POC Program Consultative Forum No.4 Meeting Notes

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| MEETING: | POC Program Consultative Forum (PCF) |
| DATE: | Monday 13 February 2017 |
| TIME: | 1:30 PM |
| LOCATION: | AEMO Offices Melbourne, Sydney, Brisbane, Adelaide- Video/Teleconference |

Attendees:

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| Attendees | Company |
| Phil Gardiner | Citipower & Powercor |
| Lance McMinn | Secure |
| Michael Whitfield | Department of Environment |
| Roy Thompson | Ausnet Services |
| Richard McNulty | United Energy |
| Andrew Peart | AGL |
| Felicia Brady | Energy Australia |
| James Barton | Simply Energy |
| Jacinta Daws | Jemena |
| Kathryn Heywood | Electrag |
| David Woods | SA Power Networks |
| Harry Kaphani | Select Solutions |
| James Barton | Simply Energy |
| Bob Poker | Alinta Energy |
| Dino Ou | Endeavour Energy |
| Debbie Voltz | Essential Energy |
| Shavneel Nand | AEMO |
| Antara Mascarenhas | AEMO |
| Ben Healy | AEMO |
| Michael Ryan | AEMO |
| Jennifer Fikret | AEMO (Secretariat) |

**Red indicates an action.**

AEMO was requested to include further information in future PCF minutes.

1. **APOLOGIES**

Nil

To

1. **WELCOME**
2. Mascarenhas welcomed attendees.
3. **BRIEF UPDATE**
4. **General** – B. Healy summarised the meeting slide pack, noting that risks would be handled at the next PCF.

An IEC meeting was held on 21 December with the recommendation that the B2B Procedures be published and proceed to the second stage consultation.

An Executive Forum was also held in December 2016 with one of the key discussion points being Victorian meter types. AEMO agreed to approach the AER and discuss how meters will be treated post 1 December 2017.

1. **Work Stream by Work Stream**

Procedures draft determination came out on 30 December 2016. AEMO will publish the final determination package on 28 February. Procedures will then be recommended to AEMO’s Board on 2 March and published no later than 6 March 2017. PWG are meeting in March to discuss Package 3 plan (called “As Built”) and a few points which need clarification from Package 2.

B2B Working Group are reviewing 27 submissions on final determination and is in preparation for the IEC at the February meeting. The B2B Working Group is also working on a SMP Guideline to pick up gaps between procedures and the Technical Design Specifications documentation, this is what we’ve previously referred to as a “build pack”. The Procedure for becoming an E-Hub Accredited Party will also be written. Accreditation for B2B members will open up in early March, following the publication of the Procedure.

The System Working Group has completed responding to any design specification questions and is now focussing on low volume interface (LVI) functionality and peer to peer (free form) messages. An updated schema has been released for the B2M (version 35) and the SWG is collaborating with the ASWG for the next schema update concurrently with the final B2B Procedures being developed.

AEMO’s Package 3 requires changes and a tidy up to be included with respect to jurisdictional metrology from other documents i.e. Metrology tables etc. There will be no effect on functionality. AEMO will open the documents for consultation, however there may not be any content yet. The intent of ‘As Built’ Procedures is to capture anything that changes during the testing cycle. The consultation period may be extended and the final determination will be ready by 1 December 2017.

Today is the first session for the Readiness and Testing Work Groups. The ITWG are considering the best way to test with industry.

*Questions*:

Cut-over – AEMO will either establish a Transition and Cut-Over Working Group or conduct transition and cut-over discussions through the existing Readiness Working Group. AEMO may approach the AER for leeway if it is needed for a smooth transition and if it removes the risk and customer impact. AEMO is looking to target testing around EN and MC resulting from changes in Package 1 and affecting MSATS (B2M changes). Options to participate will be available, to commence in April/May.

The B2BWG has been consistent in their decision making process and will justify and respond to every bit of consultation feedback.

1. **Readiness Report**

Around 20 participants are not currently reporting. There was a concern that a Readiness Plan cannot be signed off on if all participants are not ready. J. Daws requested the next Readiness Report include a list of those not reporting. **Action:** A. Mascarenhas will check internally if there are any constraints to this. AEMO can produce a participant list to go with the report and who “is” participating. This will enable a better testing plan to be implemented. Some participants may not be reporting as they are not accredited yet, however they can report if they are not accredited yet. A clear “middle ground” needs to be found.

February Readiness Report – B. Healy summarised the report.

Update on safety regulations – M. Whitfield (Commonwealth Environment & Energy Department) continues to work with the State and Territory safety regulators, ensuring they are aware of the changes occurring in the market and to try and get consistency where possible on safety regulation. Re-energisation and de-energisation is on the radar and they are working with industry groups, the Australian Energy Council and an industry working group. At this stage they require further information from the AEC to make decisions or recommendations.

The next step is to re-engage with all the regulators and policy departments and ensure they are comfortable with what is in place currently. An ideal outcome would be less jurisdictional divergence and more commonality.

Test strategy and test scripting is being discussed in the IT Working Group today.

1. **WATCHING BRIEFS**
2. VIC AMI meter classification

AEMO, the AER and DB representatives met to discuss meter classification. Slide 10 summarises the details. The first discussion was on post 1 Dec 2017 when the current derogation in the Rules will end. A second discussion was the substitution methodologies (metrology) part B) and what changes it will have on systems and participant options in managing these changes. The last discussion was on the Victorian DBs requirements to do a delta accreditation, which MDP Type 4 services which are not currently offering with respect to the Terms and Conditions.

The meter type identification codes – there was a proposal that distribution businesses in Victoria could continue to use the status quo in terms of identifying their meters in the system (the code in the system is sufficient for identifying the functionality), or they can continue to adopt the new code VIC AMI which AEMO introduced at the request of consultation, or another code – logically a variation of comms 4 code. Any movement away from the existing codes would require potential system changes / updates form participants. It was discussed, that the instrument under 11.86.7 could be utilised to stipulate the identification codes, and there was no conversation on the contrary.

Substitutions – AEMO’s Metrology Procedures allows for of all of same substitution methodologies to be applied (the type 1 substitutions codes) if you considered VIC AMI meters as type 4, plus, two additional substitutions (type 51 and type 52) which are normally only available to meter types 5,6 and beyond. Participants have identified that this would necessitate a system change when DBs provide data to retailers, for example, where a DB might use a “type 56” as a label, this is equivalent to “type 16” substitution. In effect this is a ‘labelling’ change for the substitution type codes that are supplied from MDP to Retailers.

J. Daws requested that Metrology Procedure Part B be amended to classify AMI meters as Type 5, stating Jemena requires this to meet its timelines. AEMO questioned whether AEMO has a head of power under the NER to do this. J. Daws mentioned Jemena has legal advice supporting this.

On 11.86.7 the reaction within UE and confirmed with their internal legal advice is that we cannot actually use deemed contracts under that cause to bypass a rule. Jemena want very little change because they have identified subsequent system change.

Jemena stated that altering substitution codes would require changes to seven of their internal systems. Jemena have not allowed sufficient time to achieve these changes by 1 December 2017. Some of Jemena’s IT vendors cannot meet these timelines. The recommendation to AEMO is that they write into their procedures that in Victoria DBs can continue to use the same substitution code which they currently use today with no change. The effect of their proposed changes, from a retail perspective, data would continue to come in a file format with the same substitution codes. This has not addressed the other obligations that would come with metering. The wording in the rules is “interval meter is type 4”, that would still require AEMO to do the delta re-accreditation on DBs in Victoria. Jemena would like to see no change to the current Vic AMI Type 5 arrangements per the derogation. A. Mascarenhas queried if the two issues are being confused, 1. The meter type and 2. the labelling. Jemena stated the likely impacts would cost $1.8 million and their vendor cannot make 1 December. This would turn their Readiness Report from amber to red.

L. McMinn commented the “Grandfather Clause” for all sites is when installing on site, the compliance is based on the date and time it was done. For the AMI meters in Victoria there should not be any change because of the date and time that the jurisdictional rule put them in as Type 5 AMI meters into MSATS. If meter types change in MSATS on 1 December participant IDs will be required to change to someone who is accredited to Type 4, (meaning 2.4 million meters need to change to type 4 to make new member data provider and meter provider compliant with the market).

F. Brady suggested to stop thinking of meters and focus on customers. Every massive change on 30 November is going to have a customer impact. Advice was to focus the conversation follow on from the AER with impacted parties and if anyone is interested AEMO will put a point in to follow up in the next PCF.

1. Victorian Government Consultation on the Adoption of Competition in Metering in Victoria.

Feedback is a Q1 decision or recommendation is being targeted. J. Daws queried if changes were discussed i.e. alterations to systems and procedures to accommodate outcomes to elaborate on this. AEMO informed the changes depend on which decisions are made. A. Mascarenhas noted it is unknown until an exact outcome is decided on. Detail is lacking in the four scenarios. Option 4 is likely being adopted -LNSP as MC for a period of time in perpetuity.

Any decisions the Victorian Government choose to make to give effect to their decision will require AEMO to work them once the decision has been analysed. AEMO would prefer not to do another procedure consultation.

Any process with the AEMC and AEMO will run for six months and if a decision is not made, it could not conclude before 1 December.

J. Daws heard on Option 2 discussion about changes for some Victorian meter specifications. This would not be considered before 1 December, and will be investigated later on. AEMO feedback for the Victorian Government is to advise ASAP when a decision is made.

AEMO is aware of the risk that a consumer may get stranded before Christmas and the Department is working as quickly as they can however decisions need to be taken up thru government processes (going to cabinet). B. Healy suggested Victorian DBs reiterate the “point of no return” if they have any discussions with the Victorian government.

1. **OTHER BUSINESS**

After the ITWG today the PCF will be looking at issues as well as risks.

Next PCF will be 23 February 2017.