

RETAILER OF LAST RESORT POST IMPLEMENTATION REVIEW REPORT

December 2023

SUSPENSION OF MOJO POWER PTY
LTD RETAILER FROM THE NATIONAL
ELECTRICITY MARKET IN JUNE 2023





Important notice

Purpose

AEMO has prepared this document to provide information as at the date of publication about the suspension of Mojo Power Pty Ltd (Mojo Power) from the National Electricity Market (NEM) in June 2023 in accordance with clause 19 of the [NEM RoLR Processes Part A and Part B](#)¹ (ROLR Procedures).

This publication is generally based on information available to AEMO as at 11 November 2023 unless otherwise indicated.

Disclaimer

This document or the information in it may be subsequently updated or amended. This document does not constitute legal or business advice, and should not be relied on as a substitute for obtaining detailed advice about the National Electricity Law, the National Electricity Rules, or any other applicable laws, procedures or policies. AEMO has made every effort to ensure the quality of the information in this document but cannot guarantee its accuracy or completeness.

Accordingly, to the maximum extent permitted by law, AEMO and its officers, employees and consultants involved in the preparation of this document:

- make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this document; and
- are not liable (whether by reason of negligence or otherwise) for any statements or representations in this document, or any omissions from it, or for any use or reliance on the information in it.

Copyright

© 2023 Australian Energy Market Operator Limited. The material in this publication may be used in accordance with the [copyright permissions on AEMO's website](#).

Version control

Version	Release date	Changes
1.0	18/12/2023	Initial publication

¹ https://aemo.com.au/-/media/files/electricity/nem/retail_and_metering/market_settlement_and_transfer_solutions/2022/nem-rolr-processes-part-a-and-part-b-v23.pdf?la=en

Executive summary

This report reviews the Retailer of Last Resort (RoLR) event that occurred on 17 June 2023 following the suspension of Mojo Power Pty Ltd (Mojo Power), with the registered participant identification “MOJO”, from trading in the National Electricity Market (NEM).

The suspension of Mojo Power resulted in the following market impacts:

- Approximately 5,785 National Metering Identifiers (NMIs) were transferred from Mojo Power to other retailers.
- Affected participant reconciliation reports identified minimal impacts to Affected participants’ business-as-usual (BAU) activities. NMI processing was reported as taking from 1 day to 60 days to complete.

On reviewing the RoLR event, AEMO has found that while no major issues were reported for this event, and the impacts of this RoLR event on participants’ BAU activities have been minimal, there is a potential for more significant impacts if an event involving a larger retailer were to occur.

AEMO is currently in discussions with participants about ways to improve efficiency in the RoLR processes.



Contents

Executive summary	3
1 THIS REPORT	6
2 BACKGROUND	6
3 METHODOLOGY	6
4 EVENT DETAILS	6
5 MARKET IMPACT	7
6 ENCOUNTERED ISSUES	7
7 RECOMMENDATIONS	7

ACRONYMS

Acronym	Description
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
Affected Participants	RoLR Event Affected MSATS Participants
BAU	Business-As-Usual
NEM	National Electricity Market
ROLR Procedures	NEM ROLR Processes Part A - MSATS Procedure: ROLR Procedure Part B - B2B Procedure
RoLR	Retailer of Last Resort

1 THIS REPORT

AEMO has prepared this RoLR Post Implementation Review report as a result of its review of the Mojo Power Retailer of Last Resort (RoLR) event, which occurred on 17 June 2023. This report includes;

- a summary of the impact on the NEM markets,
- a review of reported issues and subsequent proposed solutions.

2 BACKGROUND

A retailer may be suspended from the NEM as a result of:

1. Having its licence to operate as an electricity retailer revoked or suspended in one or more jurisdictions; and/or
2. Being suspended by AEMO because it has defaulted in the performance of its obligations under the NEM Rules; financially or otherwise.

A RoLR is a retailer that takes over financial responsibility for a NMI. The RoLR event aims to protect customers in the event of a retailer failure. AEMO has procedures to manage this event, which are fully outlined in Section 2 of the ROLR Procedures. Once a RoLR event has been declared, AEMO notifies RoLR key contacts of the RoLR event, and distributes a summary and NMI List type reports to affected MSATS Participants. AEMO cancels all CRs where the suspended retailer is the proposed new Financially Responsible Market Participant (FRMP), and the customer remains with its current retailer. AEMO then begins an accelerated customer transfer process for NMIs with a pending transfer request from the suspended retailer to a nominated retailer. Remaining customers are then transferred to designated RoLRs via the bulk change transfer (BCT) tool in MSATS.

Post event, Clause 19.1(a) of the NEM RoLR Procedures requires AEMO to prepare a RoLR Post Implementation review report within six months of the date the RoLR event was invoked to identify and remedy any issues.

3 METHODOLOGY

This event report is compiled from information provided by participants, with a summary of the affected NMIs, as per Clause 18.2(e) and Clause 105.3(e) of the NEM ROLR Procedures, in the 3-4 months following the RoLR event being invoked. Further, any issues raised to or by AEMO during the RoLR process are considered.

4 EVENT DETAILS

Mojo Power held the participant role of Financially Responsible Market Participant (FRMP) across the Queensland, New South Wales and South Australia jurisdictions.

On 16 June 2023, under clause 3.15.21(f) of the National Electricity Rules, AEMO suspended Mojo Power Pty Ltd from the National Electricity Market with effect from 0:00 hours Australian Eastern Standard Time on 17 June 2023.

Once the suspension notice was issued, AEMO provided the regulatory body (the AER) with a notice confirming the suspension. Subsequently, the AER published an official RoLR notice on 16 June 2023 to notify all participants and market customers, and specify the RoLRs. AEMO also notified MSATS participants via email that the RoLR event had occurred as required by the NEM ROLR Procedures.

AEMO delivered RoLR NMI List Reports, as detailed in Appendix 1 of the NEM RoLR Procedures on 16 June 2023, related to the suspended retailer's activities.

NMIs with pending CRs in MSATS to transfer from Mojo Power to a nominated FRMP were accelerated. Accelerated transfer reports were emailed to affected participants. Accelerated transfers were processed on 19 June 2023. No transfers were required to be cancelled in this event.

AEMO completed BCT runs on 19 June 2023, moving Mojo Power customers to their allocated RoLR with a retrospective proposed change date of 17 June 2023.

5 MARKET IMPACT

A total of 5,785 NMIs were transferred from Mojo Power to two retailers. The retailers with the role of Designated RoLR included: Origin Energy Electricity Limited (POWERCOR) and EnergyAustralia Pty Ltd (ENGYAUST) as specified in the AER ROLR notice. AEMO received reconciliation reports from 30 RoLR-affected market participants (30 participant IDs). The reports indicated that:

- The estimated business process completion times described in the NEM RoLR Procedures varied from 1 day to 60 days.
- No timeframe impacts on BAU MSATS-related business processes.

6 ENCOUNTERED ISSUES

No significant issues were reported.

7 RECOMMENDATIONS

While this RoLR Event has not substantially impacted participants' BAU processes, and there were no major issues reported, there is a potential for more significant impacts if an event involving a larger retailer were to occur. AEMO is currently in discussions with participants about ways to improve efficiency in the RoLR processes.