



Information Exchange Committee

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Information Exchange Committee (IEC) Annual Report

Period ending 31 December 2019

1. INTRODUCTION

The National Electricity Rules (NER), requires the Information Exchange Committee (IEC) to develop and publish an Annual Report ¹covering:

- A review of the performance of the IEC functions during the year, including significant issues considered, work undertaken and the IEC Work Programme and status of that work;
- Details of changes to B2B Procedures, the reason for those changes and an assessment of the impact of those changes;
- Outline the key priorities and strategic objectives for the future; and
- An indicative schedule of meetings for the upcoming year and an indicative plan of key deliverables for the upcoming year.

The IEC is also responsible for developing, consulting, and making recommendations on changes to the electricity retail market B2B Procedures². The Committee and its B2B Working Group (B2B-WG) respond to reform initiatives affecting the operation of B2B Procedures in the electricity retail market, and initiate specific, continuous improvement programs to enhance retail market B2B business processes.

This report summarises key accomplishments for 2019 and considers the strategic themes for 2020.

2. IEC STRATEGIC PRIORITIES 2019

During 2019, the IEC developed a set of strategic priorities and key themes which members identified both from their relevant participant categories and also more broadly from a sectoral perspective. These strategic priorities and key themes are reflected in the following tables and provided a guide for IEC meeting agendas and the broader work program for the committee and its B2B-WG.

Table 1 Sectoral strategic priorities and key themes identified by IEC members

Strategic Priorities	Key Themes
1. Examine opportunities for greater leveraging of the skills and knowledge of the IEC, recognising the value of the industry-AEMO collaboration that the group represents	<ul style="list-style-type: none"> • IEC meetings to include updates from AEMO on market reforms with a potential impact on B2B reforms • Identify opportunities to leverage the IEC more broadly and earlier (for relevant B2B matters) as part of AEMO consultation processes
2. Support innovation and change through earlier and improved visibility of the pipeline of changes to the B2B framework	<ul style="list-style-type: none"> • Identify mechanisms to improve the speed-to-market of B2B reforms – from problem definition to solution delivered • Maintain a forward-looking program of work which takes into consideration known / likely B2B reforms • Identify opportunities for better use/ availability of data for the sector, consumers and innovators
3. Improve B2B system flexibility	<ul style="list-style-type: none"> • Look for the opportunities to improve B2B system flexibility to enable AEMO and industry to be more effective in responding to B2B changes and reduce the cost of implementing those changes • Ensure that IT is not a barrier to entry but rather is a facilitator • AEMO to consider improving its information sharing about the timing of system schema changes for its B2B system

¹ NER 7.17.7(b)

² NER 7.16.1 (c)

Table 2 Participant strategic priorities themes identified by IEC members

Representative IEC sector	Strategic priorities
DNSP Member	<ul style="list-style-type: none"> • Opportunity to leverage the IEC more broadly and earlier for relevant B2B matters. For example, AEMO's DER program
Metering Member	<ul style="list-style-type: none"> • Maturing the PoC framework to deliver improved benefits for the sector and consumers, including mechanisms / transactions to share greater information about metering installations • Identifying mechanisms to improve the speed to market of B2B reforms – from problem definition to solution delivered
Retailer Member	<ul style="list-style-type: none"> • Better visibility of the pipeline of changes which impact B2B – earlier information from AEMO / AEMC • Improve information sharing from AEMO about the timing of schema changes • Improve system flexibility to minimise the impact of change (speed and cost), for example, LVI improvements
Consumer Member	<ul style="list-style-type: none"> • Opportunity to use the IEC as a consultative resource, recognising the value of an industry-collaborative approach that the IEC represents. • Make sure IT is not a barrier to entry but is a facilitator (transactions necessary for transactive energy (better use of DER), CDR). • Better use/ availability of data for consumers and innovators

3. ACCOMPLISHMENTS AND ACTIVITIES FOR 2019

2019 continued to see a significant number of new regulatory reforms determined by the Australian Energy Market Commission (AEMC) which will require IEC consideration and decisions over the next two years.

3.1 Introduction of life support B2B procedural changes

The AEMC's new rules relating to life support come into effect on 1 February 2019. AEMO schema and B2B eHub changes also came into effect on this date with participants undertaking a planned system cut-over to implement the system changes.

The final rule included a number of new obligations on both retailers and distributors in relation to life support information that is required to be shared between participants. The Rule changes included the provision of:

- Required date when life support is needed or not needed;
- Relevant contact details;
- Life support equipment information;
- A de-registration reason if life support is no longer required; and
- A notification advising of life support requirements from the distributor to the retailer where the distributor is the registration process owner.

In order to assist participants to meet their obligations under the Rule change, the IEC decided to develop two additional B2B transactions, including:

- One transaction to deliver life support information from one participant to another; and
- A second transaction to request life support information from a participant.

The introduction of the two new B2B procedure transactions has provided larger market participants with the option of using a nationally consistent tool for the management of life support notifications from customers. Following the introduction of the changes in February, there have been a number of concerns raised by participants and the Australian Energy Regulator in relation to some participant's interpretation of the new life support obligations and improvements and clarifications to the B2B processes continued to be outworked by participants and the B2B-WG. A number of potential improvements and clarifications to the rules and B2B procedures relating to life support were also identified during late 2019, with these changes to be consulted on during 2020 by the AEMC, and the IEC as appropriate.

3.2 Competition in metering deferred potential transactions

The IEC and its B2B-WG continued to outwork efficiencies from the 2017 Competition in Metering (Power of Choice) reforms which included a finalisation of a review of lower priority potential transactions that had been proposed by participants (but not introduced) in 2017. During 2019, the B2B-WG reviewed each of the 51 potential transactions which consequently were reduced to ten key improvements. Consultations on a number of these improvement commenced in late 2019 and will progressively consulted into 2020.

Full details of the IEC's decisions and the rationale for including or excluding potential transactions from the Competition in Metering Project were circulated to industry via the AEMO Communications newsletter and published on the IEC webpage³.

3.3 Change proposals received by the IEC

Any person (other than the Information Exchange Committee) may propose a change to the B2B Procedures by providing a change proposal to the Information Exchange Committee in writing. There were five change proposals received by the IEC in 2019, which are described in the following table. The IEC made a decision to proceed to consultation with three of the proposals, with one proposal not proceeding. The IEC referred the latest change proposal submitted by Endeavour Energy to the B2B-WG for advice.

Table 3 Change proposals received by the IEC in 2019

IEC change proposal	Proponent	IEC decision
ServiceOrderAddress made Mandatory for all Metering Service Works Service Orders	Metropolis Metering	Not to proceed, based on availability of address data from other market means
Meter Service Works Service Order Enhancements	B2B-WG	Proceed, to be included in Procedures v3.4 consultation
Add originating Service Order ID to MXN and MFIN	B2B-WG	Proceed, to be included in Procedures v3.4 consultation
Clarify the use of the Supply Abolishment service order in NSW	Endeavour Energy	Proceed, to be included in Procedures v3.4 consultation
Clarify what date can be provided with a de-registration LSN	Endeavour Energy	Referred to B2B-WG for advice on 25/11/2019. Advice due back to IEC in Feb 2020.

³ <https://www.aemo.com.au/Stakeholder-Consultation/Industry-forums-and-working-groups/Retail-meetings/Information-Exchange-Committee>

3.5 Other work during 2019

During 2019, the following consultations had been completed, or were under consultation:

- Version 3.3 of the B2B Procedures (Q3 consultation) which included proposed procedural amendments to the Customer Site Details Notification Process, Service Order Process and Technical Delivery Specification Process was finalised on 17 December 2019. These changes were proposed as a result of the IEC’s review of the deferred potential transactions from the Competition in Metering (Power of Choice) review. In addition changes to the One Way Notification process were also consulted on, which finalises the change proposal received by the IEC in late 2018 by intelliHUB;
- Amendments to the IEC Election Procedures and Operating Manual to improve the efficiency of IEC operations. This consultation was successfully voted on by industry in August 2019, with the proposed changes receiving 75% or greater support from each B2B participant category as required by the NER⁴; and
- Version 3.4 of the B2B Procedures (Q4 consultation) which proposes changes to the Service Order Process, One Way Notification Process and Technical Delivery Specification. Consultation commenced on 29 November 2019, with a final determination due in mid- March 2020. An effective date of 2 December 2020 has been proposed and is being consulted on as part of the procedural changes.

The IEC remains conscious that these B2B consultations are occurring in an environment of rapid regulatory reform within the energy sector. The Council of Australian Governments (COAG), the Australian Energy Market Commission (AEMC) and the Victorian Government have already announced a number of further regulatory changes to be implemented over the next two years. In a number of instances, these changes will have flow on implications for B2B systems, either directly through new transactions or indirectly through affecting participants’ appetite and/or ability to implement other new changes.

The below table outlines a number of proposed or upcoming regulatory changes that are currently in the public domain. These changes will not impact all participants equally, with variation by participant category and jurisdictions (in some cases).

Table 4 National Electricity Market proposed retail regulatory changes

Reform	Effective date
Consumer Data Right	To be confirmed (potentially introduced from late 2020–2021)
5 Minute Settlement	1 July 2021
Global Settlement	6 February 2022
Default Market Offer 2	1 July 2020
Victorian Default Offer 2 (VIC)	1 January 2020

⁴ NER 7.17.12 (c)

Reform	Effective date
Family Violence Implementation (VIC)	1 January 2020
Embedded Networks	To be confirmed, 1 July 2021 has been indicated
Customer Switching	To be confirmed, likely to be in mid-2020
MSATS Standing Data Review	To be confirmed, consultation commencing mid-February 2020
Stand-alone Power Systems	AEMC to commence rule change development in December 2019
Wholesale Demand Response	AEMC second draft determination to be released in March 2020, with the Final Determination expected in June 2020

3.6 Future improvements to the B2B platform

AEMO remains committed to working with industry to develop and implement cost-effective changes to improve the flexibility of the B2B platform in order to improve the efficiency and cost of making changes to B2B processes.

These investigations will occur as part of the strategic digital uplift of AEMO platforms over the next few years. AEMO will commence discussions with the IEC and B2B participants when it is ready to consult on the design of the future B2B platform.

4. B2B-WG ACTIVITIES AND ENGAGEMENT

In late 2018, the IEC completed its process of refining the B2B-WG Terms of Reference (ToRs) given that the ToRs had been previously developed specifically for the PoC Project. In February 2019 the Australian Energy Council (AEC) indicated that it was going to refresh its B2B-WG representation. Further, Queensland distributor representation was included for the first time on the working group, providing additional jurisdictional context.

The membership of the B2B-WG is provided at **Appendix C**.

The IEC wishes to acknowledge the significant contribution of B2B-WG members in providing strategic advice to the IEC and outworking the ongoing changes to the B2B procedures and framework.

5. OBJECTIVES AND PRIORITIES FOR 2020

As noted in Section 2 of this report, the IEC identified a number of priorities for 2019 and continues to monitor the appropriateness of these within the context of other sectoral changes. This period within the sector continues to remain strategically important and challenging in the delivery of the speed of the reforms that are underway.

2020 will remain a challenging year in preparation for the significant regulatory changes which are due for commencement in 2021 including a new framework for embedded networks, the Consumer Data

Right, and potentially other changes relating to stand-alone power systems and wholesale demand response. Based on current assumptions, these regulatory initiatives will require B2B procedure and system changes with impact analysis and consultation to commence in 2020. In addition, refinement of the updated life support regulatory environment continues to mature, with additional changes likely in early 2020.

The AEMC's agenda for 2020 includes a review of consumer protections under the National Energy Customer Framework and commencing a 3-year post go-live review of competition in metering.

The Commonwealth Government continues development of the Consumer Data Right legislation, which will have significant implications for the energy industry.

The proposed IEC meeting dates for 2020 are as follows:

- 24 February;
- 25 May;
- 24 August; and
- 23 November.

The IEC has a broad remit in relation to development and engagement on electricity B2B processes with industry. **Appendix A** provides a summary of the IEC roles and responsibilities under Chapter 7 of the National Electricity.

6. IEC APPOINTMENTS

Elected members (distributor, retailer, metering and third-party members) are appointed through a voting process. The consumer member, discretionary members and the AEMO member (Chairperson) are appointed by AEMO.

Appendix B provides a full list of IEC members and their current terms, and **Appendix D** provides a summary of members' (or their alternate) attendance at each of the IEC meetings for 2019.

The IEC note that it is not practical for all participants with an interest in retail market operations to be members of the Committee and accordingly undertakes an open and transparent process in relation to Committee functions. Supporting this:

- Meeting packs and minutes are distributed directly via email to B2B-WG members; and
- Meeting packs and minutes are made available publicly through the AEMO website following endorsement of the meeting minutes by Committee members.

7. KEY CONTACTS

Market participants with an interest in the IEC operations or particular agenda items or issues are encouraged to participate. Please contact the IEC Secretariat to discuss your requirements or make suitable arrangements.

Secretariat functions for the IEC are provided by AEMO. The Secretariat may be contacted on IEC@aemo.com.au.

8. IEC ACKNOWLEDGEMENT OF COLLABORATIVE EFFORTS

The IEC acknowledges and thanks electricity market participants, the B2B-WG and AEMO in continuing to collaborate in the identification, development and delivery of the ongoing substantial B2B reforms underway within the sector.

Appendix A – IEC roles and responsibilities

Section 7.17 of the National Electricity Rules outline the role and functions of the IEC which includes:

- Development, consultation on, and making of IEC recommendations to AEMO on amendments to the B2B Procedures;
- Management of the ongoing development of the B2B Procedures;
- Establishment of IEC working groups;
- Review and consideration of the work completed by IEC working groups;
- Development, consultation on, and approval of the IEC Work Programme (a program that outlines the development, implementation and operation of the B2B Procedures and other matters incidental to effective and efficient B2B communication);
- Development of amendments to the IEC Election Procedures and Operating Manual;
- By 31 December each year, preparation of an IEC Annual Report which is to be provided to AEMO, by 31 March each year, for publication;
- By 28 February each year, preparation of a draft budget for the following financial year in a form consistent with the budget procedures of AEMO; and
- By 1 March, the IEC is to discuss and provide the budget to AEMO. As part of its budget process, AEMO must advise the IEC of the final budget.

In development new or amended B2B Procedures, the IEC and B2B-WG is to take into consideration the B2B Principles and Objectives as outlined in Chapter 10 of the National Electricity Rules. These are outlined below:

- B2B Principles:
 - a. B2B Procedures should provide a uniform approach to B2B Communications in participating jurisdictions;
 - b. B2B Procedures should detail operational and procedural matters and technical requirements that result in efficient, effective and reliable B2B Communications;
 - c. B2B Procedures should avoid unreasonable discrimination between B2B Parties; and
 - d. B2B Procedures should protect the confidentiality of commercially sensitive information.
- B2B factors (objectives):
 - a. The reasonable costs of compliance by AEMO and B2B Parties with the B2B Procedures compared with the likely benefits from B2B Communications;
 - b. The likely impacts on innovation in and barriers to entry to the markets for services facilitated by advanced meters resulting from changing the existing B2B Procedures; and
 - c. The implementation timeframe reasonably necessary for AEMO and B2B Parties to implement systems or other changes required to be compliant with any change to existing B2B Procedures.

Appendix B – 2019 IEC Members

Member category	IEC members nominated	Appointment period
Chair	Mr John Pittard – AEMO director	12 months 1 Mar 19 – 28 Feb 20
Distributor	Mr Peter Price (Executive General Manager – Asset Safety and Performance, Energy Queensland)	2 years 1 Sept 18 – 31 Aug 20
Retailer	Mr David Markham (Australian Energy Council)	2 years 1 Sept 18 – 31 Aug 20
Metering	Mr Robert Lo Giudice (Manager, Metering Coordinator and Operations, intelliHUB Group)	2 years (nominated and elected unopposed) 1 Sept 18 – 31 Aug 20
Third Party	Currently Vacant	No nominations received
Energy Consumer	Mr David Havyatt (Senior Economist, Energy Consumers Australia (ECA))	2 years 1 Sept 18 – 31 Aug 20
Discretionary (retail)	Mr Peter Van Loon (CIO, Powershop)	12 months 1 Mar 18 – 1 Mar 20
Discretionary (metering)	Mr Marco Bogaers (CEO, Metropolis)	12 months 1 Mar 18 – 1 Mar 20
Discretionary (distributor)	Mr Adrian Hill (GM Regulated Energy Services, Ausnet Services)	12 months 1 Mar 18 – 1 Mar 20

Appendix C – 2019 B2B Working Group Members*

Member category/ role	IEC members nominated	Organisation
Chair	Michelle Norris / Meghan Bibby	AEMO
Secretariat	Arjun Pathy / Jordan Daly	AEMO
Distribution Sector Representation	Adrian Honey	TasNetworks
	David Woods	South Australia Power Networks
	Dino Ou	Endeavour Energy
	Justin Betlehem	Ausnet Services
	Robert Mitchell	Energy Queensland
Retail Sector Representation**	Aakash Sembey	Simply Energy
	Christophe Bechia	Red Energy
	Mark Riley	AGL
	Joe Castellano	Origin Energy
	Stephanie Lommi	Alinta Energy
Competitive Metering Sector Representation	Robert Lo Giudice	Intellihub
	Paul Greenwood	Vector AMS
	Stephen Zok	Plus ES
	Vacant	
	Vacant	

*membership as at the end of 2019

**Shawn Tan from EnergyAustralia was also a retail sector working group member until October 2019

Appendix D – IEC Members 2019 Meeting Attendance

Member	Company	Member Category	18 Feb	13 May	12 August	25 Nov
John Pittard	AEMO	AEMO Chairperson	Attended	Attended	Attended	Attended
Peter Price	Energy Queensland	Distributor representative	Attended	Apology	Attended	Attended
David Markham	Australia Energy Council	Retailer representative	Attended	Attended	Apology Alternate attended: Stefanie Macri	Attended
Robert Lo Giudice	Acumen / Intellihub	Competitive metering representative	Attended	Attended	Attended	Attended
David Havyatt	Energy Consumers Australia	Consumer representative	Attended	Attended	Apology	Attended
Peter Van Loon	Powershop	Discretionary retailer representative	Attended	Attended	Attended	Attended
Marco Bogaers	Metropolis	Discretionary metering representative	Attended	Apology	Attended	Attended
Adrian Hill	AusNet Services	Discretionary distributor representative	Attended	Attended	Apology Alternate attended: Erin Chain	Apology Alternate attended: Erin Chain
Vacant	Third Party Representative					