

IMPACT & IMPLEMENTATION REPORT (WA) – SUMMARY SECTION

(For AEMO to complete and administer)

Procedure Change Number	IN001/16W		
Impacted jurisdiction(s)	Western Australia		
Proponent	Catherine Rousch	Company	Alinta
Industry consultative forum(s) used	Procedure Change Committee (“PCC”) ¹	Date concluded by Procedure Change Committee (“PCC”)	28/09/16
Procedure change ranking (as per Chapter 9): <ul style="list-style-type: none"> ▪ Non-substantial ▪ Low impact ▪ High impact 	Low Impact		
Short description of change(s)	Move-In Transfer when an Error Correction Notice (ECN) has been raised		
Procedure(s) or documentation impacted	Retail Market Procedures (RMP) (WA)		
Summary of the change(s)	<p>The change proposed in this Impact and Implementation Report (IIR) involves adding a note to clause 78 of the RMP as a reminder that when Users lodge a Move-in transfer request when an Error Correction Notice (ECN) has been raised it must meet the definition of move in per rule 78.</p> <p>This IIR has been prepared in accordance with clause 397 of the Retail Market Procedure (RMP) and is raised for consideration by gas retail market participants as a low impact procedure change. As per clause 399A (1) (a) (ii) AEMO now seeks submissions on the proposed changes which can be e-mail to pccwa@aemo.com.au.</p>		
I&IR prepared by	Danny McGowan	Approved by	Violette Mouchaileh
Date IIR published	1/01/17	Date consultation concludes	14/02/17
Contact address for written responses	GPO Box 2008, Melbourne VIC 3001		
Email address for responses	pccwa@aemo.com.au		
Other key contact information			

¹ It should be noted that for this proposal, the Rule Change Committee (RCC) (now PCC) was the industry consultative forum used in this instance.

IMPACT & IMPLEMENTATION REPORT (WA) – DETAILED REPORT SECTION

CRITICAL EXAMINATION OF PROPOSAL

<p>1. Description of change(s) and reasons for change(s)</p>	<p>The proposed changes contained in this IIR were developed by Alinta and raised for discussion as a Gas Market Issue (“GMI”) at the Rule Change Committee² meeting on 28/09/16. At that meeting, the RCC endorsed the proposed amendments as described in attachment A as a low impact procedure change and in accordance with clause 394(4) of the RMP (WA) recommended that the then market operator REMCo³, accept the proposed changes.</p> <p>Reasons why the proposed changes are needed:</p> <p>The proposed changes have been designed to remind Users of the provisions pertaining to a “move in” as described in clause 78. Specifically there have been a number of occasions where an incoming user has lodged a transfer request per clause 80 for a “move in” customer, however the incorrect MIRN has been lodged and the incorrect customer transferred. This error has often been realised some time later (usually a period of some months) and an error correction notice (ECN) has been raised per clause 32. The incoming user has then sought to transfer the correct customer as a “move in”, even though the correct transfer has been lodged after an extended period of time has lapsed since the customer commenced occupation of the premises. Under clause 78, a move in occurs when there is a change of user and when a customer “commences occupation of premises”.</p> <p>Description of the proposed changes:</p> <p>The proposed changes to provide a reminder regarding whether a transfer can be raised as a move in after an extended period of time has lapsed following a transfer error by adding a note to clause 78 (see Attachment A). The note is a reminder for Users that when a transfer request is lodged in the event of a correction notice being raised, the correct transfer request should not be specified as a move in unless the definition of a move in per rule 78 would apply to that correct transfer request.</p> <p>The proposed change does not change the definition of move in in clause 78.</p> <p>The proposed changes require minor retraining of User staff to acquaint themselves of when and when not to issue a transfer request as a move in in the event of an erroneous transfer. There are no changes required to any of AEMO’s or market participants IT WA gas retail market systems.</p> <p>Subject to the appropriate approval being obtained, the proposed amendments are to be published in a new version 2.0 of the RMP that is targeted for an effective date of 31/03/17.</p> <p>The precise amendments are detailed in Attachment A.</p>
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² Now known as the Procedure Change Committee (PCC)

³ Now known as AEMO

<p>2. Reference documentation</p> <ul style="list-style-type: none"> ▪ Retail Market Procedure (the “Procedures”); ▪ AEMO Business/Information Specification Pack Reference; and/or ▪ Other Reference. 	<p>Retail Market Procedures (RMP) (WA) version 1.0</p>
<p>3. The high-level details of the change(s) to the existing Procedure This includes:</p> <ul style="list-style-type: none"> ▪ a comparison of the existing operation of the Procedure to the proposed change to the operation of the Procedure; and ▪ a marked up version of the proposed Procedure changes (see Attachment A) 	<p>As indicated in section 1, the proposed changes in this IIR is to add clarity to the RMPs that reminds Users that when a transfer request is lodged in the event of a correction notice being raised, the correct transfer request should not be specified as a move unless the definition of a move in per rule 78 would apply to that correct transfer request.</p> <p>The precise amendments are detailed in Attachment A.</p>
<p>4. Explanation regarding the order of magnitude of the change (e.g. material, non-material or non-substantial)</p>	<p>The impact of the proposed amendments as described in this IIR are considered to be ‘low impact’ because the amendments:</p> <ol style="list-style-type: none"> a) Do not materially impact the information technology systems of AEMO, participants, pipeline operators or prescribed persons; b) Do not materially alter consumer protection mechanisms under the RMP; and c) Do not have a material commercial impact on AEMO, participants, pipeline operators or prescribed persons.

ASSESSMENT OF LIKELY EFFECT OF PROPOSAL

<p>5. Overall Industry cost/benefit analysis (tangible / intangible / risk) and/or cost estimates</p>	<p>AEMO will not incur any implementation cost or ongoing cost associated with the proposed procedure change. At the RCC² held on 28/09/16 no gas retail market participants indicated that they would incur costs as a result of this change.</p> <p>AEMO considers that the likely benefit for industry as a whole is clarity in the RMP to remind all parties to comply with the requirements in the RMP concerning move-an transfers.</p>
<p>6. The likely effect of the change(s) on stakeholders (e.g. industry or end-users)</p>	<p>The effect of this change is Users should remind staff as to when and when not to issue a move-in transfer request in the event of an erroneous transfer. The effect is therefore minimal on stakeholders.</p>
<p>7. Testing requirements</p>	<p>There are no testing requirements</p>
<p>8. Consideration of the recommended Procedure change by AEMO under Procedure 399.</p> <p>AEMO must either:</p> <ul style="list-style-type: none"> ▪ endorse the recommended Procedure change; or ▪ reject the recommended Procedure change 	<p>In accordance with clause 394(5) AEMO has considered the proposed amendment and determined to accept the RCC (now known as the PCC) recommendation. In accordance with clause 396(5) AEMO agrees with the RCC assessment that this change a low impact procedure change.</p>
<p>9. Consultation forum outcomes (e.g. the conclusions made on the change(s), whether there was unanimous approval, any dissenting views)</p>	<p>At its meeting on 28/09/16, the RCC² discussed the GMI developed by Alinta that outlined the proposed amendments. RCC² unanimously agreed to recommend the proposed procedure changes to AEMO as a low impact procedure change.</p>

<p>10. Authorisation review:</p> <ul style="list-style-type: none"> ▪ does this Procedure change impact the ACCC authorisation? 	<p>The Australian Competition and Consumer Commission (ACCC) granted Authorisations to REMCo to operate Chapter 5 (Allocation, Reconciliation and Swing) and Chapter 6 (Compliance and Interpretation) of the RMPs and associated ancillary deeds. The ACCC approved variations to the Authorisations to enable REMCo to transfer administration to AEMO.</p> <p>Authorisation is a process where the ACCC may grant protection from legal action for anti-competitive conduct that might otherwise breach the Competition and Consumer Act 2010 (the CCA) where there is an offsetting public benefit from the conduct.</p> <p>Changes to the RMP Chapters and ancillary deeds covered by the Authorisations must be assessed to determine whether the change impacts the Authorisation.</p> <p>Because clause 78 is a provision that is not part of Chapters 5 or 6 of the RMPs or ancillary deeds covered by the Authorisations, a review of the ACCC Authorisations is not required.</p>
<p>11. Should the proposed Procedure change be made, (with or without amendments)?</p>	<p>AEMO recommends that the proposed amendments as described in this IIR should be made without further amendments</p>
<p>12. If applicable, a proposed effective date for the proposed Procedure change(s) to take effect and justification for that timeline.</p>	<p>The proposed amendments are to be published in a new version 2.0 of the RMP that is targeted for an effective date of 31/03/17.</p>

ATTACHMENT A – DOCUMENTATION CHANGES (SEE SECTION 3)

Blue represents additions Red and ~~strikeout~~ represents deletions – Marked up changes

As per clause 378B(a) of the RMP, the following is the proposed procedure change and any applicable alternative amendments as marked-up changes to the text of the procedures.

~~Red strikeout~~ means delete and blue underline means insert

78. Move in defined

A “**move in**” occurs when:

- (a) a *small use customer* commences occupation of premises; and
- (b) there is an associated change of *user* for the *delivery point* which supplies gas to the premises.

{Note: In the event that a *current user* becomes aware of an error as the result of lodging an incorrect *transfer request* with AEMO and an *error correction notice* is raised per clause 32, the new *transfer request* should not be specified as a *move in* per clause 81(2) unless the definition of a *move in* per clause 78 would apply to that new *transfer request*}