

CER Data Exchange Industry Co-design

Knowledge Sharing Report

May 2025



Important Notice

Purpose

The Purpose of this publication is to document the CER Data Exchange Project team's journey and strategy of applying the co-design change management framework to progress outcomes that promote the long-term interests of customers.

Acknowledgement

AEMO would like to thank the many individuals and organisations who have contributed time and expertise through the project's Expert Working group, stakeholder meetings and workshops. These stakeholder contributions have informed AEMO's work towards a national CER Data Exchange as presented in this paper. This Project received funding from the Australian Renewable Energy Agency (ARENA) as part of ARENA's Advancing Renewables Program.

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Executive Summary



Executive Summary

Purpose

The CER Data Exchange Industry Co-Design project is a joint initiative between the Australian Energy Market Operator (AEMO) and AusNet. It is part of a long-term, multi-stage process to build the digital foundation that will support the efficient integration of CER into the energy system in Australia. This initiative was supported by independent consultants Mott MacDonald and EY.

The project brought together a wide range of stakeholders to collaboratively develop the high-level design for the CER Data Exchange. It built on the learnings of previous industry trials and leverages the experience of industry in implementing significant reforms.

This Knowledge Sharing Report documents the Project team's experience implementing a co-design process to advance the CER Data Exchange initiative.

Over a nine-month process, we worked with stakeholders to evaluate design options and implementation strategies. The co-design process extended beyond standard consultation to build understanding and acceptance, capture diverse perspectives, and identify industry preferences. Stakeholders had a range of avenues to provide input and feedback in the preferred design of the CER Data Exchange.

This story of the process seeks to provide valuable insights and lessons learnt for future reform processes, including how to stage the process and bring stakeholders on the journey, and maintain momentum to get an outcome.

Key insights

Major industry initiatives are inherently complex. Collaboration processes may seem chaotic but is necessary in developing alignment with a broad range of stakeholders. The following three key lessons learnt were drawn from our experience:

- 1. Divergence & convergence** | The Project team sought to consider a range of perspectives by presenting different options for consideration and creating forums for debate. We felt that this approach brought stakeholders along a journey towards a shared understanding of the issues, which allowed us to then work towards 'convergence'. We repeated this cycle until our recommendations were robust, grounded in informed stakeholder preferences, and broadly acceptable by industry.
- 2. Time & space** | We sought to provide stakeholders with opportunities to explore issues and different ideas. We believe that this approach facilitated compromise and alignment. Although building on previous work meant we didn't start at the 'why', we sought to address concerns about the problem statement alongside the 'how' to maintain momentum. We endeavoured to keep an open and genuine consultation process, and adapted our approach based on stakeholder feedback.
- 3. Organisations don't create reforms, people do** | The EWG functioned as a guiding coalition and was instrumental in developing robust priority use cases. EWG meetings became increasingly effective as the project progressed as members better understood each other's key concerns and language and developed greater trust in the project team over time. We built and improved individual relationships with members that allowed us to have thought-provoking but constructive debates.

Insights and observations

1

What better way | Following the final workshop and EWG meetings, we asked participants whether co-design is a better way to collaborate. The response was unanimously positive. It was noted that ideally there would be more time provided for considering pre-reading material and discussion during workshops.

2

Link back to consumer outcomes | The technical nature of the CER Data Exchange made communicating end-user benefits challenging. Stakeholders provided feedback that the consumer benefits weren't always communicated clearly enough at workshops and in project materials.

3

Language barriers | It took significant time and effort to reach a shared understanding across participants to make informed discussions. Technical discussions at points stalled progress for both public workshops and Industry meetings. But this was expected and a necessary part of the process.

4

Differences of Opinion | Some stakeholders did not always consider different perspectives when we asked them to stand in shoes of others and take a broader NEO view. In some cases, member's input did not always seem consistent with their broader organisation views.

5

Invest in a plan but quickly adapt | The team broadly implemented the initial project plan. However, we needed to quickly adapt to create additional consultation opportunities to meet stakeholder needs – especially where further discussions were required. This led to the Project being extended into 2025.

6

Balancing act | The Project team received mixed feedback on the project timeline. Some questioned "what's the rush" to progress implementation of the CER Data Exchange. Others questioned the level of consultation and time delays, given the significant industry trials previously undertaken.

7

Facilitating robust debate | The co-design process promoted a divergence of views. The Project team then worked methodically to identify the paths forward based on stakeholder views and preferences, with the goal of supporting stakeholder understanding back towards a 'convergence' of views.

8

Big effort | Although our key stakeholders had many competing objectives (eg, AER determinations and AEMC rule changes), there was very significant stakeholder investment in the co-design process. Stakeholder input directly shaped the high-level design and implementation plan, demonstrating a clear payoff.

1. Introduction

Purpose of report



Objective

- In undertaking the CER Data Exchange Industry Co-design Project, we sought to apply a people-focused, change management framework.
- This Knowledge Sharing Report documents the experience of running a co-design process with industry from the Project team's perspective – comprising staff from the Australian Energy Market Operator (AEMO), AusNet, Mott MacDonald (MM) and EY.
- We hope to share valuable lessons learnt and insights for future co-design processes to build on.



Insights

- Progressing implementation of the CER Data Exchange was a major commitment by AEMO and industry.
- The Project team sought to develop a collaborative process to understand different stakeholder perspectives and find industry alignment.
- This report outlines the strategy and steps taken to apply a change management framework using co-design tools.
- The lessons learnt may inform future reforms programs. This includes the level of effort and resourcing required to affect sustainable change.



Approach

- The Project team has documented the journey from the start of the process.
- We have reflected on our experiences and developed our views on the best way to structure co-design approaches.
- We sought feedback from stakeholders who participated in the co-design process – including through feedback sessions and survey responses. These views are presented in this report.
- We highlight several lessons learnt for future processes to consider.



CONTEXT

Enabling the decentralised energy system

NEED



WHAT IS THE PROBLEM?

The future energy system requires the integration of large volumes of CER. The industry currently suffers from a lack of distributed energy data sharing **at scale**. The ability to ingest, standardise and share CER data between many organisations will be critical to make the most out of customers' CER investments, and to achieve an affordable, resilient, net zero energy system.

PRIORITY



A NATIONAL REFORM PRIORITY

The CER Roadmap was developed by the interjurisdictional CER Working Group – building on the work of jurisdictions, the former Energy Security Board and market bodies – to align on a national approach to harnesses the full potential of CER in Australia. Under the CER Roadmap, *'Data sharing arrangements to inform planning and enable future markets'* is one of the market National Reform Priorities, with the CER Data Exchange a key workstream to be progressed.

INTEGRATE



POTENTIAL BENEFITS

Data sharing infrastructure creates the potential to:

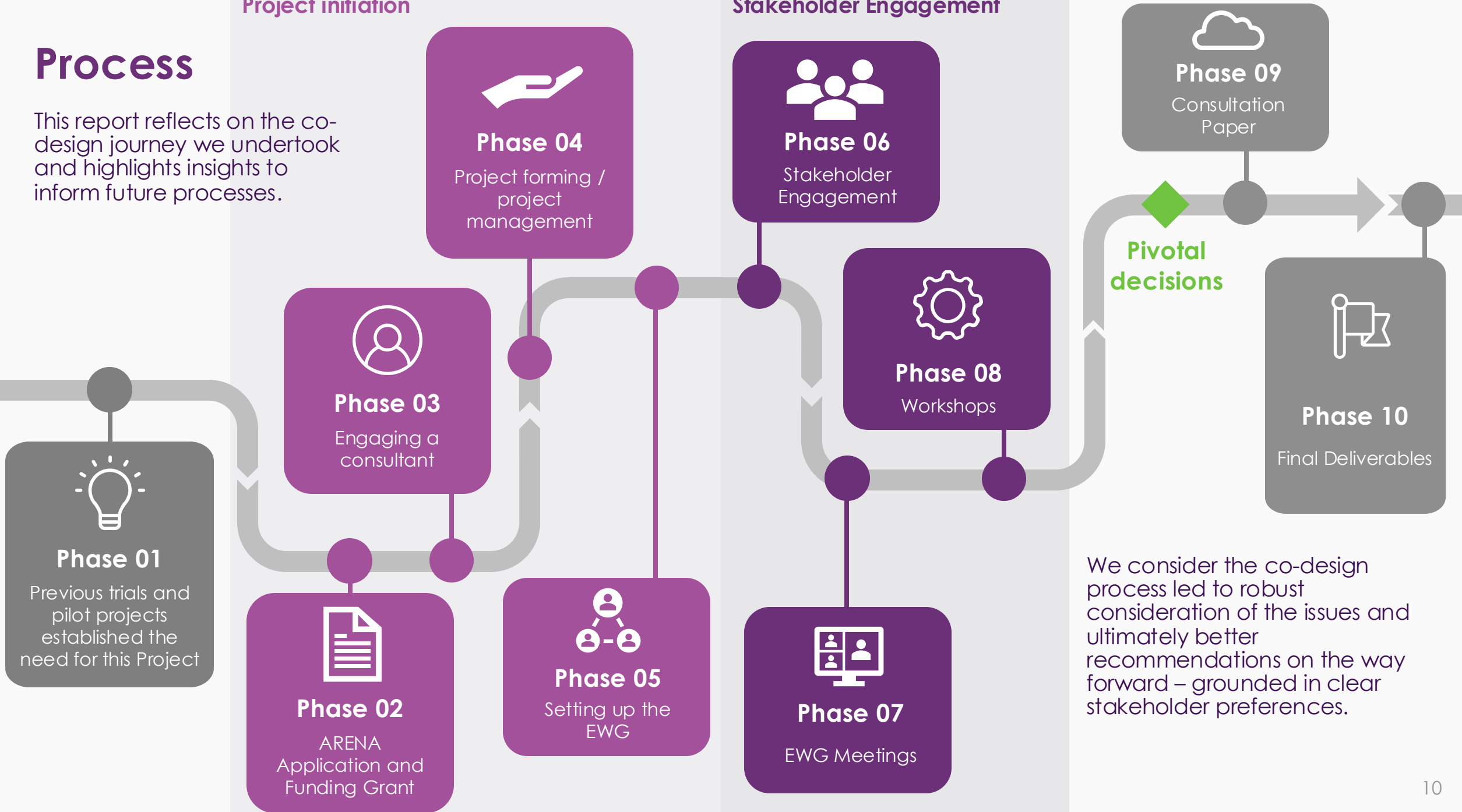
- Reduce costs to consumers and businesses
- Accelerate decarbonisation
- Enhance energy system efficiency
- Strengthen energy system reliability
- Improve security of data sharing

Process

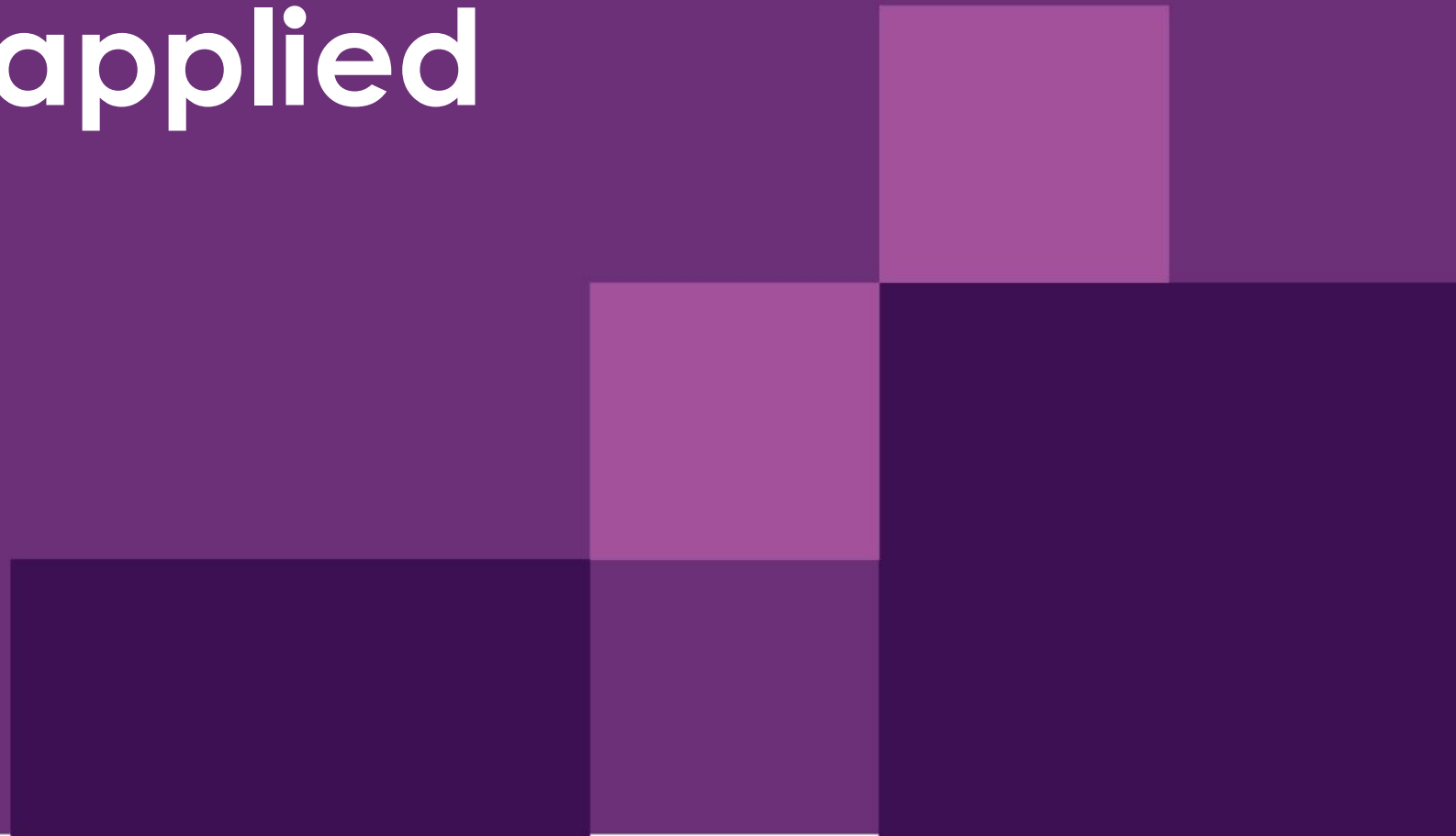
This report reflects on the co-design journey we undertook and highlights insights to inform future processes.

Project initiation

Stakeholder Engagement



2. Change management framework applied



Approach to applying change management framework

WHY? Creating a vision for change

01

Create awareness of need for change

02

Form a guiding coalition

03

Communicate vision

HOW? Supporting a co-design process

04

Create momentum through a plan

05

Breakdown and work through issues

06

Keep momentum up, don't stall

WHAT? Implement sustainable change

07

Reflect, learn and refine

08

Deliver better outcomes

09

Support Implementation

Key Learnings

Diverse views

No short cuts | Co-design requires a sustained commitment to facilitating robust debate and progressing the issues.

Create space

Be genuine | Reform processes must demonstrate openness to the problem and solutions available.

People focus

Shared commitment | Organisations are mindful of their business services. But empowered individuals are motivated to improve consumer outcomes.

Context

- **Local and international evidence-base** | Learnings from Australian trials (Project Symphony, Project Edge, and other ARENA-funded initiatives) confirm that point-to-point data exchange mechanisms limit CER scalability, hindering market participation and reducing customer value. Like the UK Digital Spine, these projects demonstrated the urgent need for a secure, standardised, and interoperable CER Data Exchange.
- **International experience** | The UK's Digital Spine study found the absence of a centralised data exchange for CER has led to significant inefficiencies, increased operational costs and reduced consumer choice. The fragmented landscape in the UK, where organisations must navigate a variety of standards and platforms, offers a cautionary example of the risks associated with a lack of coordination.
- **Design phase** | The CER Data Exchange is a key priority under the CER Roadmap. This co-design project did not seek to re-litigate the need for change. However, it was important to define and provide a clear understanding of the problem statement to support consultation.

Crossroads

Initially, the Project team did not seek to revisit the need for reform. However, it was necessary to address the 'why' to bring stakeholders up to a similar level of understanding. The focus was on communicating the reason for the government direction. The project goal was to progress the high-level design of the CER Data Exchange.

Communicating change

- **Momentum already established** | AEMO's ARENA application received support from a range of stakeholders – demonstrating significant interest for the CER Data Exchange concept. There was wide agreement that focused consultation was required to explore the design of the CER Data Exchange, before being progressed to the implementation phase.
- **Broader awareness** | A key focus of the Project team was to raise stakeholder awareness of the need for change, get stakeholders to participate in and support the change, and develop a plan for how to make change happen. The technical nature of the project made communicating what we are trying to achieve challenging.
- **Forums** | The Project team hosted webinars and Q&A sessions, three major workshops and 15 Expert Working Group meetings. These forums openly explored critical aspects of the CER Data Exchange – including priority use cases, governance, ownership, operation, funding and implementation strategies.
- **Updates** | It was important for the Project team to provide ongoing communication of the process – including attending other industry forums to provide project updates, and checking-in regularly with key stakeholders.
- **Openness** | The Project team sought to keep an open dialogue with stakeholders and maintain trust. We followed up with key stakeholders when concerns were identified and kept an 'ear to the ground' to monitor any shifts in momentum.

Building and maintaining momentum

- **Stakeholder influence** | The Project team greatly valued stakeholder input and sought to ensure that stakeholders felt their views were heard, and that they were empowered to shape the work program and outcomes.
- **Language barriers** | A key risk identified at the early stage of the project was that stakeholders' understanding of the concept and knowledge was at different levels. We understood clarifying misunderstandings would take substantial time and effort. Although this would slow progress on the high-level design of the CER Data Exchange.
- **Captivate** | With many other concurrent trials, and developments in the energy sector, there was an inherent risk of lack of bandwidth from stakeholders. The Project team's strategy was to build awareness, interest and intrigue into the project early on.
- **Clear and consistent communication** | The Project team invested heavily in refining the messaging and communication of the CER Data Exchange initiative. This was seen as crucial from the start to provide a clear understanding and avoid any confusion as much as possible.
- **Transparency** | The Project team was aware there was some hesitation about AEMO's involvement and openness to stakeholder views. The Project team put in place processes to promote transparency – such as publishing project material, meeting minutes and summaries, and Terms of Reference, on the project webpage.

Constructive dialogue

- **Two-way street** | The Project team sought to be very responsive to stakeholder requests for additional information. There were several examples where EWG meeting and webinar presentations were organised to address stakeholder questions – including by industry and Commonwealth Government, and on related AEMO projects.
- **Pulse checks** | The Project team held many meetings with individual stakeholders to understand stakeholder sentiments and perspectives, identify misunderstandings and areas / issues where further clarification is required, and stress test different arguments.
- **Breakdown and work through issues** | Where we found stakeholders were not supportive of the need for the CER Data Exchange, the Project team scheduled 1:1 meetings to understand their perspectives and clarify any misunderstandings.
- **Don't stall** | Although we faced significant questions at times on the need, where some stakeholders wanted to take the process back to 'square one', we were determined to maintain momentum on the co-design of the CER Data Exchange. This meant that we had to run parallel consultations. For example, some EWG meetings went back to the basics on the need and benefits of the CER Data Exchange, while then in the second half having advanced discussions on the scope of priority use cases.
- **What is the CER Data Exchange?** | A challenging aspect of stakeholder consultation was progressing the discussion from a conceptual understanding of what a CER Data Exchange is, to a practical understanding of what implementation would mean.

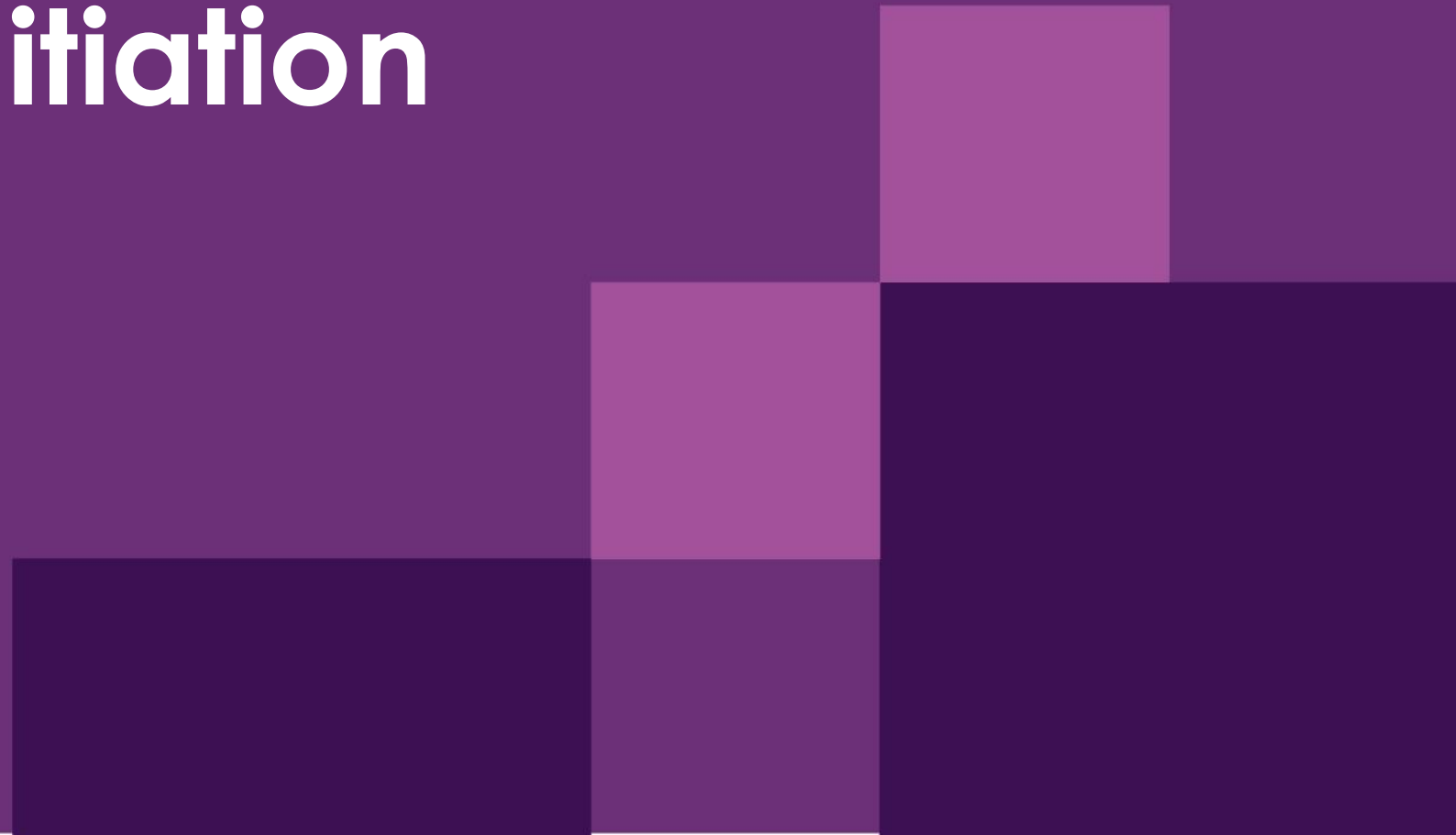
Deliver genuine customer outcomes

- **Reflect, learn and refine** | The communication of the need for a CER Data Exchange to support CER integration at scale, and the benefits of the stakeholder preferred priority use cases, was heavily refined by the time of the third workshop. Most language issues were resolved.
- **Recognition as a key reform program** | Presenters at the third workshop expressed strong support for the CER Data Exchange. The AEMC Chair and senior managers from DCCEEW and AEMO highlighted the importance of efficiently integrating CER into the energy system at scale and linked how the CER Data Exchange can support this outcome.
- **Moving from the 'if' to the 'how'** | Following the consultation submission process and 12 EWG meetings, the third workshop confirmed we had achieved broad support amongst participants for AEMO to progress from high-level design to detail design and implementation for the CER Data Exchange. Most participants supported the identified priority use cases.
- **Leveraging complementary reforms** | Stakeholders provided significant support for leveraging existing systems and infrastructure, such as the Industry Data Exchange, to streamline implementation and minimise the costs of the CER Data Exchange. This demonstrated increased trust in AEMO as the owner and operator.
- **Finding the right balance** | Stakeholders largely agreed on the foundational functions of the priority use cases. There were clear preferences for an incremental approach (starting small) and to grow the functionality of the CER Data Exchange over time.

Support implementation

- **Shared success** | Stakeholders stayed on the journey with us throughout the whole process. Some EWG members attended all 15 meetings. The final recommendations heavily reflect this informed feedback. Industry deserves major credit for this reform program.
- **Detailed concerns recognised** | Some stakeholder support was contingent on the details of the design. AEMO has committed to working through those stakeholders' concerns in upcoming implementation processes, including the detailed design phase.
- **Ongoing consultation commitment** | As expected by most participants, AEMO intends to progress implementation by convening and coordinating a CER Data Exchange working group with industry. This forum will allow AEMO to continue to develop the use cases as it moves into detailed design. Stakeholders highlighted the importance of clarifying the end-to-end data journey of users to inform design considerations.
- **Broader communication** | In parallel with the detailed design phase, AEMO will need to socialise this reform initiative more broadly. This includes connecting with consumers and consumer representatives to take them 'on the journey' – using an existing forum. Longer term, AEMO can also leverage existing forums to manage ongoing governance.
- **Anchor change management in culture** | This document seeks to communicate the importance of significantly investing in informing and drawing-out stakeholder preferences through a co-design process to successfully progress a key and challenging reform program.

3. Project initiation





ARENA Application and Funding Grant

The CER Data Exchange built on the lessons learnt and recommendations from the ARENA-funded Project EDGE trial and other relevant international and domestic experiences. Project EDGE developed and demonstrated the value of a secure, reliable, flexible and cost-effective data exchange infrastructure. The Cost-Benefit Analysis highlighted the distinct benefits of a CER Data Exchange and demonstrated the need for CER coordination to deliver better outcomes for customers.

In the latter half of 2023, the Project team began significant stakeholder engagement to build momentum and support for the developed an ARENA application to support a co-design process.

After submitting the application in November 2023, the team pitched the CER Data Exchange concept to the ARENA panel in December. This involved demonstrating a clear need and considered plan for implementation.

Stakeholder letters of support for exploring implementation of CER Data Exchange

In support of the ARENA application, AEMO received several letters of support – including from DNSPs, key retailers, consumer bodies and government bodies.

Outcome:

ARENA accepted the application and executed a funding agreement based on the project plan provided.



Phase 03

Engaging an independent consultant: The need for consultant support

AEMO appointed Mott MacDonald to support this co-design project

MM was responsible for providing significant project management and administration support to AEMO and AusNet, as well as subject matter and change management expertise.

This included developing strategies and project materials, delivering the workshops and outcomes reports, and supporting stakeholder engagement – including the EWG and conducting bilateral meetings.

The value of an independent source of advice and facilitation

Policy decisions should be founded on clear, demonstrable and objective arguments and evidence.

Engaging an independent consultant was intended to promote an open and transparent co-design process – as requested by industry to AEMO at the time. It also allowed AEMO to take a step back and provide input into the project, rather than being focused on project delivery.

EWG members had mixed views

We asked for feedback on whether an independent consultant built greater confidence and trust in the process.

Many EWG members responded, yes, independent consultants were helpful facilitators. An EWG member provided feedback that “The independent consultants were very capable and managed a really good / collaborative process, so had confidence in their abilities and expertise.”

There was recognition that a facilitator is required. One EWG member stated “AEMO could have facilitated the process, however, I recognise the pace of consultation was probably suited to a specialised team.” It was noted that there were instances where decision making / steering from AEMO at key decision points would have been helpful.

However, others were less convinced:

- “The presence of consultants didn't change the feeling of AEMO being at 'arm's length' or having taken 'a step back'. Consultants aren't independent.”
- “All stakeholders have a vested interest including consultants. Some of the views of the consultants showed a bias.”



Phase 04

Project management experience

- **PM resources** | AEMO and MM assigned PMs to support the project. In the second-half of the project, there was less reliance on the PMs – with the project leads and sponsors focused on streamlining resources. We found the regular cadence of meetings fostered collaboration and kept us all on the same page.

- **Best laid plans** | There was a significant initial investment in project planning, including delivery plans and stakeholder engagement maps. This provided an initial direction. But the team did not keep these documents updated to reflect the constant strategy changes to adapt to stakeholder feedback. At a point, the resource cost outweighed the benefit.

Lesson learnt: Invest in a plan but be agile and willing to adapt it.

- **Stakeholder focus** | Many of our team meetings were dedicated to discussing stakeholder positions, identifying who should be talking to whom, and considering how to address EWG member concerns in upcoming meetings. This level of emphasis on stakeholder views distinguishes co-design from standard consultation processes. It also meant a lot more refinement to clearly present the team's analysis of the concepts – especially given we had to accommodate a wide-level of understanding among stakeholders.

Lesson learnt: We sought to track stakeholder sentiment and report back at SteerCo meetings, including where positions had shifted.

- **Efficient meetings** | The Project team spent significant resources planning for EWG meetings. Each meeting had a specific purpose and fit within a broader plan to facilitate informed stakeholder feedback. Meeting agendas were highly focused, and the team kept to time for the most part.
- **Fluid and flexible** | The project was constantly evolving given EWG meetings were heavily used to test initial thinking and the outcomes from Workshops. Sometimes there was a need to push for unanticipated EWG meetings (especially early on), which was a challenge to manage our calendars and give EWG members sufficient notice. To the EWG's credit, they were patient and maintained their strong commitment to attending meetings and providing informed feedback on the issues.
- **Save the date** | With so many EWG meetings, workshops and webinars occurring (at times weekly), the Project team was under constant pressure to identify and communicate meeting dates/times. This was especially important where travel was involved. The team initially shared workshop dates in industry calendars, such as the AEMO Industry calendar. However, we did struggle in some instances to keep up the pace as the project evolved and workshop dates shifted. This caused some confusion with stakeholders.

Lesson learnt: Log all communications in a central repository, so when dates move there is an accurate record of all data points which need to be updated.



Phase 04

Setting the project up for success: Co-design operating model



Industry stakeholders participated in the co-design process through the: (1) Expert Working Group (2) Industry Workshops (3) Consultation paper submissions process (4) Bilateral meetings

ARENA

External Steering Committee (AEMO, AusNet, ARENA, Mott MacDonald)

Expert Working Group (EWG)

- Industry experts
- Understand problems to provide solution options
- Consider the guardrail requirements and use cases
- Support Industry Workshops by developing the options and considerations

Scope & Use Case stream

Data Exchange Governance stream

Ownership, Operation & Funding stream

Implementation Roadmap stream

Industry Workshops

- Three large workshops with industry-wide representation
- Focus on alignment and playing back of the consultation process
- Critical to successful change management

Data Governance, Ownership, Operation & Funding

Scope & Use Case

Preferred Option Implementation Roadmap

Public Consultations

- Provides an opportunity for stakeholders who've not yet participated
- Will seek feedback on all options considered up to Industry Workshop #2
- Feedback collected will feed into Expert Working Group preparation for Industry Workshop #3 which will focus on industry's preferred implementation option and roadmap

Industry Champions

- Industry Champions will be engaged & consulted regularly to foster support and advocacy for the project

Internal Project Meeting

- Regular team meetings to discuss working level governance, project management and stakeholder plans and issues.

Coordinated & Managed by Mott MacDonald



Our SteerCo was instrumental in guiding the direction of this project

- **Purpose** | The project Steering Committee (SteerCo) included senior managers from ARENA, AEMO and AusNet. The purpose of the SteerCo was to provide direction and guidance to the Project team. It was not an information gathering forum but rather a decision-making forum to support project outcomes and provide senior-level support. AEMO provided a dedicated PM. SteerCo meetings were monthly.
- **Meeting agendas** | Meetings were run in two parts: (1) Core Project Status updates, issues and risks (2) Broader project updates, issues and risks – including financials and contract management. The Project team sent a pack a week ahead.
- **Way finder** | Especially towards the end of the process, SteerCo meetings were focused on stakeholder preferences, identifying issues that need to be resolved, next steps / processes to address those issues, and how to maintain momentum for reform.

Role | Steerco members were asked to:

- Monitor the project's progress against time, cost and quality success measures
- Foster positive communication outside of SteerCo meetings and become advocates of the project
- Make go / no go decisions and / or decide whether the programs should change direction
- Make decisions on any variation or changes to the agreed project scope, budget, schedule and deliverables
- Monitor the Project's risk profile and
- Ensure Project risks & issues are identified and resolved, and assist in removing obstacles and breaking down organisational barriers

The Project team considers the SteerCo was instrumental in keeping the project on track and looking a step or two ahead of the project priorities and challenges that were being managed at the time. Steering Committee members provided advice, input on project direction and facilitated open strategy discussions. This gave the Project team fresh, informed perspectives.



Setting up the EWG: selection process and support

- Technical views** | The Expert Working Group (EWG) was established to stress test ideas, help develop solutions and provide feedback on implementation of the identified reforms. The EWG involved a wide range of industry representatives. The EWG provided informed input, advice and guidance on the development of the priority use cases – which was an input into industry workshops and the High-Level Design recommendations.
- Expectations** | Members were expected to provide significant, constructive input at EWG meetings. This included attending most EWG meetings, reviewing the pre-reading material, providing written feedback as requested to help communicate the issues, review EWG meeting summary materials and possibly arranging for organisation subject matter experts to attend meetings. We contemplated that some tasks may be delegated to individual members to help progress the thinking, but this didn't happen.
- Selection considerations** | We sought broad representation and input to promote industry collaboration and build stakeholder buy-in. However, we were conscious of the need to ensure the forum is a workable size. We considered too many members would make it harder to form collaborative relationships and manage feedback. Further, it can be unhelpful to have multiple, varying views from one organisation.
- Criteria** | Selection of members was based on both whether the EWG will provide a broad and balanced perspective, and individuals' relevant experience and expertise – considering stakeholders' written expressions of interest provided to AEMO.
- Independent Chair** | A senior leader at MM chaired EWG meetings. This allowed AEMO to take more of an arms-length observer role and provide input as needed, which aligned with how AEMO planned to run the project.
- PM** | Project management is crucial to support the EWG – including providing administrative support to organise meetings and manage documents. Our aim was to always make the best use of stakeholders' limited time. To promote transparency, meeting material and high-level summaries of feedback.



Stakeholder feedback

The large majority of EWG members provided positive feedback that the EWG forum supported consideration of a broad range of perspectives, although it was noted that we did not have our consumer representatives attend many meetings (due to resource constraints).

EWG guiding values and principles

During the early EWG meetings, we workshopped with EWG members the way discussions should be conducted. We collectively landed on the following guiding values and principles.

Guiding Values

1. Be open to different perspectives
2. Be outcome focused – focus on the problem and what we are trying to solve, we cannot solve everything
3. Be empowered, make a difference
4. Constructive questions and criticisms are good

Principles

1. We will take an industry-wide perspective
2. We seek to ultimately achieve better outcomes for consumers
3. We seek to enhance the efficient use of CER in our energy system
4. We seek diversity of opinion to deliver a better outcome
5. We seek to make progress. Reforms cannot wait any further

Outcome: The Project team considers the EWG lived up to these guiding values and principles. It was not always easy for EWG members to take an industry-wide perspective and put themselves in others' shoes. The discussions were always respectful and productive. There was a high-level of appreciation for everyone's time and dedication.

4. Stakeholder engagement journey





Phase 06

Co-design Engagement Framework

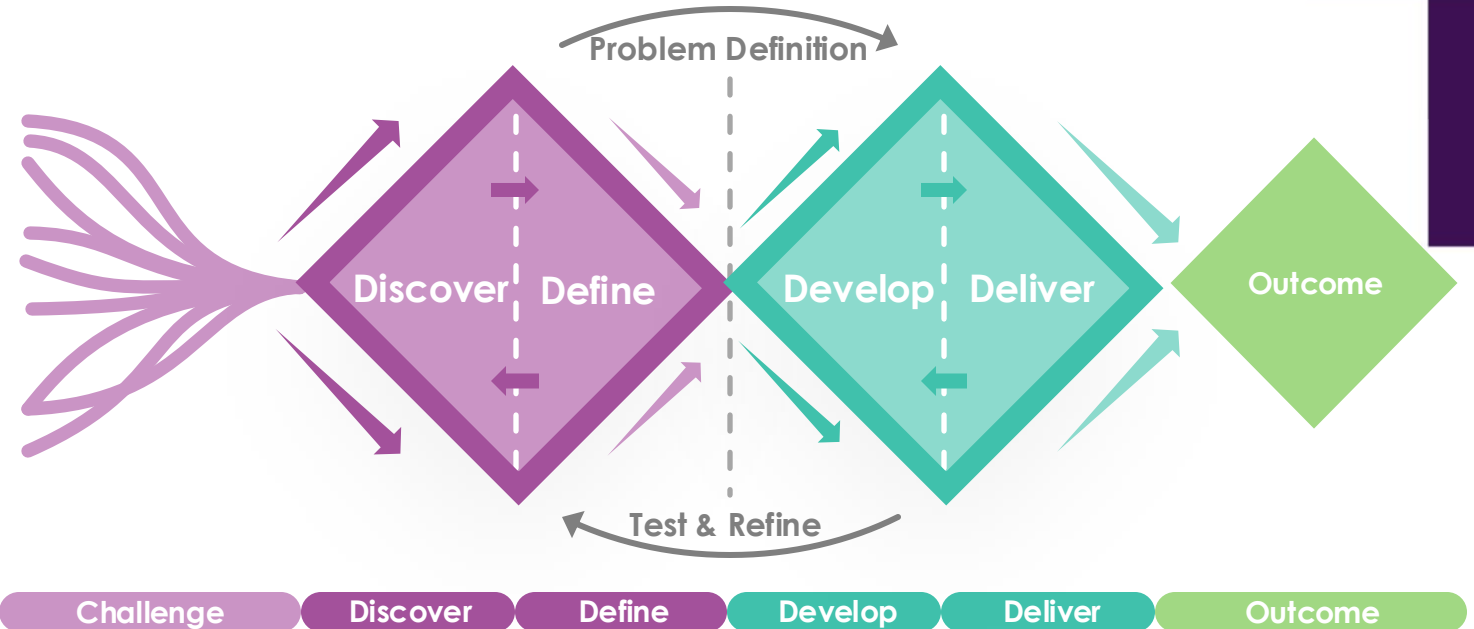
The co-design framework outlined below was applied over the course of the project to consult with industry and seek to reflect stakeholder views and preferences accurately. We developed ideas and findings and then tested them with the EWG. Then feedback went through an iterative process to then test our thinking at the Workshops.

Reflecting on the co-design framework:

How to make an omelette | The co-design process embraced uncertainty and promoted a divergence of views. Once we had a significant pool of ideas, the Project team sought to put all the pieces back together again, and identify a coherent way forward based on stakeholder views. We would re-build ideas and support stakeholder understanding back towards convergence. And then we would do it all over again. The Project team sought to stabilise the thinking following submissions to the Consultation paper, where stakeholder preferences became clearer and more robust.

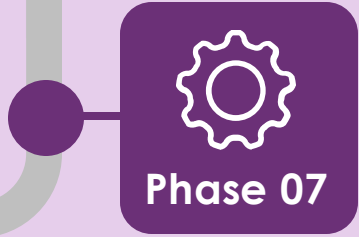
There and back again | In allowing space for divergent views, we often needed to revisit design decisions which industry had previously reached alignment on. This meant juggling many different design considerations and stakeholder perspectives at any one time, trying to meet in the middle of all stakeholder preferences.

Not everyone's happy | Co-design is hard and there are still polarising views in the industry. Some stakeholders were not convinced that we ran a genuine co-design process that was open to alternative solutions. We found there was also reluctance by some parties to consider broader industry perspectives.



The majority of EWG members who provided feedback said:

- We allowed enough time to work through the issues, and the process was not rushed – although there were challenges providing pre-reading materials at least a week in advance of EWG meetings
- The co-design process was a useful way to draw out different stakeholder views and preferences
- We accurately reflected stakeholder feedback and developed recommendations based on this feedback
- The co-design process was successful in balancing different stakeholder views, whilst maintaining a focus on getting better outcomes for consumers



Workshops

"This was probably one of the best consultation processes, I've engaged in. There were multiple opportunities to be involved, genuine consolidation of ideas and transparency in the feedback received. At sometimes it did feel like there was a certain option favoured or a limited way to express feedback in the workshops, however I think that was likely necessary given the large number of people and groups present."

- Workshop participant feedback

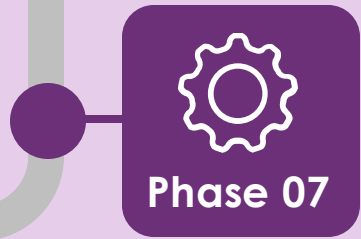




Setting up for success

The three public industry workshops were pivotal to the co-design process, but they didn't happen overnight. Significant effort and thinking went into the planning of each workshop to ensure we made the most of stakeholder's time, and received sufficient, targeted feedback.

- Objective** | The purpose of investing in a co-design process was to deliver industry aligned, consumer-centric reform to support CER at scale. Stakeholder input was key to understanding the various trade-offs in deciding the form and function of the CER Data Exchange. With each stakeholder engagement, it was important to define the objective and ideal outcome to remain focused on progressing the co-design process.
- Alignment** | Facilitated workshops are a key mechanism to build alignment on the problem statement and explore reform options and implementation pathways. But reaching alignment cannot be forced. Stakeholders need to be brought along on the journey.
- Broad engagement** | Workshops were inclusive and allowed a broader range of stakeholders to shape the design of the CER Data Exchange. Sharing invitations publicly and well ahead of time was crucial to engage a wide and diverse portion of industry.
- Genuine engagement** | As noted in feedback by an EWG member, a co-design process should not consult on things that are already decided and non-negotiable, because that can undermine trust. We sought to focus the discussion on areas that stakeholder feedback would have the biggest impact. We were careful to manage the potential perception that the Project team was pushing consultation towards a pre-determined outcome.
- Facilitator** | The MM team led much of the workshop facilitation. AEMO played a key role in the workshops but sought to take a background role, so the process was seen as independent and credible.



Workshop program



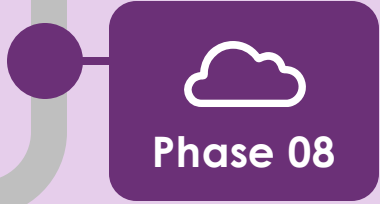
Workshop agenda

#	Description
1	Registration
2	Welcome & Introduction
3	Macro Context Setting - SURVEY GROUP DISCUSSION - TABLE ACTIVITY - Placemat
4	Morning Tea Break - Networking - Contribute to the Ideas Wall & Parking Lot
5	Use Case Deep Dives - TABLE ACTIVITY
6	Lunch
	Panel Discussion
7	Use Case Deep Dives 2.0 - TABLE ACTIVITY
8	Afternoon Tea Break - Networking - Contribute to the Ideas Wall & Parking Lot
9	Evaluation Considerations & Design Preferences - TABLE ACTIVITY - Actor role play
10	Large Group Sharing and Synthesis, Outcomes & Next Steps
11	Closing Remarks

- Making the most of people's time** | Significant investment was required prior to and following the workshops. This included developing a clear agenda and framing, and positioning stakeholders to make effective contributions on the day. To promote constructive and meaningful feedback, the Project team invested heavily in developing helpful pre-reading material.
- Adapt to stakeholders** | Listening and adapting to stakeholder preferences is necessary to make effective use of participants' time. We chopped and changed workshop agendas at times to ensure we did not lose people along the way. Collaborative table discussions felt rushed at times, which lowered the value of the feedback. Some participants were uncomfortable providing feedback with limited information. Participants pushed for robust estimates of the benefits and costs of the reform initiative.
- Integrate surveys** | Surveys were utilised in the workshops for the purpose of capturing levels of understanding, engagement and support. It also helped to promote broader perspectives. The level of support for the CER Data Exchange and the priority use cases surprised some stakeholders.
- This is co-design** | Providing stakeholders with multiple avenues to provide feedback and design preferences allowed us to cross-check and confirm stakeholder sentiments. For example, table discussions with template worksheets allowed for concrete measures of 'quantitative' results (i.e. spread of green/yellow/red dots on preferences) to be distilled.

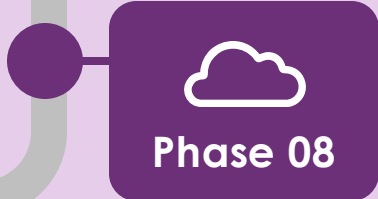
Lesson learnt: Providing options in the form of ranking (1-5), Red-Yellow-Green coloured dots, or tick boxes enabled the Project team to gather conclusive evidence from stakeholders.

CER Data Exchange Industry Co-Design Project
Industry Workshop 2: Ownership, Oversight & Functionality



Expert Working Group





EWG Reflections

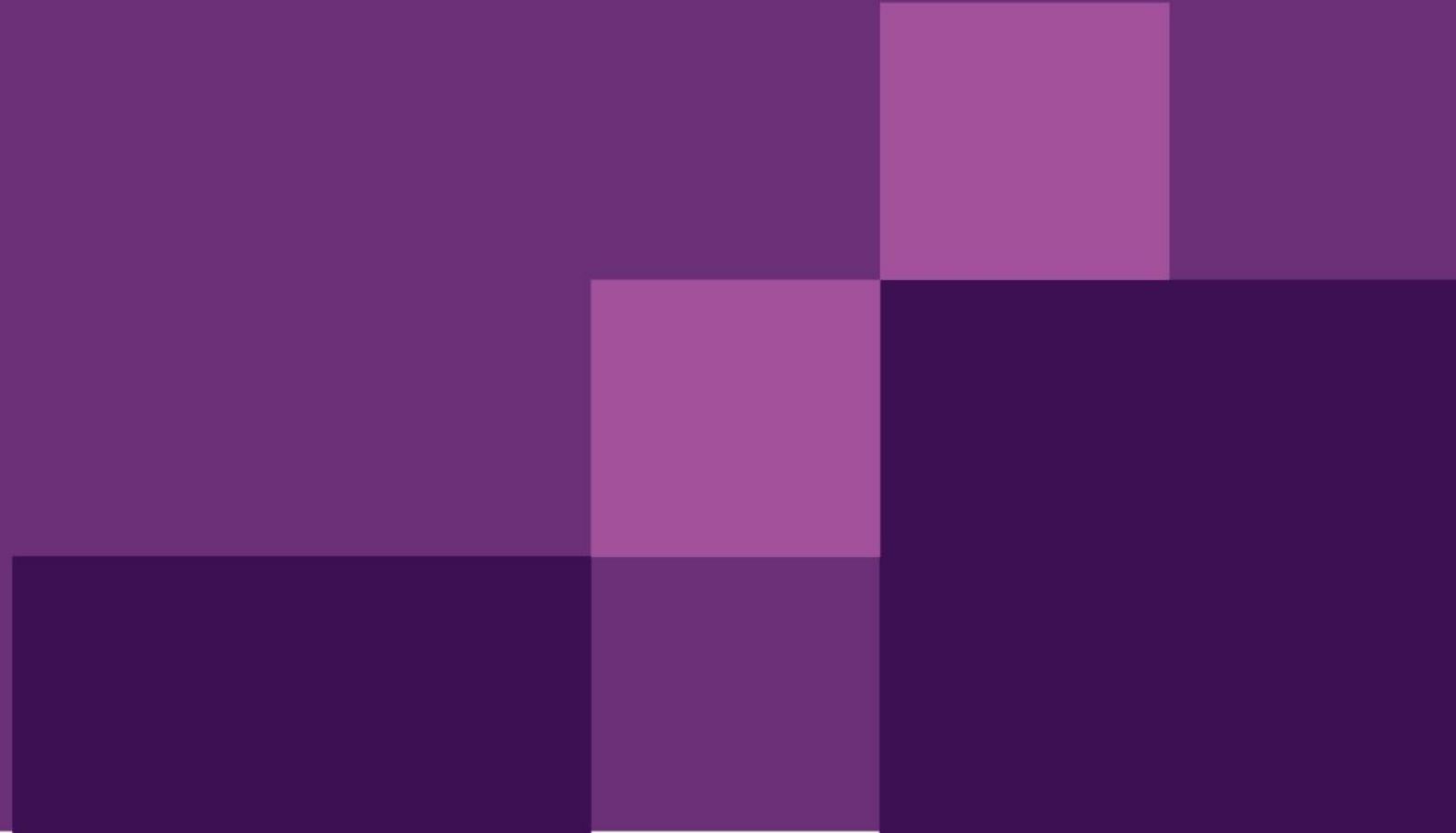
- **Broad range of knowledge** | EWG member understanding of the issues differed significantly. Some members had been heavily involved in previous related studies and trials and were very familiar with the concepts. Some others did not have a clear understanding of the problem the CER Data Exchange was trying to solve. It took time for the group to form and understand each other's languages.
- **Some remain unconvinced** | Despite government direction, some stakeholders continued to question the need for the CER Data Exchange. As a result, we revisited the underlying policy intent several times, which slowed progress on the design considerations.
- **A relatively narrow group of members contributed at meetings** | Whilst some members were consistently active in meeting discussions and even presented on certain topics, others preferred to share their feedback via email and / or organise 1:1 sessions with the Project team. This meant there was not always a diverse range of views drawn out at meetings. This was exacerbated by a lack of consumer perspectives being put forward by our consumer representatives, who were not always able to prioritise EWG meetings.

Lesson learnt: The Project team asked EWG members to bring perspectives as a representative of a cohort, rather than an individual or organisation. Some stakeholders did not always consider broader industry perspectives.

- **Pre-reading promotes informed discussions** | To promote constructive and meaningful feedback from EWG members and to make the most of the time, we heavily invested in pre-reading material and put forward solution options to draw out views. This means stakeholders are not working from a blank sheet, while providing them with significant opportunities to discuss and shape the design of the CER Data Exchange. The Project team communicated to EWG members it would undertake best endeavours to provide materials at least a week before the meetings. That was easier said than done.
- **But pre-reading needs to be provided in a timely way** | Developing the pre-reading material for EWG meetings that were at times every or every other week was a major undertaking. The aim of providing material well in advance of EWG meetings caused significant resource pressures on the Project team. On average, the Project team provided meeting material 3 days in advance.
- **EWG members felt we did not give them enough time** | We received feedback that there was not always sufficient time provided for the pre-reading. An EWG member stated:

“The value of pre-reading was undermined by the late delivery. Made it nearly impossible to digest and formulate any deep thinking ahead of the sessions”

5. Insights for future processes



LESSON 1

Divergence & Convergence

- A change management process is always going to be 'messy'. A strategy is to stimulate a **divergence** of views, begin to shape and structure the feedback, work towards **convergence** to build a common understanding, and then repeat the process.
- Change agents **cannot** afford to **skip steps** in the process. Many reform processes start at the 'how' stage rather than the 'why' – which from experience increases the likelihood of stagnation and stakeholder frustration throughout the process.
- Reform programs must be prepared to '**go backwards to go forwards**' – including revisiting the problem statement. However, it may be important to keep progressing the thinking on solution options while bedding down the need.

01



There are no short cuts: major change requires consistent effort and dedication to progress things forward



Applying a people-focused, change management framework to reform processes is highly resource intensive



But creating major change that is publicly and politically acceptable 'takes a village' and time

LESSON 2

Create space

- In designing reform consultation processes, **allow time** for stakeholders to initially understand the issues and different perspectives, and form collaborative working practices.
- **Create space** for open discussion and exploration of ideas to allow stakeholders to better identify compromises and align their views.
- Although highly challenging to get agreement, significant investment is required on the problem statement to establish a robust case of the need for change. This is much more difficult when building on a previous project whereby stakeholders didn't necessarily agree with the findings / outcome.
- Allow time each step of the consultation process to develop strategies to manage obstacles.
- A high level of **flexibility** is required to create an **environment for stakeholder collaboration and buy-in**. This means giving up some level of control so stakeholders can see they are having a strong say in the way the process is run.

02



Reform processes must demonstrate openness to the problem and solution options



The 'burning platform' is not as obvious as you probably think



Creating an environment for discussion and exploration requires equal partnership in the change process

LESSON 3

People focus

03

- A commitment to **delivering genuine customer outcomes through co-design approaches**, allowing people to help shape the future, is highly motivating.
- A guiding coalition, such as an EWG, is crucial to building urgency and momentum for reforms. But to be helpful, it needs to have the **right mix of people** and represent a **broad range of interests**.
- It takes time and buy-in for working groups to **form as a team** – to understand each other's '**language**' and develop **trust**.
- Don't lose **momentum**! Strong project management with an outcomes focus is essential to mitigate the risk of stagnation – which can negatively impact motivation and commitment.
- A strategy is needed to win '**hearts and minds**'. Logic + emotion = successful change. But inevitably not everyone will be happy.



Organisations do not create reforms, people do



Develop the narrative and tell the story – framed around **consumer outcomes**



Create an environment that gives each other the benefit of the doubt – there is usually another side to the story

Acronyms

Acronym	Definition
AEMO	Australian Energy Market Operator
CAPEX	Capital Expenditure
CER	Consumer Energy Resources
DNSPs	Distribution Network Service Providers
DOEs	Dynamic Operating Envelopes
EWG	Expert Working Group
EY	Ernst & Young
FCAS	Frequency Control Ancillary Services
FRMP	Financially Responsible Market Participant
IDAM	Identity and Access Management
IDX	Industry Data Exchange
NEO	National Electricity Objective
OEM	Original Equipment Manufacturer
RAB	Regulated Asset Base
VNMI	Virtual National Metering Identifier
VPP	Virtual Power Plant or CER Aggregator



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