criterion has been achieved	\checkmark	POC Industry	<u>Register</u>