

## ATTACHMENT 1

### STAKEHOLDER FEEDBACK TEMPLATE

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in this paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper. Stakeholders are also encouraged to provide evidence to support claims where possible.

#### SUBMITTER DETAILS

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#### CHAPTER 4 – SECTION 4.1 – TIME PERIOD FOR DELAY

Question 1 – Time period for delay	
a) If a delay to the start date of 5MS is necessary, is a 12-month delay appropriate? Alternatively, please explain why another time period is preferable and, if applicable, the implications on cash flow and capacity? Would the rules need to commence at the start of a quarter to align with the contract market, or could 5ms commence mid-quarter? What would be the impact of a mid-quarter commencement?	Evoenergy has found our response to the COVID-19 pandemic has allowed us to continue core operations largely unaffected and, not impacted our ability to continue managing projects such as 5MS. Appropriate resources, both internal and external, as well as vendor contracts have been engaged specifically to meet the timelines set out originally by the 5MS rule change. Overall, Evoenergy would prefer to retain existing timelines. A delay will have impacts to resources including additional costs being incurred by the organisation. This funding does not form part of our originally approved budgets.

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	Due to our role Evoenergy don't have a strong position regarding a new commencement date, however would suggest the start of a month or settlement week.
b) What is the appropriate date for the commencement of the 'soft' and 'hard' starts for global settlement? Should this be a linear move by the number of months of delay, or should the dates change to another timeframe?	Evoenergy proposes global settlement dates are not altered to prevent additional costs and resourcing impacts. If the rule change is proceeding, Evoenergy seeks for a soft start aligned to the original dates to allow those participants who are ready to deploy on original timelines to do so.
c) If there is a 12-month delay to the start date of 5MS and GS, is it still appropriate that all new and replacement meters (other than 4A) installed after 1 December 2018, and type 4A meters installed after 1 December 2019, be required to record and provide 5-minute data by 1 December 2022? If not, why and what time period would be appropriate?	The date applicable meters need to record and transmit data in 5 minute intervals should be moved forward to 1 December 2023 aligned to any delayed 5MS start date. Not doing so significantly limits the period for each Metering Provider to reconfigure the meter and update market systems. It may cause significant congestion in processes, MSATS communications and metering data transmission, and ultimately settlement outcomes.
d) If global settlement is delayed, by what date should AEMO prepare and publish the first report on unaccounted for energy required under cl 3.15B(a)?	The reporting guidelines can still get published by the expected date as set out in the Rules as this will be updated as per any official delay driven by a rule change. The implementation date can be set based on the decision by the AEMC of this proposal.
e) Cl 11.112.6 states that AEMO must make and publish the unaccounted for energy reporting guidelines required under new cl 3.15.5B(d) by 1 December 2022. What is the appropriate date for the publication of these reporting guidelines if there is a delay to global settlement?	See comments above at question 1 point d)

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**CHAPTER 4 – SECTION 4.2 – PARTICIPANT COSTS AND CAPACITY**

<b>Question 2 – Participant costs</b>	
a) What is the expected impact of COVID-19 on participant cash flows? How material is this impact? How long are these cash flow impacts expected to last?	<p>Noting supporting documentation supplied, Evoenergy is continuing to consider implications related to COVID-19.</p> <p>[Confidential: Confidential information has been omitted for the purposes of section 24 of the Australian Energy Market Commission Establishment Act 2004 (SA) and sections 31 and 48 of the National Electricity Law.]</p>
b) For participants that are required to implement changes to IT systems and procedures for 5MS and GS, how would the proposed 12 month delay impact your implementation costs? Please quantify and provide evidence where possible. Any confidential cost information will be treated as confidential and redacted from submissions published on the AEMC’s website.	<p>At this stage Evoenergy is working towards delivery of our required system changes based on the original timeline. Once a decision is made we can re-schedule our project to account for delayed compliance milestones and contractual obligations with our vendor.</p> <p>[Confidential: Confidential information has been omitted for the purposes of section 24 of the Australian Energy Market Commission Establishment Act 2004 (SA) and sections 31 and 48 of the National Electricity Law.]</p>
c) To what extent can additional market testing periods run by AEMO minimise costs associated with the delayed commencement of 5MS and GS? To what extent do participants rely on B2B data flows for 5MS and GS testing?	<p>Additional market testing periods would not necessarily minimise costs associated with delayed commencement but would mitigate risks related to market transactions for go live.</p> <p>Data flows between participants is a critical factor in any testing. It determines interpretation of Rule variances, aseXML field use and population, and compatibility with internal system limitations. This was clear during Power of Choice, and more so for Life Support market testing.</p>
<b>Question 3 – Participant capacity</b>	
d) To what extent has COVID-19 affected participants' ability to implement the necessary changes for 5MS and GS by 1 July 2021?	<p>As per response to Question 1 (a), Evoenergy has experienced minimal disruption to the implementation of system changes necessary for a 1 July 2021 start date for 5MS and 1 February 2022 for GS. The ability to shift to work from home arrangements for both Evoenergy project team members and the allocated vendor resources has enabled the largely uninterrupted continuation of the project.</p>

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	The uncertainty regarding the current rule change has required effort to be redirected towards understanding potential impact of the delay which has removed focus from other aspects of the project.
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**CHAPTER 4 – SECTION 4.3 – ELECTRICITY CONTRACT MARKET IMPLICATIONS**

**Question 4 – Electricity contract market**

a) To what extent have you purchased 5-minute cap products for FY 2021-22? What would the impact of a delay be to the value of those 5-minute cap products as risk management products for your business?	Not applicable to a Distribution business
b) Would a delay to commencement of SMS impact swap, captions or any other financial hedging products trading for FY2021-22 and beyond? If so, how?	Not applicable to a Distribution business

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**CHAPTER 4 – SECTION 4.4 – DELAYED BENEFITS**

**Question 5 – Delayed benefits**

- a) To what extent were investments that have been made, or are planned to be made, in technologies that are capable of responding to a five-minute price signal, dependent on the 5MS rule commencing on 1 July 2021, as opposed to other factors? What effect would a 12-month delay have on the expected return on investment for these assets? Please quantify and provide evidence, noting that submissions can be treated as confidential if requested, or confidential information can be redacted from submissions published on the AEMC's website.
- b) To what extent would a 12-month delay to the start of 5MS and/or GS delay the realisation of other benefits for individual participants and/or the industry as a whole? Please quantify and provide evidence, noting that submissions can be treated as confidential if requested, or confidential information can be redacted from submissions published on the AEMC's website.

Provided the project is implemented before the end of the current regulatory period (30 June 2024) the impacts to Evoenergy are minimal.

As above, minimal impacts to Evoenergy.  
For the industry as a whole, the impacts are significant, for example the delayed realisation of pricing benefits.

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**CHAPTER 4 – SECTION 4.5 – IMPLICATIONS OF DELAY ON RULE DRAFTING, PROCEDURES AND DETERMINATIONS**

**Question 6 – Drafting and procedure implications of delay**

a) Is there any feedback on the high-level description of a potential rule presented in Appendix A? Are there any other interactions with affected rules and schedules that have not been identified?	As specified in Appendix A where there is a "domino-like" effect, then all other rules made in the aforementioned appendix, should also have the same delay.
b) Should AEMO, the AER and the IEC be required to review and if necessary, amend their relevant procedures to take into account a delay to five minute and global settlement?	These procedures have undergone considerable consultation already. Unless there is a significant change in technology, schemas or other interfaces, then no.
c) In its rule change request, AEMO proposes that there should be no consultation on any changes to its procedures if those changes are solely related to a delay to five minute and global settlement. Are there any reasons that this could be an issue?	Unless there is a significant change in technology, schemas or other interfaces, then no need to undergo another consultation.