POC Program Consultative Forum Risk Meeting Notes

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| MEETING: | POC Program Consultative Forum (PCF) |
| DATE: | Thursday 22 June 2017 |
| TIME: | 10:00 AM |
| LOCATION: | AEMO Offices Melbourne, Sydney, Brisbane, Adelaide- Video/Teleconference |

Attendees:

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| Attendees | Company |
| Kate Goatley | ActewAGL Retail |
| Andrew Peart | AGL Energy Limited |
| Bob Poker | Alinta Energy Retail Sales |
| Kathryn Heywood | Electrag AG |
| Dino Ou | Endeavour Energy |
| Anna Russo | Endeavour Energy |
| Terry Lodge | Energex Limited |
| Rebecca Neatnica | Energex Limited |
| Helen Robertson  | Energy Australia |
| John Porter | Energy Australia |
| Michelle Morris | Ergon Energy |
| John Chiodo | ERM Power |
| Jacinta Daws | Jemena Electricity Networks |
| Andrew Mair | M2 Group |
| Chantal Wright | Momentum Energy |
| Lawrence Gibbs | Origin Energy |
| Andrew Suwignjo | Pacific Hydro |
| Chris Hookey | Red Energy |
| Scott Chapman | Select Data and Measurement Solutions |
| Warren Brooks | TasNetworks |
| Leanne Rees | TasNetworks |
| Richard McNulty | United Energy Distribution |
| Paul Greenwood | Vector Advanced Metering Services |
| Shavneel Nand | AEMO |
| Ben Healy | AEMO |
| Shirlina Po | AEMO |
| Jennifer Fikret | AEMO (Minute taker) |
| Rachel Rundle | AEMO (Chair) |

**Red indicates an action.**

1. **APOLOGIES**

Nil

1. **WELCOME**

Attendees were welcomed to the Industry Risk Register Meeting.

**3.0** **INDUSTRY RISK REGISTGER UPDATE**

The outputs of the discussion are captured in the updated risk register

**R02** *– One or more participants that are not ready at “go live”*

Risk to be split as consequences may vary for participants and customers, MCs or distributors. There may also be different consequences for business readiness and system outcomes also.

Consequences of Systems impacts discussed included inability to service customer service orders, new meters, etc. The inability to perform new transactions, financial impacts and competitive/reputational concerns.

Consequences to customers discussed included the impact on supply and safety issues and a potential increase in churn which would compound issues.

Mitigating actions included manual work arounds which are built into the Procedures. Bridging of meters in an emergency situation is an example of this. There are provisions in the rules/provisions on emergency circumstances. Some Distribution businesses are doing Terms & Conditions and handbooks now as they are required by 1 September.

**Action:**

1. M Norris to share copy of Ergon’s handbook to other attendees.
2. LNSPs to circulate to all retailers draft’s T&C’s (per 11.86.7 of the new Rules) and any associated publications that they are developing (for example a ‘Retailer Handbook’) with industry by Friday 7 July.

Discussion was had on the amount of MCs in the market and the impact of using a single MC. There are currently eight MC commencing accreditation and registration with more to come.

Actions Assigned:

1. *AEMO facilitates the development of a comprehensive testing plan that seeks to provide the opportunity for all market participants to interactively test their systems. In progress* – occurring.
2. *AEMO will provide reports of test outcomes and progress against planned milestones-* still stands.
3. *AEMO facilitates the development of a Transition & Cutover Plan (including contingency planning).* - Manual processes are already in the Procedures.
4. *Participants to provide regular and accurate readiness reports via the process being facilitated by AEMO*. - Currently occurring however reporting needs to evolve as we progress into other details around contingency and commercial preparations and cut off. Feedback will be considered if provided.

**R05** - *There remains a possibility that industry testing exposes a previously un-identified procedural issue that could impact efficient market operations post go-live.*

*The meeting discussed the risk of the market not understanding the detailed work practices/operation and only finding these issues during testing which would cause a delay to golive if significant. J. Daws recommended that AEMO faciliate a 3 day detailed walkthrough of service order changes and workpractices commencing Monday, 26 June 2017. A. Peart and L Gibbs supported this recommendation, with J. Porter recommending that walkthrough cover both the Victorian jurisdiction as well as national. B. Healy said he would consider the most appropriate approach with the B2B Working group or the IEC... J. Daws offered to host if facilities were limited.*

Actions Assigned:

1. *AEMO plans to conduct an ‘as built’ procedure consultation throughout July to December 2017 that aims at capturing and incorporating any agreed amendments required to facilitate go-live.* - D. Ou noted consultation closes one day prior to go live and it is impractical to make changes 24 hours before. He would like the wording altered to seek to provide appropriate timing and any changes be published earlier. B. Healy noted they can occur earlier. Defects will be found during the testing period, however the B2B reserved the right to publish amendments anytime by 1 Dec. The intent of the IEC is that the procedures don’t change apart from editing errors.
2. *Scheduled B2B-WG review periods* – as is.
3. *Readiness Working Group to develop transition plan and test plans.* – Underway.

**R06** - *There is a risk that the B2B-WG haven't adequately considered jurisdictional nuances to processes.*

• Inadequate Procedures released into initial consultation

• Significant re-work required for second stage consultation

Actions Assigned:

1. Likelihood increased – roll up to same bundle as Risk 5

**R08** - Close

**R09** - *There is a risk that B2B procedure updates are not to an adequate standard and/or do not work effectively. This risk may be higher than normal due to the large number of participants involved, the complexity of this change and compressed timeframes for procedure development. Impacts include late design changes, issues during testing or post go-live customer and operational impacts*

Actions Assigned:

1. *Suggest early test scenario planning and then testing procedures with a range of scenarios prior to final consultation.* - If there are quality issues they should go into the post “go live” fixes as captured by the IEC.

**R10** – *Registration / Accreditation timelines overlap with industry testing timeframes. There is a risk of changes occurring while industry testing is in progress. This may impact test execution. Impacts may also include delays to test completion and a higher rate of defects and operational issues post go-live.*

Actions Assigned:

1. Likelihood increased

Discussion occurred regarding those that are not accredited and not participating in readiness – their messages will not be blocked by the system, however AEMO will be contacting those that are not accredited. **Action:** J. Daws to formulate a risk and forward to AEMO.

**R11** - *Power of Choice is a complex change with many new and existing participants. NARGP for example had approx. 5 months for industry testing. PoC is a larger change but allows only 3 months for testing. There is a significant risk that this duration is too short for comprehensive test coverage. Impacts include significant system and operational issues post go-live*.

Assigned Actions:

1. *AEMO to investigate the possibility of making 'sandpit' environments* available – Complete
2. *Negative test scenarios to be built into testing plans.* – Did not occur.<AEMO notes that some negative test scenarios are in the current plan>
3. *AEMO to release forecast of functionality availability for testing.* – Complete
4. *Industry to provide test scenario's to ITWG to facilitate*

A new workshop will occur to deal with items that may come up in testing and industry needs to make its own arrangements for their level of testing. Briefing sessions on testing, scenarios on HPQC were requested. AEMO will publish test results for this on HPQC **Action:**

1. Industry Test Lead to report at next PCF on progress of testing.

2. B. Healy to circulate test results publishing on HPQC.

3. Testing results to be included in PCF pack monthly.

**R12** – *VIC DB's require clarification regarding the current derogation in place for VIC AMI meters. The current derogation for the VIC AMI meter fleet classified as Type 5 expires on 1 December 2017. On this date, they may need to be re-classified to Type 4. The Information around this has been unclear and this may result in reclassification not occurring by 1 December 2017, thus impacting the operation of the market under the new market conditions.*

Close.

Assigned Actions:

1. New risk to be added re. Scope of OIC and the possibility that something unusual could be in it as there is no final scope definition yet. **Action:** B. Healy to add risk.

**R13** - Dissatisfied customers due to new market arrangements resulting in Reputational impacts*. Proposed by Jemena.*

Assigned Actions:

1. *Readiness Testing, as soon as possible publication of procedures, early participation in Test Planning and Test Execution.* – Occurring
2. Retailers need to look at work practices and how that impacts on customers. To be discussed at next week’s meeting organised byB. Healy.
3. Request AEMC to provide a press release of why the changes are occurring. **Action:** *AEMO to speak to AEMC regarding communications, potentially with the AER.*

**R14** - *The B2B WG have identified a risk associated with the fault and emergency process following PoC changes. The DBs will continue to hold primary responsibility for the response to power outages however the Retailer and MC/MP will now have responsibilities to resolve outages that are related to meter faults. If this process is not adequately resolved then customers may be left off supply or unsure of which organisation to call on to resolve a fault or emergency matter.*

Assigned Actions:

1. *The B2B WG resolved that this is not information that should reside in B2B Procedures or the B2B Guide.*
2. *Retailers will develop a list of questions to be sent to DBs to understand their processes in dealing with these matters*. – Questions have been sent and feedback is due by end of June.
3. *AEMO will send out this list of questions to all DBs with the aim to receive responses by 30 June.* - Being championed by the IEC – T&C and retailer hand books have resolved some of the questions.

**Action:** To be reviewed at end of July after feedback is recievd by IEC.

1. Non-Victorian LNSPs to circulate to all retailers ‘end of life meter replacement programs’ for existing fleets to facilitate adequate retailer and MC planning by Friday 7th July.

**R17** – *There is a risk that the required commercial arrangements between Metering Coordinators and Retailers may not be in place by the go-live date resulting in:*

 *- Metering coordinators may be accredited but may not be ready to deliver*

 *- Metering coordinators may not have the capacity to commit.*

*This could impact customers in terms of new connections, additions and alterations.*

Reword to ‘the capacity/volume MCs in the market’.

Assigned Actions:

1. *Commence commercial arrangements immediately.* - Onus is on retailers and MCs with commercial contracts.
2. Need to ensure MC can meet obligations and aged asset replacements – Readiness reporting will assist

**Action:** Retailers / LNSPs to provide forecasts of new connections over the period of December to February to feed into transition and cut-over planning and contingency planning activities.

New risks have been received and will be circulated. Feedback to be supplied and discussed at the next PCF. **Action:** B. Healy to circulate, along with a link *to the updated Risk Register.*

Bushfire risk. Requested current processes for meter replacements.

**Action:** LNSPs to provide example of corrective works program undertaken to rectify customer supply as a result of a natural disaster. Example program to focus on **metering** installations. Information to include: number of **meters** (destroyed/replaced) rate of meter installations (qty per month), qty of new connections (i.e. complete re-builds), timeframe for meter rectification. Useful Examples could include cyclone Debbie 2017, Black Saturday Victoria 2009 (4,029 homes / structures destroyed). Information to be provided by Friday 7th July.

**4.0 FORWARD PLAN**

The next PCF is scheduled for 4 July 2017 at 12:00 noon.