

# RETAIL PROCEDURES (WHOLESALE DEMAND RESPONSE)

ISSUES PAPER

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## EXECUTIVE SUMMARY

AEMO has prepared this Issues Paper to facilitate informed discussion and seek input from interested parties on the delivery of proposed changes to enable the Wholesale Demand Response Mechanism (WDRM) rule change ERC0247 in the National Electricity Market (NEM).

The publication of this Issues Paper commences the first stage consultation by AEMO under the National Electricity Rules (NER) on proposed changes to:

- Market Settlements and Transfer Solution (MSATS) Procedures: Meter Data Management (MDM) Procedures (MDM Procedures).
- MSATS Procedures: Consumer Administration and Transfer Solution (CATS) Procedure Principles and Obligations (CATS Procedure).
- MSATS Procedures: Procedure for the Management (Wholesale, Interconnector, Generator and Sample (WIGS)) (WIGS Procedure).
- Metrology Procedure: Part B
- Retail Electricity Procedures - Glossary and Framework (Glossary and Framework).
- Business-to-Business (B2B) Guide.
- B2B e-Hub Participant Accreditation and Revocation Process (B2B Participant Process).
- Understanding Load Profiles Published from MSATS (Load Profiles Document).

In summary, the key proposals involve amending:

- Glossary and Framework and Load Profiles Documents to reflect Five Minute Settlement (5MS).
- The Glossary and Framework to capture an additional document reference for customer switching.
- B2B Guide and B2B Participant Process, to include the Demand Response Service Provider (DRSP) participant category.
- Retail procedures, to incorporate consequential changes.

AEMO invites stakeholders to suggest alternative options where they do not agree that AEMO's proposals would achieve the relevant objectives.

AEMO also asks stakeholders to identify any unintended adverse consequences of the proposed changes.

Stakeholders are invited to submit written responses on the issues and questions identified in this Issues Paper by 5.00 pm (Melbourne time) on 17 November 2020, in accordance with the Notice of First Stage of Consultation published with this Issues Paper.



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## 1. STAKEHOLDER CONSULTATION PROCESS

AEMO is consulting on the retail procedures and related documents as contemplated under NER clause 7.16.1, in accordance with the Rules consultation process in NER rule 8.9.

AEMO's indicative timeline is as follows.

Deliverable	Indicative date
Issues Paper published	12 October 2020
Submissions due on Issues Paper	17 November 2020
Draft Report published	15 December 2020
Submissions due on Draft Report	2 February 2021
Final Report published	16 March 2021

These dates may be adjusted, depending on the number and complexity of issues raised in submissions or meetings with stakeholders.

Prior to the submissions due date, stakeholders can request a meeting with AEMO to discuss the issues and proposed changes raised in this Issues Paper.

AEMO is planning to facilitate a workshop in early November 2020, at a date to be confirmed. This date will be notified to interested parties through:

- AEMO website [www.aemo.com.au](http://www.aemo.com.au).
- Mailing lists of the Electricity Retail Consultative Forum, B2B Working Group and the WDR Consultative Forum mailing lists.

A glossary of terms used in this Issues Paper is provided in Appendix A.



## **2. BACKGROUND**

### **2.1 NER requirements**

The obligations to establish, maintain and publish the procedures are set out in NER clause 7.16.1.

### **2.2 Context for this consultation**

The Australian Energy Market Commission (AEMC) published the final determination in respect of the WDRM rule change on 11 June 2020. The implementation date for the final rule is 24 October 2021.

The WDRM rule change:

- Introduces the new market participant category, a Demand Response Service Provider (DRSP).
- Places obligations on DRSPs which replicate those applied to scheduled participants, for example in respect of, information provision and scheduling.
- Sets out the process for the baseline methodologies being determined and applied to wholesale demand response units (WDRUs).
- Provides for DRSPs to be settled in the wholesale market for the wholesale demand response (WDR) which they have provided at the prevailing spot market price.
- Sets out consequential changes to other aspects of the NER, including to Reliability and Emergency Reserve Trader (RERT) provisions.
- Makes additional changes to related aspects of the NER, such as the demand side participation information provisions, to improve the integration of the demand side.



### 3. PROPOSED PROCEDURE CHANGES

#### 3.1 Five Minute Settlement

AEMO is proposing changes to support the 5MS rule change. These proposed changes were identified after the completion of the larger package of retail procedure changes for 5MS and Global Settlement in 2018/19. These proposed changes to:

- MDM Procedures:
  - Addition of a description of 5-minute load profile (5MLP) application to 15 and 30-minute metering data.
  - Addition of detail of RM25 and RM46 Reports (content of the RM Reports has been provided to participants during industry forums).
  - Identification of how parties can access RM Reports (Request, Push, Subscription).
  - Provision of additional detail as to the content of the RM Reports.
- Proposed changes to the Retail Electricity Procedures - Glossary and Framework:
  - Addition of a 5MLP definition.
- Load Profiles Document (for information and comment, noting that AEMO will make these changes):
  - Addition of a description of 5MLP application to 15 and 30-minute metering data.
  - Addition of 5MLP to sample RM20 report (Appendix F).

#### 3.2 B2B Planned Interruption Notification

A DRSP will be required to bid the availability of its demand response into the NEM systems for scheduling purposes. Accordingly, the DRSP will need to know when a NMI will be unavailable as a result of a site outage due to, for example, a planned local network outage or electrical work at the site.

Potentially, the relevant participants could use the B2B Planned Interruption Notification (PIN) to notify the DRSP of an upcoming outage. Accordingly, the DRSP would know not to include demand response for that site in its bid for the outage period.

The PIN is a One-Way Notification defined in the B2B Procedures as a communication transaction. This notification could be used to facilitate the requirement under the National Energy Retail Rules (NERR) for a Retailer to advise a DRSP about a planned outage of a NMI which they are scheduling.

#### 3.3 Consequential Changes to Retail Procedures

AEMO proposes a number of consequential minor changes to:

- CATS Procedure.
- WIGS Procedure.
- Metrology Procedures Part B.
- Glossary and Framework.

Change marked versions of these documents are included as part of this consultation package and can be viewed at <https://aemo.com.au/en/consultations/current-and-closed-consultations>.

In accordance with 11.125.6(a)(9) of the WDR Rule, AEMO must also review the following documents mentioned in NER 11.103.2(a):



- The procedures maintained under clause 7.8.3(b) in respect of the *minimum services specification*.
- The *meter churn procedures* in accordance with clause 7.8.9.
- The *metering data provision procedures*.
- The *service level procedures*.

AEMO has determined that these procedures do not need to be changed as a result of the WDR Rule.

### 3.4 MSATS CATS Procedures

The CATS Procedures provide information to participants on the types of Change Requests that can be raised, Standing Data Access Rights and NMI Discovery Search information in MSATS.

As the DRSP is a new registered participant this requires a new role type to be created in MSATS and part of the registration process will be to assign a participant id to the DRSP. The participant id will be assigned to NMIs in MSATS that have been classified as a Wholesale Demand Unit or part of an aggregated Wholesale Demand Unit.

This assignment will be performed by AEMO using an AEMO only Change Request (CR5101), and all participants associated with the NMI/s will be notified. DRSPs will also receive notifications when some Change Requests have reached a completion stage on any NMIs they may have a relationship with.

The new role will be discoverable in NMI Discovery Type 2 and the Replication Report that is produced nightly will include any new participants created for the DRSP role.

### 3.5 B2B Guide and B2B Participant Process

The B2B Procedures support the variety of participants who can participate in B2B communications by assigning generic initiator and recipient roles rather than NER defined participant roles. In this sense, the B2B Procedures do not need to be changed to support the inclusion of the DRSP for WDR.

Further however, AEMO anticipates that a DRSP would benefit from access to the Provide Meter Data (PMD) and Verify Meter Data (VMD) transactions, and the receiving of meter data via the Meter Data Notification (MDN).

To facilitate such access, the B2B Guide would need to be changed in respect of the DRSP as a NER-defined market participant. Accordingly, AEMO proposes to add the DRSP role to:

- Section 5, which specifies typically which roles use which transactions.
- Clauses 6.6.1(a) and 6.6.2(a) which specifies which roles use the PMD and VMD transactions.

AEMO anticipates that a DRSP that wishes to register to use the B2B e-Hub will be required to apply in the same manner as other registered participants. Accordingly, AEMO proposes changes to:

- Include a DRSP in the sections relating to such applications.
- Amend the transaction table roles to reflect the transactions which a DRSP would use and receive.

These changes to the B2B Guide and B2B Participant Process are provided for information and comment.

#### Questions

- Do you agree with the proposed changes to provide additional clarification to support 5MS? If not, please provide an explanation of why you do not support the proposed changes.



- Do you agree that the DRSP will need to know of planned outages?
- Do you agree that a PIN is the best mechanism for advising the DRSP? Does it need to be modified? Is there a better alternative?
- Do you agree that the PIN should be provided to the DRSP by Retailers and Distribution Network Service Providers?
- Do you agree with the proposed amendments to the retail procedures which are included in this consultation package as change marked versions?
- Do you agree with the Change Requests that have been flagged for DRSPs to receive completion notifications?
- Do you agree with the proposed changes to the B2B Guide? If not, please provide an explanation of why you do not support the proposed changes.
- Do you agree with the proposed changes to the B2B Participant Process? If not, please provide an explanation of why you do not support the proposed changes.
- Are there any other changes to the B2B Guide that need to be made to support WDR?
- Are there any other WDR related issues which AEMO should consider in respect of the retail procedures including the B2B Procedures?



#### **4. DRAFTING FOR PROPOSED CHANGES**

AEMO has published the draft retail procedures which incorporating the proposed changes, to help stakeholders and other interested parties to respond to this Issues Paper.

The clean and change-marked versions are available at: <https://aemo.com.au/en/consultations/current-and-closed-consultations>.



## APPENDIX A - GLOSSARY

Term or acronym	Meaning
5MLP	Five Minute Load Profile
5MS	Five Minute Settlement
AEMC	Australian Energy Market Commission
B2B	Business to Business
CATS	MSATS Procedures: Consumer Administration and Transfer Solution (CATS) Procedure Principles and Obligations
DRSP	Demand Response Service Provider
Glossary and Framework	Retail Electricity Procedures - Glossary and Framework
IEC	Information Exchange Committee
MDM Procedures	MSATS Procedures: MDM Procedures
MSATS	Market Settlements and Transfer Solution
NEM	National Electricity Market
NER	National Electricity Rules
NERR	National Energy Retail Rules
NMI	National Metering Identifier
PIN	Planned Interruption Notice
PMD	Provide Meter Data
RERT	Reliability and Emergency Reserve Trader
Understanding Load Profiles	Understanding Load Profiles Published from MSATS
VMD	Verify Meter Data
WDR	Wholesale Demand Response
WDRM	Wholesale Demand Response Mechanism
WDRU	Wholesale Demand Response Unit