



2 September 2020

Ms Merryn York  
Chair, Australian Energy Market Commission  
GPO Box 2603  
SYDNEY NSW 2001

FROM THE OFFICE  
OF THE CHAIR

Level 22  
530 Collins Street  
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**Postal Address:**  
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Dear Ms York

### **Future planning for electricity B2B changes**

The Information Exchange Committee (IEC) is a statutory body established under the National Electricity Rules responsible for developing and making recommendations on changing electricity business-to-business (B2B) Procedures. The IEC includes representatives from the Australian Energy Market Operator (AEMO), electricity industry retailers and distributors, competitive metering companies, embedded networks and a representative from Energy Consumers Australia (Attachment A).

In fulfilling its statutory role in relation to managing the ongoing development of B2B Procedures and any changes to them, the IEC works collaborative across the different stakeholder groups in the energy sector to:

- Make recommendations on B2B Procedure changes and oversee the consultation process.
- In conjunction with AEMO, consider implications of potential policy changes which may affect B2B Procedures and contribute to B2B Procedure delivery management and prioritisation.
- Identify B2B Procedure continuous improvement opportunities.

As you are aware, the forward retail market policy and regulatory reform agenda continues to be extensive over the period 2021-2022. These reforms will require new B2B procedure and IT system changes. The IEC continues to identify these, as well as implementing changes to facilitate greater efficiency on behalf of market participants. Many of these B2B changes require updates to AEMO's B2B system, participant systems and work processes.

Given the forward work program and the IEC's statutory role it is looking to provide feedback on a number of the issues raised by this consultation - *Maintaining life support customer registration while switching* - as proposed by the Electricity and Water Ombudsman of NSW (EWON).

It should be noted that although the life support provisions in the National Electricity Retail Rules (NERR) apply to both electricity and gas markets in the National Electricity Market (NEM),



the IEC has no jurisdiction on gas markets. The issues discussed below therefore only relate to the NEM.

## 1. Implementation timing

The IEC believes that the period through to at least mid-late 2022 is not an appropriate time for major changes to life support (or other retail policy initiatives) unless the change provides significant benefit.

For this reason, the IEC proposes that any changes proposed by the AEMC should be able to be implemented with minimal or no system impacts for AEMO and market participants.

If the AEMC's decision requires changes to the B2B procedures or system, implementation timing should be aligned with the existing program of work, or alternatively determined in consultation with the IEC and AEMO. This will allow any changes to fit into existing system release cycles. A summary of the forward work program is provided in Attachment B of this submission.

Historically, AEMO has delivered IT system changes twice each year, generally in May and November. The IEC and the organisations it represents have a strong preference to align all changes to these biannual system uplift cycles. This enables both AEMO and industry to be efficient in their system changes which are a significant contributor to operating costs.

## 2. Life support scenario analysis

There are currently two market participants that interact in relation to the provision of life support information for electricity customers and their premises – retailers and distributors. This is currently managed by the B2B system.

The current requirements of the NERR mandate that a participant that receives a life support medical confirmation form signed by a medical practitioner processes it into their own system<sup>1</sup>, and inform the other party of relevant life support information<sup>2</sup>. A B2B transaction exists for the communication of life support information between market participants, which includes whether a signed medical confirmation form has been received from the customer. Note that the signed medical confirmation cannot be shared using this B2B transaction because currently the B2B e-Hub does not support attachment of documents.

Should the AEMC decide to consider any opportunities for improvement, there are two different life support scenarios relevant to the rule change proposal. These are where:

- Where a customer moves premises, which can be a new premise within the same distribution network area, or to a different distribution network area; or

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<sup>1</sup> Clause 126(b)ii of NERR

<sup>2</sup> Clause 124B of NERR

- Where there is an in-situ transfer, where the life support customer does not move premises but decides to change their retailer. In in-situ transfers, approximately 5% of customers provide their medical confirmation to the distributor under the existing rules, and 95% of life support customers provide their signed medical confirmation to their retailer.

Changes to obligations relating to in-situ scenario may require changes to B2B Procedures, market participant and/or AEMO systems. This is an important consideration for the AEMC to achieve a balance between positive improvements for life support customers with the impact, cost and ability to deliver for market participants and AEMO.

In addition, the IEC is also aware that for market participants and AEMO, auditability, traceability, currency of information, and confirmation of receipt by the other market participant are important factors for consideration of any solution. Importantly, solutions outside of the B2B system, including any email solution may not provide these factors.

### 3. Life support forms vs jurisdictional concession documentation

The EWON rule change proposal raises a number of questions relating to the interplay between life support protections and concessional documentation. The IEC is aware that there are different requirements for each jurisdiction for concessional documentation and the expiry of those benefits which can be different to any renewal requirements (refer to the scenarios above) for life support. A number of the issues raised by EWON are not purely life support issues, but rather life support protection *and* concession issues.

For most states, concessional documentation also requires the signature of a medical practitioner and a customer is required to provide separate documents for life support protections and for concessional rebates. The criteria for each of these are distinctly separate – for life support protections, the requirements relate to the continuity of electricity supply, whereas in order to obtain a monetary concession, additional information may be required. From a customer perspective, the IEC understands that this may be less than clear.

The IEC has no jurisdiction over matters relating to concessional requirements. However, there may be opportunity for standardisation of concessional documentation across different jurisdictions which the AEMC could investigate.

### 4. Need for agreement on rule change intent between market bodies and market participants

The IEC notes that for matters relating to life support protections there has been significant confusion between and within market participants categories on how to interpret elements of the rules. There are ongoing efforts by the IEC to clearly apply the intent of the rules. In addition, AER discussions and Guidelines relating to life support protections has, in some cases, been in contradiction to participant interpretation.



One example of this is in relation to the assignation of the Registered Process Owner (RPO) (which the Australian Energy Regulator (AER) has deemed cannot be swapped, even if the non-RPO receives the medical confirmation). Another example is the use of the term 'retailer' in the NERR, which in this process also includes a prospective retailer (who is unable to affect a customer's supply), rather than the term 'Financially Responsible Market Participant' (FRMP) that is the party directly responsible for the supply and retail services at a NMI.

There is the opportunity to involve the AER, AEMO and retail market participants in these life support discussions so that all parties are aware of the intent of the AEMC's determination, can review these intricate processes and are aligned ahead of the final determination.

The IEC welcomes discussion with the AEMC at any stage of its consultations to assist it to understand any potential B2B changes. The IEC will continue to remain briefed on this matter and may provide a further submission to the AEMC at the draft determination stage.

Should you wish to discuss further, please contact the IEC secretariat at [iec@aemo.com.au](mailto:iec@aemo.com.au).

Yours sincerely

Mr John Pittard  
Chair Information Exchange Committee

cc: Peter Geers, Chief Strategy and Markets Officer

Attachments: Attachment A List of Current Information Exchange Committee Members  
Attachment B Table of Key Forward Work Program Dates



ATTACHMENT A

Current Information Exchange Committee Members

Member Category	Representative
Chair	Mr John Pittard AEMO director
Retailer (industry elected)	Mr David Markham Corporate Affairs, Australia Energy Council
Distributor (industry elected)	Mr Peter Price Executive General Manager Engineering, EnergyQueensland
Metering (industry elected)	Mr Robert Lo Giudice Manager, Metering Coordinator, Intellihub
Consumer representative	To be advised
Retailer (AEMO discretionary)	Mr Peter Van Loon Telstra Energy
Distributor (AEMO discretionary)	Ms Emma Youill General Manager, AusNet Services
Metering (AEMO discretionary)	Mr Doug Ross (former) Chair, Competitive Metering Industry Group
Embedded Networks (AEMO discretionary)	Mr Marco Bogaers Executive Director, Metropolis



ATTACHMENT B

B2B Procedures & System Forward Work Program

The table below summarises the upcoming changes to the B2B Procedures and systems. Versions marked with an Asterix will require system changes. Despite a preference for biannual changes, the existing regulatory program will prompt several B2B Procedure iterations over 2021. The IEC recommends that further changes, such as those proposed by EWON, should be aligned with existing slated changes as preferred by industry or will have to be implemented following 2021.

Procedures	V3.3.1 1 Jan 2021 (EvoEnergy Service Levels)	V3.4 1 Oct 2021 (5MS)*	V3.4.1 1 Oct 2021 (reflecting V3.3.1 changes)	V3.5 10 Nov 2021 (One Way Notification & Service Order enhancements)*	V3.6 10 Nov 2021 (Life Support)
<b>Customer and Site Details Notification Process</b>	Amended (version control only)	Consultation completed 22 July 2020.	Amended (version control only)	Consultation completed 22 July 2020.	Amended (Procedure changes)
<b>Service Order Process</b>	Amended (Procedure changes)	Technical Delivery Specification Process amended.		One Way Notification & Service Order Process amended.	Amended (version control only)
<b>One Way Notification Process</b>	Amended (version control only)				
<b>Technical Delivery Specification</b>					
<b>Meter Data Process</b>					