Reform Delivery Committee

May 2022

1. Welcome

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.

Agenda

1. Welcome
2. Review of Action Items from Previous Meeting
3. Committee Membership Update
4. Industry Forum & Working Group Structure
5. Participant Impact Assessment
6. Business Case Development
7. RDC Role and meetings for H2 2022
8. Other Business
9. 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Please note that this meeting will be recorded for the purpose of compiling minutes, and not for publication.

2. Review of Action Items

Action Items from prior meetings & workshops

Item #	Action	Responsibility	Status
3.1	Continuation of 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.
3.2	Continuation of 2.8. Participant Impact Assessment.	Committee members	In progress. Networks businesses' individual inputs received with thanks. Committee members are encouraged to raise any questions or concerns about this work. New due date to be agreed.
3.3	Continuation and expansion of 2.11w. Consider flexibility in timing of rule implementation and viability from a policy and rules point of view of an integrated approach to reform initiatives in phase 2 and 3.	AEMO, AEMC, ESB	In progress. Action to be carried over to the next RDC meeting.
3.4	Continuation of 2.12w. Investigate scalability requirements needed to deliver solutions	AEMO	Closed. Principle is agreed. Development of specific scalability metrics will be included in relevant DER initiatives' planning work.
3.5	Continuation and expansion of 2.13w. To review how to further minimise stakeholder impact around industry testing and release milestones, for IESS and OSM in particular.	AEMO	Closed. Concern noted and addressed initiatives' planning. IESS project schedule in the Working Group meeting deck accessible on the AEMO website.
3.6	AEMO to consult on the NEM2025 roadmap through the Regulatory Roadmap Forum alongside an update of the core regulatory roadmap to allow overlay for stakeholders.	AEMO	Closed. Open Forum to be held on 11 May.
3.7	AEMO to discuss with AEMO Services ENA's enquiry regarding Roadmap interactions with reform implementation requirements from the NSW Roadmap.	AEMO	In progress. AEMO in discussion with AEMO Services to understand timeline and impacts, AEMO will bring outcomes back to the committee.
3.8	AEMO to seek Committee inputs on key messages to support the roadmap release and which Committee members can utilise when engaging respective constituencies.	AEMO	Closed. AEMO has incorporated key messages from the RDC including caveats in relation to the endorsement of a specific pathway. Please refer to the NEM2025 Implementation Roadmap Information Paper.
3.9	AEMO to confirm internally the approach to date on recovery of capital cost of ESB reform and circulate relevant Financial Consultation Committee records.	AEMO	Closed. Committee members can access the public records on AEMO's engagement through the Financial Consultation Committee on the AEMO website.

3. Committee Membership Update

Verbal update

4. 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:

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			
• Media Release • AEMO Newsroom articles • Social media (LinkedIn) • AEMO Communication Newsletter • Program Newsletter • Website • Dedicated Mailbox • Fact sheets and infographics • Tailored materials	• Industry briefing and information sessions • Consultative forum • Calls for formal submission / comment • One to one meetings on specific matters • Surveys	• **Working groups** • **Panels or focus groups on specific topics** • One to one meetings on specific matters • Digital collaborative tools	• **Executive Forums** • **Committees** • Supporting stakeholders' projects / activities • One to one meetings on specific matters • Digital collaborative tools

Forum and Working Group structure

PARTICIPANTS

PARTICIPANT LEADERSHIP

PARTICIPANT PROJECT MANAGEMENT

PARTICIPANT IMPLEMENTATION

AEMO's COORDINATED REFORM IMPLEMENTATION PROGRAM

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: Quarterly/as required

PROGRAM CONSULTATIVE FORUM
Purpose: One stop shop for project planning, discussion and issue resolution
Membership: Open, management level
Cadence: Monthly

REGULATORY ROADMAP FORUM
Purpose: Facilitate broad industry perspectives on reform, Custodian of non-ESB Regulatory Roadmap
Membership: Open
Cadence: Every 6 months/as required

INITIATIVE WORKING GROUPS
FFR | IESS | ST PASA | MT PASA | OTHER

Purpose: Coordination of initiative implementation
Membership: Open, operational level staff
Cadence: Monthly

DIGITAL* WORKING GROUP
Purpose: Information sharing on AEMO pre-requisite initiatives implementation
Membership: Open, operational level staff
Cadence: Monthly

IMPLEMENTATION FORUM
Purpose: Coordination of cross-initiative IT system and business implementation
Membership: Open, operational level staff
Cadence: Monthly

READINESS WORKING GROUP
Purpose: Coordination of cross-initiative testing, transition and readiness
Membership: Open, operational level staff
Cadence: Monthly

FOCUS GROUPS
Technical Deep Dives on Design, Procedures, Transitional matters as required

TECHNICAL WORKING GROUP
2022 MASS review

Notes
- Intent is to form a standing umbrella structure for coordination of reform implementation in the NEM, with initiatives to be phased in/out following progression of implementation work and 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

Considerations & Questions

Engagement approach is proposed based on the following considerations and feedback:

- Strong preference for an Integrated Regulatory Roadmap and NEM2025 Implementation Roadmap
- Aim to balance allowing individual initiative engagement to get Horizon 1 initiatives off the ground quickly and focus on reform details by relevant specialists (assumed more efficient for participant attendance in the short term) , with
- Benefit of cross-initiative coordination of system implementation and industry readiness (assumed most efficient in the long term)

Questions to the Committee

1. Do the proposed Forums and Working Groups reasonably support the needs of participants?
2. Are there other or additional engagement mechanisms that would make sense for participants?
3. Will the Committee endorse that AEMO establish an engagement program supporting the delivery of an integrated roadmap?

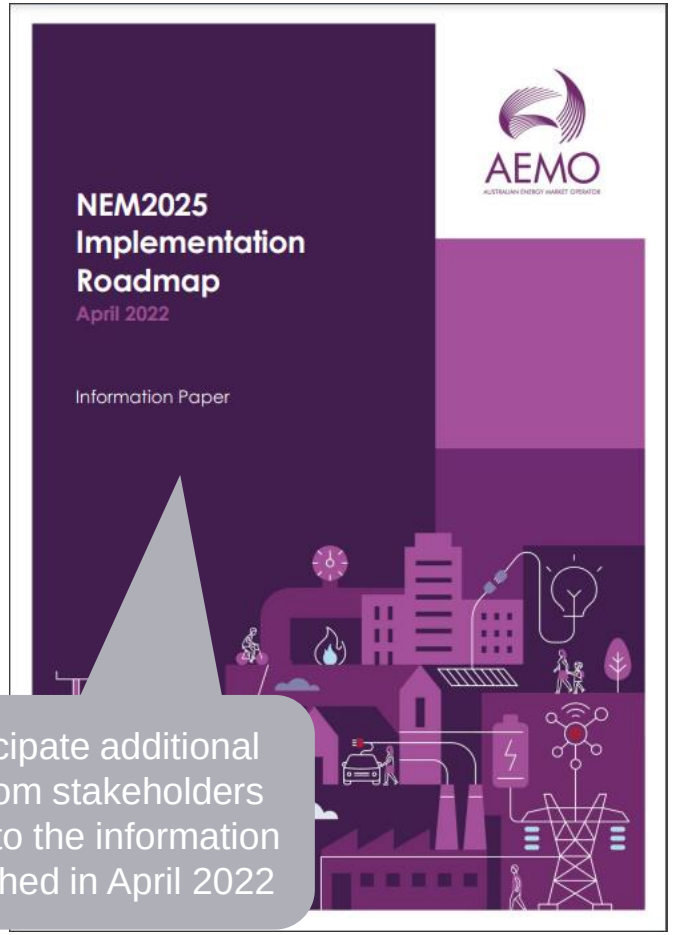
5. Participant Impact Assessment

Opportunity to discuss further feedback on participant impact assessments

- Participant impact assessments were due on **15 April**. To date we have only received assessments back from ***Network Service Providers***
- Since publication of the Roadmap, AEMO has held separate meetings with the ENA and its Consumer Forum
- AEMO is still interested in understanding in further detail the impacts to participants associated with each of the reforms
- This understanding will help in our assessment of grouping, sequencing and prioritisation of the NEM2025 Reform Initiatives
- Any additional participant feedback on the impacts of the reforms will be incorporated into the business case and subsequent versions of the Roadmap as required

Status update sought from Committee members on progress and timing for completion of Participant Impact Assessments:

- Retailer/generators
- Network businesses
- Clean Energy and Energy Efficiency businesses



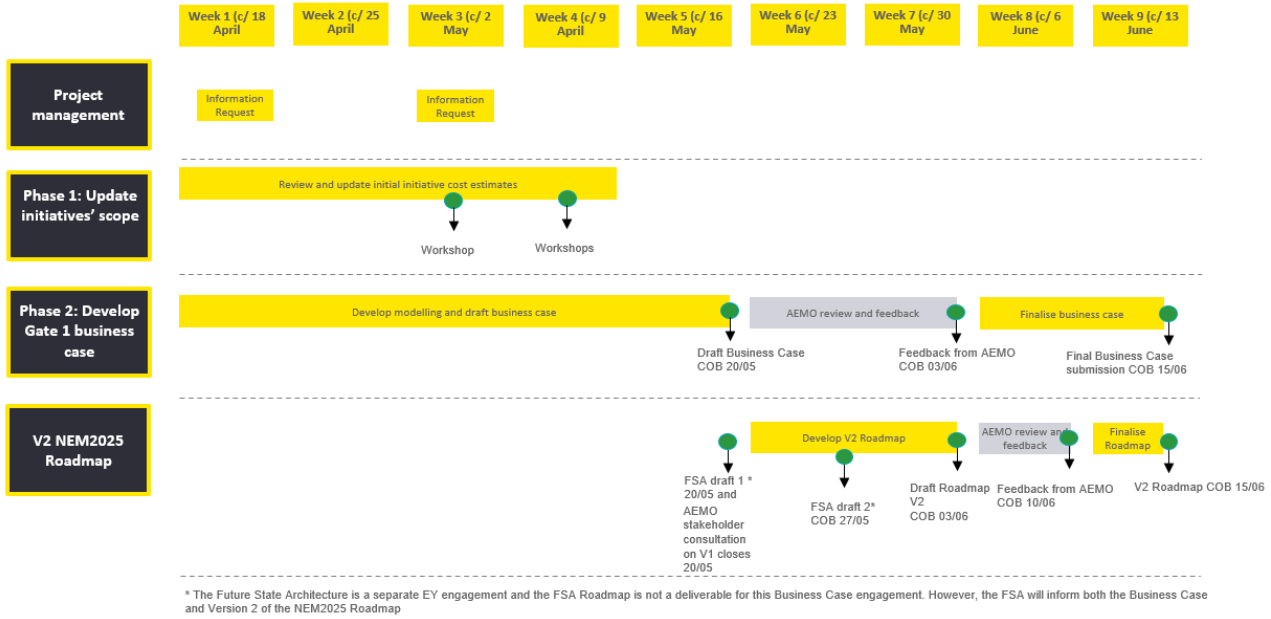
AEMO anticipate additional feedback from stakeholders in response to the information paper published in April 2022

6. Business Case Development

Business case assessment of developed pathways

- AEMO has engaged EY to help develop a Gate 1 business case that further refines work that has been undertaken to date on the NEM2025 initiatives, and presents a cohesive and robust narrative to support the program including cost estimates
- This assessment will provide for **updated cost estimates of individual initiatives** and a **whole of life cycle comparison** of the alternative pathways presented under Version 1 of the NEM2025 Implementation Roadmap.
    - This assessment is to be supported by a qualitative assessment of the impacts to industry

- The business case will document (not exhaustive):
    - the problem statement and case for change
    - pathway options considered (Regulatory Led vs Strategic)
    - quantitative and qualitative assessment of the pathways benefits and costs including scenario analysis
    - participant impact assessment and stakeholder feedback to version 1 of the NEM2025 Implementation Roadmap
    - a recommendation on the preferred pathway



7. RDC Role and meetings for H2 2022

RDC Looking Forward - 2022

- **Remainder of 1H 2022**
  - Finalise/release NEM2025 Implementation Roadmap, following:
    - Stakeholder feedback
    - Review of business case information
    - Changes arising from other sources e.g. AEMO's technical architecture review
  - Advice and endorsement of Preferred Pathway
  - Complete Participant Impact Assessment
  - Review and advise on NEM2025 Working Group structure

- **Proposal for 2H 2022**
  - Review Roadmap once policy settled for Capacity Mechanism and Congestion Management Model
  - Watching brief over Policy changes and impact assessment to Roadmap – maintain alignment between Roadmap and Scope. 6-monthly review suggested.
  - Review and advise on strategic implementation issues eg implementation dates in Rules
  - Quarterly cadence suggested

8. Other business

9. Next steps and close

Next steps

Proposed actions	Responsibility
Finalise/release NEM2025 Implementation Roadmap	AEMO
Complete Participant Impact Assessment	Committee members
Advice and endorsement of Preferred Pathway	Committee members
Adjust RDC to schedule to quarterly from Q3 2022	AEMO
Incorporate 2H 2022 activities into future RDC meeting agenda	AEMO
Review and advise on Forum and Working Group structure	Committee members
Establish Forum and Working Group structure to support delivery of integrated roadmap	AEMO

Appendix A: Engagement & Communications – Detailed approach

Engagement & Communications approach (1/3)

Detailed overview of proposed industry approach

Type	Channel	Purpose	Stakeholders	Cadence
Decisions	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	Quarterly/As required
Management	PROGRAM CONSULTATIVE FORUM (PCF)	One stop shop for project planning, discussion and issue resolution	Impacted industry stakeholders Open attendance	Monthly
	REGULATORY ROADMAP 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	Participant driven and as required	One offs as required

Engagement & Communications approach (2/3)

Detailed overview of proposed industry approach

Type	Channel	Purpose	Stakeholders	Cadence
Implementation	IMPLEMENTATION FORUM (IF)	Coordination and dialogue between subject matter experts on cross-initiative IT system and business implementation	Impacted industry stakeholders Open to nominated representatives	Monthly
	READINESS WORKING GROUP (RWG)	Coordination and dialogue between subject matter experts on testing, transition and readiness across reform initiatives	Impacted industry stakeholders Open to nominated representatives	Monthly
	INITIATIVE WORKING GROUPS	Dialogue between subject matter experts on initiative implementation for individual initiatives. Handover implementation to the IF and readiness to the RWG, especially where timing and system/process intersects across 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

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 AEMO Comms newsletter	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)	

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