

# Reform Delivery Committee

March 2022

Updated version for RDC



We acknowledge the Traditional Owners of country throughout Australia and recognise their continuing connection to land, waters and culture.

**We pay respect to their Elders past, present and emerging.**

# Welcome

# Agenda

1. Review of Action Items
2. NEM 2025 Roadmap Pathways
3. Committee Membership Update
4. ESB Stakeholder Groups
5. Plan for Q2
6. NEM 2025 Industry Forum & Working Group Structure
7. Other Business
8. Next Steps and Close

Appendix A: Engagement & Communications – Detailed approach

*Please note that this meeting will be recorded for the purpose of compiling minutes, and not for publication.*

# 1. Review of Action Items

# Action Items from prior meetings & workshops

Item #	Action	Responsibility	Status
2.1	Circulate an overview that distinguishes the different working groups focused on ESB's reform portfolio	AEMO, ESB	Closed after today's meeting. Agenda item 4
2.2	Provide any further feedback on Over voltage section of Data strategy (or any other feedback) from Round 1 workshops	Committee members	Closed. No further feedback received
2.3	Invite Committee members to RDC SharePoint site	AEMO	Closed. Invites distributed end of Feb
2.4	Investigate access to RDC SharePoint collaboration for organisations that do not allow access to Microsoft products	AEMO	Closed. Standing invitation for Committee members to raise specific access issues to Ulrika Lindholm, AEMO
2.5	Committee members are invited to nominate co-collaborators for read-only access	Committee members	Closed. Standing invitation for Committee members to nominate co-collaborators
2.6	Further exploration of opportunities and constraints with alternative roadmap formats	Mr Carruthers, Mr Bell	Discussion held. Action with Mr Carruthers to review AEMO's (new) internal PMO scheduling tool to see if it would be suitable
2.7	Consider definitions for high, medium and low impact in the Participant Impact Assessment and report back to the Committee	AEMO	Closed. Definition supplied in the <a href="#">Participant Impact Assessment template</a> on RDC SharePoint
2.8	Provide feedback to usefulness of impact assessment, including feedback on the format and data categories captured in the template as well as provide input on the perceived impacts to the organisations represented by Committee members.	Committee members	In progress. Committee members are encouraged to raise any questions or concerns about this work. New due date to be agreed
2.9	Agenda for Committee Meeting 3 (today) to include Future Topics as discussed under agenda item 5.2. at February Committee meeting	AEMO	Closed. Agenda item 2 & 5
2.10w	Provide feedback and a status update to the ENA on the implementation of the charging aspects of the system strength rule change, and capture any related relationships in the roadmap, especially for AEMO as the VIC TNSP.	AEMO	Closed. Out of session correspondence from AEMO (Nicole Dodd)
2.11w	Consider flexibility in timing of rule implementation	AEMO, AEMC	In progress. Will be added as a future Committee agenda item.
2.12w	Investigate scalability requirements needed to deliver solutions	AEMO	Risk criteria to be updated to reflect this. Individual initiatives to be assessed where appropriate
2.13w	Review IESS industry testing and trials over the 2023 summer period, associated scope and options to shift	AEMO	In progress
2.14w	AEMO to complete a top-down review of roadmap pathways	AEMO	In Progress. Agenda item 2 & 5
2.15w	Review of initiatives, scope and critical implementation steps and opportunities to decouple initiatives in years 2023/24	AEMO	In progress
2.16w	Continued refinement of initiative and overall NEM 2025 implementation costs	AEMO	In progress

## 2. NEM 2025 Roadmap Pathways

# Workshop Feedback – Round 2

## General Comments

- Overall, both roadmaps appear reasonable but are subject to critical assumptions, risks and trade-offs, with capacity concerns noted
- Careful thought and planning required to future proof investments today to meet industry requirements longer term including providing for optionality
- Overlaying a risk assessment of pathways will be critical to ensuring efficient implementation / delivery including identification of opportunities to de-couple initiatives
- Costs and benefits of pathway options assessed should be fed into the pathway decision making process and inform implementation dates
- Integration of roadmap with Regulatory Implementation Roadmap important to capture full suite of electricity and gas initiatives
- **Pathway Specific**
- Data initiatives (e.g. IDX/IAM) represent key pre-requisites to future reform initiatives
- Market trials over Christmas / Summer present a challenge due to resourcing and operational commitments (e.g. *IESS both pathways*)
- If there are significant benefits to pushing IESS start date to accommodate FTA 2 this should be proposed to AEMC – noting that this would require a rule change and therefore would require a compelling case. This was not ruled out, but AEMO indicated it wasn't a preferred priority
- Significant volume of changes / reform initiatives to be implemented in 2023/24 period (e.g. four market trials and potential release) will place significant pressure on resources and present a risk to delivery

## Jamboard Session 1 – Duration & Groupings

Recognition that achieving all initiatives is going to be challenging particularly in the near term

Detailed impact / designs will drive duration – need views of experts

Concern for overlap of participant build time, procedure and market trial across all wholesale activities in 2023/24

## Jamboard Session 2 – Sequencing, Risks & Trade-offs

Pathways appear reasonable but there is a need to articulate key assumptions

Contingency has not been explicitly factored in from a but has implicitly some based on SME experience

Risks appear OK at a generic level but not at a level where industry can plan mitigation

Common industry assumption around scalability required

Cost benefit analysis of initiatives, pathways and program as a whole required but difficult to do

Need balance in resourcing and timing – need to review bundles before date of implementation finalised

Data / design will influence the overall implementation of all initiatives and require early engagement



# Roadmap changes post workshop

- **Proposed Changes**

- IESS go-live amended to align with effective date
  - Moves Industry Test period away from Q1 and provides better opportunity to bundle FTA2
- Identity & Access group amended to show an initial Integrated Design approach
  - Across IDX, IDAM, Portal Consolidation and CoMastr initiatives
  - Intended to provide clarity on rollout, transition and onboarding for these underpinning applications. In consultation with participants.
  - Dates adjusted to align with 2024 release dates, although initial releases are platform establishment with limited participant facing impacts
- Schedule Lite amended to reflect multi-stage implementation
  - Visibility model
  - Dispatchability model
- SCADA Lite amended to reflect multi-stage implementation
  - Complete base implementation enabling current new scheduled resources (wind farms/solar farms) to connect to SCADA (not shown yet)
  - Deploy to Schedule Lite participants bundled with Schedule Lite visibility model
- Name change: UCS/SSM to Operational Security Mechanism (OSM)

- **Opportunities**

- OSM early initial deployment with a simplified model that has limited interaction with other dispatch systems
  - Deliver subsequent deployment of more integrated solution in later phase
- Potential for pre-execution design to commence at draft determination stage – carries risk of re-work, ways of working to be considered as a mitigation

- **Challenges Identified**

- Integrated design thinking across ESS & RAMS initiatives
- Single integrated design and delivery with flex for product release and deployment could lead to a better outcome
- Single integrated design may lead to a change in approach – discussion point for the RDC

# AEMO Recommendation & RDC Endorsement

## ***Based on the RDC's recent feedback AEMO recommends:***

- The Pathways, *Regulatory Led and Pragmatic Strategic*, be released as a first draft of the NEM 2025 Implementation Roadmap as it reflects current known reform initiative information, for stakeholder consideration and feedback
- AEMO's "direction of travel" is to recommend the Strategic Pathway on the basis:
  - Opportunities for overall program optimisation
  - Continued ability to meet regulatory priorities albeit with known potential risks to be managed
  - Opportunities for overall cost efficiency across the wider NEM2025 program
  - While challenging, opportunities exist to mitigate overall risk of implementing the NEM2025 provided sufficient upfront planning and collaboration among AEMO, AEMC and market participants
  - Ability to leverage the frameworks for future state systems to drive scalability
  - Potential reduced impact to participant investments and operations over the longer term
- Note discussion point in relation to integrated design and delivery

***Note: This is subject to completion of a business case recognising this will be primarily qualitative in the absence of robust specific cost and benefit information***

## **Endorsement sought of the RDC**

That the Regulatory-Led and Strategic Pathways are reasonable first draft Pathways reflecting current known reform initiative information, for stakeholders to consider and provide feedback on

## **Request of the RDC**

That the RDC "direction of travel" is to support the adoption of the Strategic Pathway, subject to high level business case assessment, on the basis of overall program optimisation and potential ability to drive cost efficiencies

# 3. Committee Membership Update

*Verbal update*

# 4. ESB Stakeholder Groups



SCO Ref Group

Advisory Group

DER Advisory Grp

Reform Del. Cttee

Senior stakeholder engagement – test thinking under development, share insights

Engagement on technical aspects of design, share and test options to inform development

DEIP  
(ARENA led)

Cap. Mechanism  
– TWG(s)

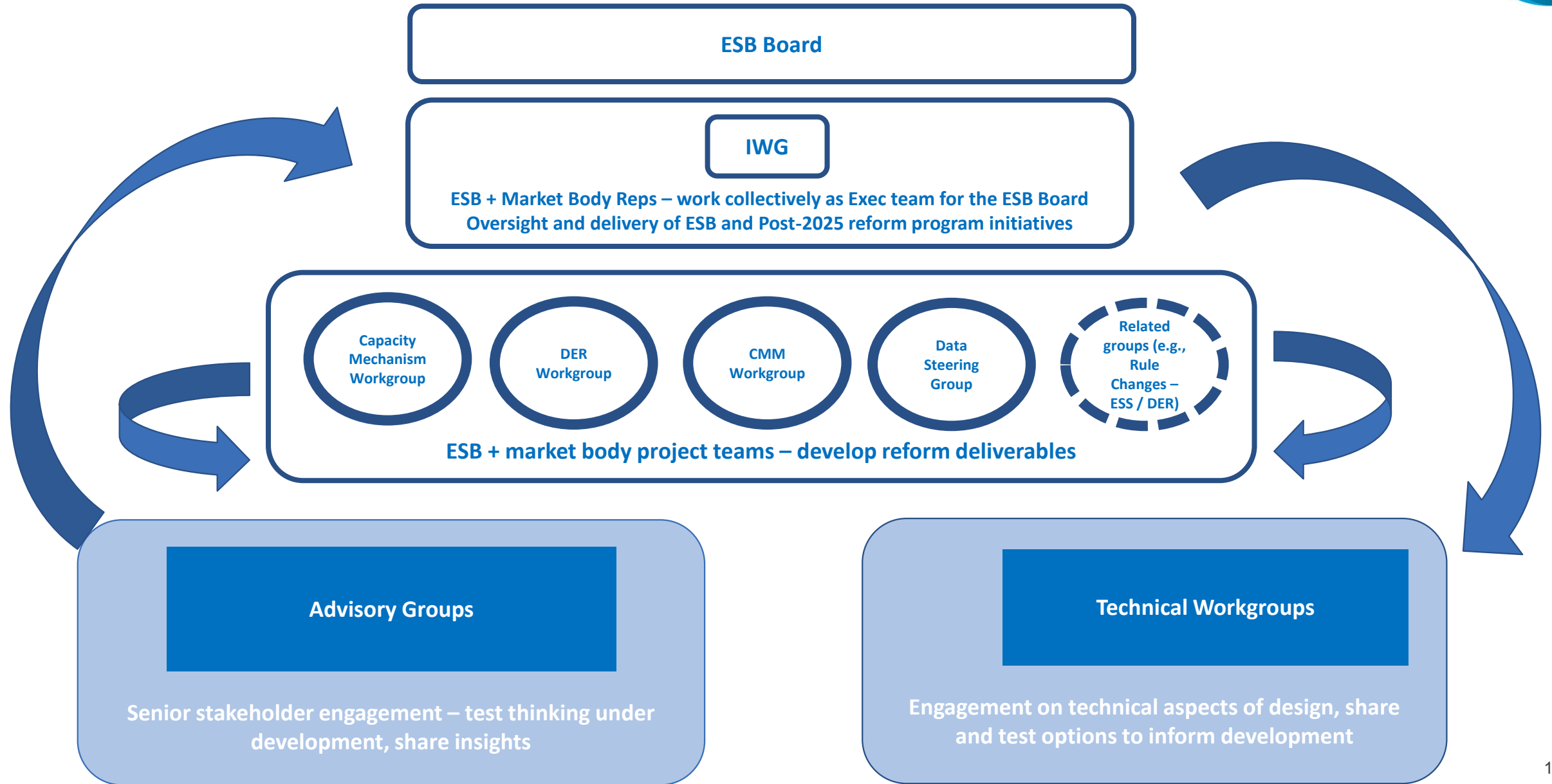
Congestion Mgmt  
Model – TWG

Reform Delivery  
– TWG

Customer group

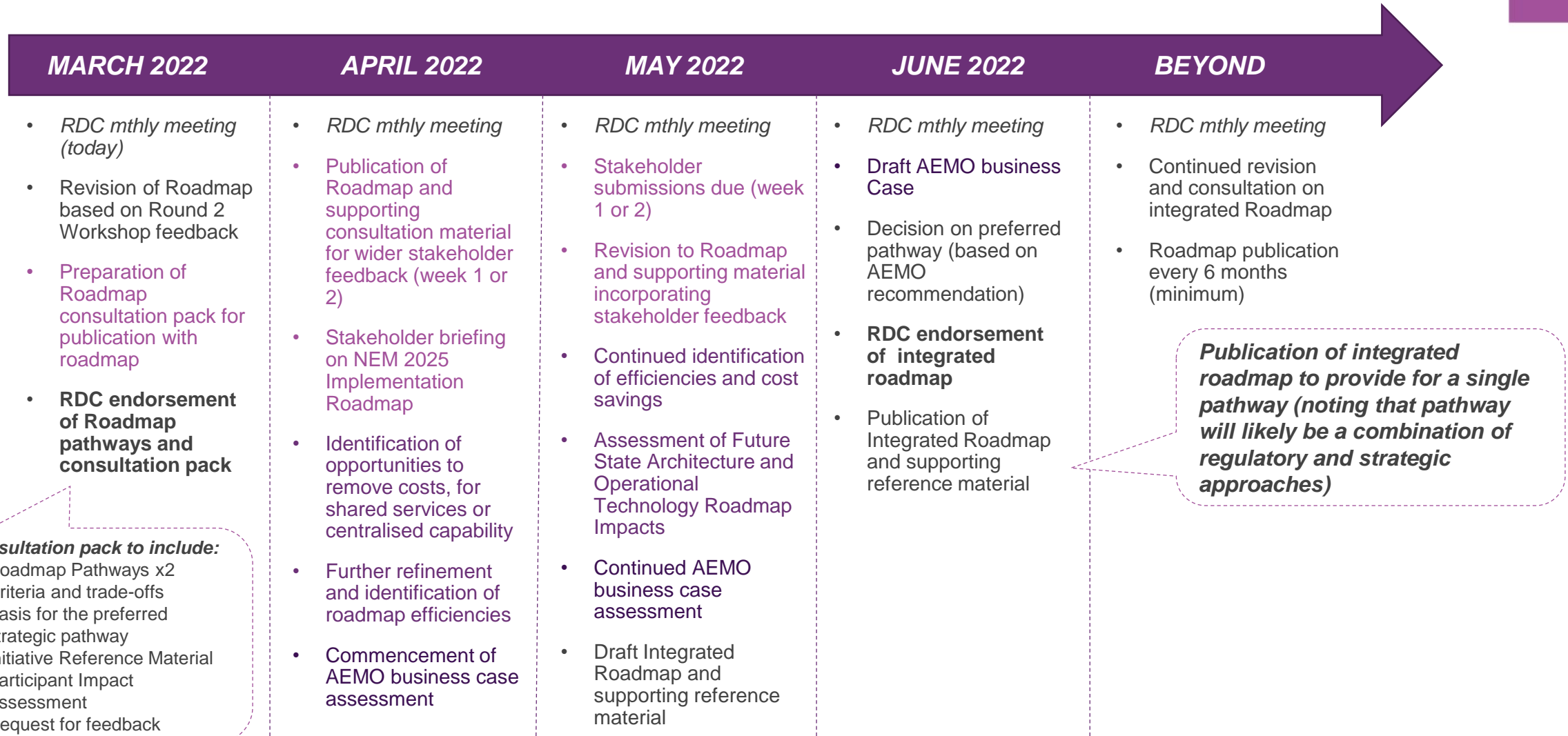
Data Reference  
Group \*

## ESB STAKEHOLDER GROUPS – FEEDBACK LOOPS



# 5. Plan for Q2

# Publication process and plan for Q2





# Roadmap Management

- **Roadmap version control**

- The Roadmap has been prepared against an understanding of scope (based on current best-known information). As and when scope of the initiatives change, the roadmap should change accordingly. Scope and Roadmap must maintain alignment.
- Roadmap reviewed each 6 months, or on critical decisions that impact the Roadmap significantly (e.g. Capacity mechanism or congestion management policy guidance, significant scope or direction change from Rules determination)
- Changes and reasons for change are explicitly identified, with review/endorsement by RDC

- **Roadmap Integration**

- Integrate with Regulatory Implementation Roadmap once preferred Pathway is finalised, so that a single industry-wide roadmap exists

## 6. NEM 2025 Industry Forum & Working Group Structure

# Engagement and comms principles

The ESB Post-2025 reform portfolio is designed to enable reliable, affordable and lower emissions electricity in the NEM.

AEMO harness the power of collaboration and cooperation among industry and other stakeholders to accomplish the implementation of this program of initiatives. Accordingly, the following stakeholder engagement and communications principles are proposed for the NEM2025 Program:



Stakeholders are actively involved in the process of translating policy and rules into projects, sequencing, and providing advice and feedback to optimise design and delivery.



Program engagement and communications are customer-centric, timely, consistent, reliable and build trust through transparency.



Program engagement and communications are informed, tailored, consider various perspectives, seek to build common understanding and to solve problems collaboratively with stakeholders to help build productive relationships.







A multi-channel approach is used to achieve program engagement and communications' objectives, that leverages and builds on existing channels, forums and governance mechanisms, to reinforce program messages and increase the likelihood that messages are received and understood.

# Engagement & Communications Channels

Are there any channels missing?

The following suite of channels will be used to target and tailor engagement and communications to stakeholder needs and preferences. A detailed description is provided in *Appendix A*.

Inform 	Consult 	Involve 	Collaborate 
We will provide balanced objective, accurate and consistent information to support stakeholders to understand issues, opportunities, and solutions.	We will seek feedback from stakeholders, listen to their concerns and aspirations and inform stakeholders of the outcome of feedback.	We will work directly with stakeholders to ensure their needs are heard and consistently understood and considered and provide feedback on the outcome of stakeholder contributions.	We will partner with stakeholders, including the development of the Program approach, making decisions for Program implementation and the identification of preferred solutions.
Channels			
<ul style="list-style-type: none"> <li>Media Release</li> <li>AEMO Newsroom articles</li> <li>Social media (LinkedIn)</li> <li>AEMO Communication Newsletter</li> <li>Program Newsletter</li> <li>Website</li> <li>Dedicated Mailbox</li> <li>Fact sheets and infographics</li> <li>Tailored materials</li> </ul>	<ul style="list-style-type: none"> <li>Industry briefing and information sessions</li> <li>Consultative forum</li> <li>Calls for formal submission / comment</li> <li>One to one meetings on specific matters</li> <li>Surveys</li> </ul>	<ul style="list-style-type: none"> <li>Working groups</li> <li>Panels or focus groups on specific topics</li> <li>One to one meetings on specific matters</li> <li>Digital collaborative tools</li> </ul>	<ul style="list-style-type: none"> <li>Executive Forums</li> <li>Committees</li> <li>Supporting stakeholders' projects / activities</li> <li>One to one meetings on specific matters</li> <li>Digital collaborative tools</li> </ul>

# Option 1: Single Initiatives 2022/23

## PARTICIPANTS

## AEMO NEM2025 IMPLEMENTATION PROGRAM

Decision

### PARTICIPANT LEADERSHIP

#### NEM2025 EXECUTIVE FORUM

**Purpose:** Escalation point for implementation issues, identifies deviations from implementation roadmap

**Membership:** Open, executive leaders

**Cadence:** 6-monthly

#### REFORM DELIVERY COMMITTEE

**Purpose:** Co-design the development of and updates to NEM2025 Implementation Roadmap

**Membership:** Industry bodies' nominees, executive leaders

**Cadence:** Monthly and as required for roadmap updates

Management

### PARTICIPANT PROJECT MANAGEMENT

#### NEM 2025 CONSULTATIVE FORUM

**Purpose:** One stop shop for Post-2025 reform implementation project planning, discussion and issue resolution

**Membership:** Open, management level

**Cadence:** Monthly

#### REGULATORY ROADMAP IMPLEMENTATION FORUM

**Purpose:** Facilitate broad industry perspectives on reform, Custodian of non-ESB Regulatory Roadmap

**Membership:** Open

**Cadence:** Every 6 months or as required

Implementation

### PARTICIPANT IMPLEMENTATION

#### FFR WORKING GROUP

**Purpose:** Coordination of initiative implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### IESS WORKING GROUP

**Purpose:** Coordination of initiative implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### ST PASA WORKING GROUP

**Purpose:** Consultation on development of ST PASA System

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### MT PASA WORKING GROUP

**Purpose:** Coordination of initiative implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### DIGITAL INITIATIVES\* WORKING GROUP

**Purpose:** Information sharing on AEMO pre-reqs implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### Technical Working Group: 2022 MASS review

**Focus Groups:**  
Design, Procedures,  
Systems, Readiness  
as needed

**Focus Groups:**  
Design, Procedures,  
Systems, Readiness  
as needed

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Design, Procedures,  
Systems, Readiness  
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**Focus Groups:**  
Design, Procedures,  
Systems, Readiness  
as needed

**Focus Groups:**  
Systems, Readiness  
as needed

### Notes

- Intent is to form a structure for an 18 month horizon, to be updated every 6 months, following updates to the Roadmap
- Policy engagement continue through established structures under ESB and Market bodies
- Engagements through AEMO's and stakeholder groups' BAU Forums and Working Groups may occur for coordination purposes while implementation decisions for program initiatives remain within the program structure
- Government engagement to coordinate implementation with dependencies on jurisdiction policy to be conducted through bilateral processes or via the ESB as required
- DER initiatives will be subject to a future combined implementation working group structure

### Legend

- Existing groups
- New groups

\* Pre-requisite initiatives as defined in the NEM2025 Implementation Roadmap

# Option 2: Cross Initiatives 2022/23

## PARTICIPANTS

## AEMO NEM2025 IMPLEMENTATION PROGRAM

Decision

### PARTICIPANT LEADERSHIP

Management

### PARTICIPANT PROJECT MANAGEMENT

Implementation

### PARTICIPANT IMPLEMENTATION

#### NEM2025 EXECUTIVE FORUM

**Purpose:** Escalation point for implementation issues, identifies deviations from implementation roadmap

**Membership:** Open, executive leaders

**Cadence:** 6-monthly

#### REFORM DELIVERY COMMITTEE

**Purpose:** Co-design the development of and updates to NEM2025 Implementation Roadmap

**Membership:** Industry bodies' nominees, executive leaders

**Cadence:** Monthly and as required for roadmap updates

#### NEM 2025 CONSULTATIVE FORUM

**Purpose:** One stop shop for Post-2025 reform implementation project planning, discussion and issue resolution

**Membership:** Open, management level

**Cadence:** Monthly

#### REGULATORY ROADMAP IMPLEMENTATION FORUM

**Purpose:** Facilitate broad industry perspectives on reform, Custodian of non-ESB Regulatory Roadmap

**Membership:** Open

**Cadence:** Every 6 months or as required

#### DESIGN WORKING GROUP

**Purpose:** Coordination of cross-initiative implementation design

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### PROCEDURES WORKING GROUP

**Purpose:** Coordination of cross-initiative procedures implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### SYSTEMS WORKING GROUP

**Purpose:** Coordination of cross-initiative system implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### READINESS WORKING GROUP

**Purpose:** Coordination of Horizon 1 implementation readiness

**Membership:** Open, operational level staff

**Cadence:** Monthly

#### DIGITAL INITIATIVES\* WORKING GROUP

**Purpose:** Information sharing on AEMO pre-reqs implementation

**Membership:** Open, operational level staff

**Cadence:** Monthly

**Technical Working Group:** 2022 MASS review

**Focus Groups:** Design, Procedures, Systems, Readiness as needed

**Focus Group:** ST PASA System

**Focus Groups:** Design, Procedures, Systems, Readiness as needed

**Focus Groups:** Systems, Readiness as needed

### Notes

- Intent is to form a structure for an 18 month horizon, to be updated every 6 months, following updates to the Roadmap
- Policy engagement continue through established structures under ESB and Market bodies
- Engagements through AEMO's and stakeholder groups' BAU Forums and Working Groups may occur for coordination purposes while implementation decisions for program initiatives remain within the program structure
- Government engagement to coordinate implementation with dependencies on jurisdiction policy to be conducted through bilateral processes or via the ESB as required
- DER initiatives will be subject to a future combined implementation working group structure

### Legend

- Existing groups
- New groups

\* Pre-requisite initiatives as defined in the NEM2025 Implementation Roadmap

# Option Comparison & Questions

Trade-offs impact the choice of industry engagement structure, in particular:

SINGLE INITIATIVES OPTION	CROSS-INITIATIVES OPTION
<ul style="list-style-type: none"> <li>• Current approach</li> <li>• Allows Horizon 1 initiatives to get off the ground quicker and focus on reform details by relevant specialists</li> <li>• May miss opportunities for cross-initiative alignment (e.g. merging cross initiative procedure changes into a single procedure consultation process)</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-initiative option may provide for better integration between the initiatives across design, procedure, systems or readiness elements</li> <li>• Likely to result in specialists from different reform areas (IESS, FFR, ST PASA) all having to attend a working group</li> </ul>
<ul style="list-style-type: none"> <li>• Single initiatives option is current approach and will be more efficient for participant attendance in the short term. Cross initiative opportunities can be reviewed by the over-arching implementation forum as well as individual participants (incl AEMO) in the process.</li> </ul>	

## QUESTIONS FOR THE COMMITTEE

- Do the Management and Decision levels in the industry engagement umbrella structure reasonably support the needs of participants to engage with the NEM2025 Program at these levels?
- Are there additional merits and drawbacks of either Single initiatives or Cross-initiatives option for participants that are not considered here?
- Are there other or additional engagement mechanisms that would make sense for participants?

# 7. Other business



## 8. Next steps and close

# Next steps

Proposed actions	Responsibility
Confirm recommendation to release Roadmap pack for public release	RDC
Complete Participant Impact Assessment	Participant stakeholders
Publish Roadmap pathways	AEMO
Conduct Regulatory Implementation Roadmap forum to provide broad stakeholder briefing	AEMO
Commence identification of opportunities for Roadmap efficiencies/cost savings	All
Schedule monthly RDC meetings for the remainder of 2022	AEMO

# Appendix A: Engagement & Communications – Detailed approach

# Engagement & Communications approach (1/3)

*Detailed overview of proposed industry approach*

Type	Channel	Purpose	Stakeholders	Cadence
Decisions	NEM2025 EXECUTIVE FORUM	Escalation point for implementation issues, escalates deviations from implementation roadmap to Reform Delivery Committee	Executive and Senior industry stakeholders, Open nomination	Every 6 months
	REFORM DELIVERY COMMITTEE	Co-design the development of and updates to NEM2025 Implementation Roadmap	Executive and Senior industry stakeholders, Attendance by nomination by peak industry bodies	Monthly and as required for roadmap updates
Management	NEM 2025 CONSULTATIVE FORUM (PCF)	One stop shop for Post-2025 reform implementation project planning, discussion and issue resolution	Impacted industry stakeholders Open attendance	Monthly
	REGULATORY ROADMAP IMPLEMENTATION FORUM	Facilitate broad industry perspectives on non-ESB reform, Custodian of non-ESB Regulatory Roadmap	Impacted industry stakeholders Open to nominate representatives	As required for roadmap updates
	CALL FOR COMMENT	Call for comment on specific project management agenda items prior to Consultative Forum	Jurisdictions	As required ahead of PCF
	1 ON 1S	In-depth dialogue on specific issues, call for comment ahead of Consultative Forum	Market bodies	One offs as required

# Engagement & Communications approach (2/3)

*Detailed overview of proposed industry approach*

Type	Channel	Purpose	Stakeholders	Cadence
Implementation	CROSS-INITIATIVE WORKING GROUPS*	Dialogue between subject matter experts on development of design, procedures, systems and readiness across initiatives.	Impacted industry stakeholders Open to nominated representatives	Monthly
	INDIVIDUAL REFORM INITIATIVE WORKING GROUPS*	Dialogue between subject matter experts on development of design, procedures, systems and readiness for individual initiatives.	Open to nominated representatives	Monthly
	INDUSTRY BRIEFINGS & INFORMATION SESSIONS	Provide high-level, transparent, timely information on implementation	Open attendance	Quarterly
	FOCUS GROUPS	In-depth dialogue on specific implementation issues	As defined by overarching Working Groups	One offs as required
	RULES BASED CONSULTATIONS	Formal consultation	Impacted industry stakeholders as required	As required by regulation
	1 ON 1S	In-depth dialogue on specific issues	Jurisdictions, Peak industry bodies, Transmission networks (System Strength)	One offs as required
	PRESENTATIONS TO EXISTING AEMO AND INDUSTRY FORUMS & WORKING GROUPS	For coordination purposes and to minimise overlapping engagements for stakeholders	As required	One offs as required

\* Selection of either of these options discussed in the section on Industry Forum and Working Group structure 2022/23

# Engagement & Communications approach (3/3)

Type	Channel	Purpose	Stakeholders	Cadence
Communications and tools	MEDIA RELEASES	Generate general awareness around key implementation milestones that have broader implications to the public	Trade and National media, General public	At major program milestones
	AEMO NEWS ROOM ARTICLES & SOCIAL MEDIA (LINKEDIN)	Generate general awareness around implementation milestones.	Industry and general public	At program milestones
	FACT SHEETS & INFOGRAPHICS	To support effective communication around implementation milestones, used in newsletters, articles, social media etc	As required	As required
	AEMO COMMUNICATION NEWSLETTER	Provide high level updates to wider industry on key implementation milestones using AEMO's existing weekly industry newsletter	Subscribers to <a href="#">AEMO Comms newsletter</a>	At program milestones
	PROGRAM NEWSLETTER	Provide transparent and timely information on program management and implementation progress to involved stakeholders	Stakeholders involved in forums and working groups	Monthly
	DEDICATED PROGRAM WEBSITE	Provide transparent, timely information on program. Linking relevant implementation information for individual reform initiatives. Final versions of documents are published on the website.	Industry and general public	Throughout the program
	DIGITAL COLLABORATIVE TOOLS	Enables collaborative development of documents	Impacted industry stakeholders	As required
	DEDICATED MAILBOX	Provide coordination point for implementation program Connect stakeholders with the correct AEMO representative to assist with questions or suggestions	As required	Throughout the program
	TAILORED MATERIALS	Updates on impacted technical standards and changing market arrangements as it pertains to the stakeholder groups	Manufacturers and Service Providers	As required at program milestones
		Updates on delivery of reform benefits, in particular DER consumer choice	Consumer representatives and Peak bodies for Demand Management, Renewables and Energy Storage	
		Updates on impacts to existing relevant consumer and technology regulations	Regulatory bodies (non energy)	



For more information visit

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