

STANDALONE POWER SYSTEMS

PROCEDURE CONSULTATION

PARTICIPANT RESPONSE TEMPLATE

Participant: Red Energy and Lumo Energy

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1. Context

This template is to assist stakeholders in giving feedback about the options detailed in the issues paper associated with the Standalone Power Systems consultation.

The changes being proposed are because of NER rule changes which have occurred requiring changes to AEMO’s Retail Electricity Market Procedures.

2. Questions

Section	Description	Participant Comments
Question 1: Section 3.3.2	Are there other advantages / disadvantages of any of the options that AEMO should have considered?	<p>Red Energy and Lumo Energy (Red & Lumo) agree that option 1 (SAPS flag at the TNI) and option 2 (additional character to the TNI) may be the cheapest of the two options from an initial implementation cost over option 3 (new SAPS field against NMI). However, options 1 and 2 are limited in their scope for future considerations of what information can be added to be captured and presented when NMIs are linked to a SAPS and are likely to be more costly in the longer term.</p> <p>Option 1 by itself provides no option in what information retailers or networks may want to capture. A simple Yes/No flag whether at a TNI or even NMI level adds little value. Red and Lumo do not consider this option as viable.</p> <p>Looking to retrofit an existing field, such as proposed in option 2, comes with challenges from a retailer system perspective. It is not straightforward as retailers will need to identify and amend any and all TNI field related touch points in their own systems. This complexity makes option 2 less favourable,</p>

		<p>and in the long run less ideal, and more costly, for any future amendments to this field.</p> <p>Option 3 allows for a more scalable solution with greater flexibility in retail offerings (consideration of new specific tariff structures) for customers within specific SAPS. Being able to identify these NMIs during the NMI discovery in MSATS allows for a far more appropriate offering of options to customers upfront, delivering a more transparent and positive customer experience.</p> <p>Overall, option 3 is our preferred solution to identifying SAPS NMIs in MSATS. It can be used to enable validations and assist in managing market functions and offerings, with the potential to design the identifying field in a manner which best captures any and all relevant information. It would be more readily identifiable at the NMI discovery in MSATS and allow a more granular offering at a NMI level based on specific requirements for individual customers.</p>
Question 2: Section 3.3.2	Is there another option for identifying a SAPS NMI that AEMO should consider? Why?	Red and Lumo have not identified another option suitable for the identification of SAPS NMI in MSATS.
Question 3: Section 3.3.2	Which of the three options for identifying a SAPS NMI do you prefer and why?	<p>After reviewing the three different options proposed by AEMO, Red and Lumo support Option 3. While cognisant of the fact that this option would be costlier than the alternatives proposed, in the long run we consider that it will deliver the greatest net benefit to consumers, delivering on the National Electricity Objective (NEO) to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity with respect to the reliability, safety and security of the national electricity system. See question 1 for further details.</p> <p>Red and Lumo request that a separate workshop be set up to design the new SAPS field which will be allocated at the NMI level (aligned to option 3). This</p>

		should be organised as soon as possible. We acknowledge that option 3 requires a schema change, thus increasing the cost to implement. However, with schema changes already in the AEMO pipeline, this option could be bundled into one of these releases reducing the cost and effort to implement as a stand alone release.
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3. Other Issues Related to Consultation Subject Matter

Participant Comments
<p>At the AEMO workshop on 11 March 2022, AGL noted that customer metering is expected to be delivered at 5 minute intervals in order to avoid any discrepancies in settlements or profiling issues. It is our expectation too that distributor-led SAPS that result in any changes required to existing electrical configuration (including metering) at a customer’s installation must be borne by the distributor as the SAPS owner. It is not in neither the customer’s interest nor the retailer’s interests to cover the costs required to convert the customer metering to 5 minutes as the result of implementing a distributor-led SAPS.</p>