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Australian Energy Market Commission
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Submission on the Advanced Meter Communications Draft Rule Determination and Draft Rule

Introduction

1. This is Vector Limited's (Vector) submission on the Australian Energy Market Commission's (AEMC) Draft Rule Determination on the *National Electricity Amendment (Meter Installation - Advanced Meter Communications) Rule 2019* (the Draft Rule), dated 20 December 2018, and on the Draft Rule itself.
2. Vector generally supports the proposed rule change allowing the deactivation of the remote communications function of an already installed advanced meter (type 4 meter), which is in the interest of consumer choice. However, we have concerns about the proposed obligation on metering coordinators to inform the requesting customer of the cost and service implications of a deactivated advanced meter (type 4A meter). We believe the customer's retailer is the party best placed to meet this obligation.
3. We propose below an amendment to the Draft Rule regarding the above obligation, which we believe would better promote the interest of consumers in the National Electricity Market (NEM).
4. No part of this submission is confidential. Vector's contact person for this submission is:

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Proposed amendment

5. Vector has concerns regarding the provisions in the Draft Rule which impose new notification obligations on the metering coordinator. We believe these obligations should remain with the retailer.
6. The Draft Rule states that:

[1] Clause 7.8.4 Type 4A metering installation

Omit clause 7.8.4(d) and substitute:

- (d) A *Metering Coordinator* is not required to comply with clause 7.8.3(a), or to ensure that the remote access capabilities of an installed type 4 *metering installation* remain active, where:

(1) ...

- (2) *the Metering Coordinator has informed the small customer or is aware that the financially responsible Market Participant has informed the small customer.*
 - (i) . . .
 - (ii) *of the upfront costs and indicative ongoing expenses associated with a type 4A metering installation that will be payable by the small customer in the circumstances described, as applicable. . .*
- 7. A metering coordinator cannot advise a requesting customer of the costs and service implications of deactivating that customer's type 4 meter. As a metering coordinator, we are neither a party to the financial arrangements between the retailer and the customer, nor are we privy to any conversations or discussions between them. We have no way of knowing what the retailer will charge the customer, or the implications on product availability or features of not having a remotely accessible meter. Only the retailer can advise the customer about these matters.
- 8. In the small number of instances where small customers request the deactivation of communications directly from the metering coordinator during the installation of the meter, the metering coordinator is not able to inform the customer of the implications of their choice. This can only be provided by the retailer who has overall responsibility for delivering metering services.
- 9. Under the competitive metering arrangements in the NEM, the retailer is the point of contact for the small customer. The small customer only deals with his or her retailer for the supply of electricity, including metering services, not with the metering coordinator. Given this arrangement, it would be more efficient and practical for the retailer, who has the direct relationship with the customer, to inform the customer of the cost and service implications of a deactivated type 4 meter.
- 10. The Draft Rule also requires the metering coordinator to be aware that a retailer has adequately informed the requesting customer. Again, the metering coordinator is not usually party to the conversations between the retailer and the customer, and has no way of knowing what they may (or may not) have discussed.
- 11. Vector therefore recommends that the Draft Rule be amended, as follows (amendments in red):

[1] Clause 7.8.4 Type 4A metering installation

Omit clause 7.8.4(d) and substitute:

- (d) *A Metering Coordinator is not required to comply with clause 7.8.3(a), or to ensure that the remote access capabilities of an installed type 4 metering installation remain active, where:*
 - (1) *in the Metering Coordinator's reasonable opinion, the small customer has communicated its refusal to the proposed installation of a type 4 metering installation, or to the continued use of an installed type 4 metering installation, at a connection point in accordance with paragraph (e); and*
 - (2) *the Metering Coordinator has confirmed that the financially responsible Market Participant has been informed of the small customer's refusal ~~informed the small customer or is aware that the financially responsible Market Participant has informed the small customer.~~*
- (d1) *A Retailer who is informed of a small customer's refusal must provide to that small customer information:*

- (1) ~~(i)~~ about the differences between a type 4 *metering installation* and a type 4A *metering installation*; and
- (2) ~~(ii)~~ of the upfront costs and indicative ongoing expenses associated with a type 4A *metering installation* that will be payable by the *small customer* in the circumstances described, as applicable, in paragraph (h)(1) or (h1)(1); ~~and.~~
- ~~(3) — the *Metering Coordinator* accepts the *small customer* refusal.~~

12. We believe the above amendment better meets the interest of NEM consumers because it:
- a. aligns the proposed notification obligations with existing obligations, avoiding confusion for market participants and consumers; and
 - b. places obligations on the party best placed to meet those obligations, reducing costs for the industry overall, and ultimately, consumers.

Concluding comment

13. We are happy to discuss this submission with the AEMC.

Yours sincerely



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