

## IN003/20 – Gas Life Support Supplementary Questionnaire

Responses to be emailed to [grcf@aemo.com.au](mailto:grcf@aemo.com.au) by due **COB 31 March 2020**.

Review comments submitted by: AusNet Services

Date: 31/03/2020

Contact Person: Justin Betlehem

Topic	Please Provide Response Here
<b>Question 1 – Benefits of change</b>	
<p>Please provide, in detail, what benefits the change will have on your organisation (in terms of efficiency, customer benefits, privacy, etc.). If any monetary benefits are provided (e.g. in terms of annual FTE savings), these will be kept confidential.</p>	<p>In electricity, the introduction of LSN and LSR transactions have been essential in dealing with the higher volumes of life support transactions received since the NERR changes were implemented. In gas, we expect high transaction volumes as national retailers are likely to start at over 1,000 gas life support registrations with the conclusion of the “best endeavours” transitional on 1 July 2020. This could quickly grow by 1,000 per year as retailers register life support assuming dual fuel, without first checking the customer’s fuel source needed for their life support equipment (electricity, gas or dual fuel).</p> <p>As observed with electricity, the introduction of LSN and LSR transactions and our associated systems reduced the handling time for registrations. In gas, the alternative starting point of encrypted CSV files is more onerous than the starting point for electricity life support prior to Feb 2019 of a single life support flag in the CDN transaction.</p> <p>To handle this new obligation and surge in processing requirements, AusNet Services is hiring a new team of staff to manage gas life support registrations, registrations, transacting information retailers via encrypted CSV files and enhanced customer services tailored to meet the needs of these customers. The estimated cost increase on our business is currently estimated at [REDACTED] per year.</p>

	<p>In addition to these staff costs, is the potential for missed notifications from retailer staff to erroneous email addresses of our other distribution business staff. Based on our experience, retailer staff direct request and enquiry emails to the incorrect staff contacts at AusNet Services in a weekly basis. Because of this problem, and other problems inherit in relying on an email-based solution, we would expect some compliance breaches without the use of a B2B based LSN transaction.</p>
<p><b>Question 2 – Costs of change</b></p>	
<p>Please provide what costs the change will create for your organisation as an order of magnitude (i.e. “low”, “medium”, or “high”). If any monetary values (e.g. once-off implementation costs, and any ongoing annual cost) are provided (e.g. in terms of the cost of system changes), these will be kept confidential.</p>	<p>AusNet Services is continuing to scope and build the new IT and processes it requires to achieve full compliance. At this time, this work is not yet complete and the costs of implementing the full set of changes cannot yet be calculated with sufficient certainty. Whether our IT system and processes transact with B2B LSN and LSR transaction has only a minor effect on the total cost of this IT and change project.</p> <p>This IT system and processes would enable AusNet Services to substantially meet our obligation with or without the changes to the gas LSN and LSR changes. However, without the changes that leverage B2B transactions for LSNs, we would only be able to reduce our higher operational costs of [REDACTED] per year by [REDACTED]. Additionally, we would not be able to the risk of compliance breaches associated with an email-based solution.</p>
<p><b>Question 3 – Volume of gas life support customers</b></p>	
<p>Please provide the volume of gas life support customers your organisation currently has registered. Please also provide the average rate of gas life support registrations and deregistrations per month for your organisation, as well as any notes you would like to provide on how AEMO should interpret these data.</p>	<p>AusNet Services we expect high transaction volumes as national retailers are likely to start at over 1,000 gas life support registrations with the conclusion of the “best endeavours” transitional on 1 July 2020. This could quickly grow by 1,000 per year as retailers register life support assuming dual fuel, without first checking the customer’s fuel source needed for their life support equipment (electricity, gas or dual fuel).</p>
<p><b>Question 4 – Alternatives to LSN and LSR</b></p>	
<p>If AEMO decides not to recommend the adoption of LSN and LSR, will your organisation likely make any changes to your existing implementation of the Gas Life Support</p>	<p>In the first instance by 1 July 2020, AusNet Services will implement a tactical solution that leverages the Gas Life Support Industry Guide process. However, we are sceptical as whether this solution is fit for purpose in the long-term. If AEMO does not facilitate the</p>

Industry Guide process?. If so, provide details on the type of changes you intend to put forward.	adoption of LSN and LSR transactions, other options would need be investigated. One option is gas networks establishing joint business portal for each retailer to enter gas customer and life support details directly.
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**Question 5 – Value Rating (1-7)**

Please indicate your organisation's value rating if the proposal to adopt the LSN and LSR aseXML transactions proceeds, as compared with the status quo or the alternative(s) identified in Question 4. Please select one of the following.

Rating	Description
1 =	Large negative outcome if proposal proceeds
2 =	Moderate negative outcome if proposal proceeds
3 =	Small negative outcome if proposal proceeds
4 =	No net benefit or cost if proposal proceeds
5 =	Small positive outcome if proposal proceeds
6 =	Moderate positive outcome if proposal proceeds
7 =	Large positive outcome if proposal proceeds

Value Rating

7

**Question 6 – Any other comments?**

Does your organisation have any other comments that it wishes AEMO to consider in its formulation of the IIR?