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UPDATING THE REGULATORY FRAMEWORKS FOR EMBEDDED NETWORKS-STAKEHOLDER SUBMISSION

We have reviewed the draft legislation of January 2019, and attended the workshop in February 2019. The draft legislation framework does not have the process detail at this point to offer concise feedback, therefore our submission relates to key points for your consideration as follows.

Energy and Plant Management primarily fulfils the role of Billing Agent and Embedded Network Manager, comprising manual and remote reading of basic and Smart Meters, importing and processing billing files that upload into our client’s finance system for their final billing and debt management. Our clients are Shopping Centre Owners and Managers, Commercial high rise and Airports.

1. Our first point is to establish an understanding of the current EN customers to access retailer of choice. [REDACTED]

[REDACTED] "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/sections 71 and 331 of the National Gas Law/sections 223 and 234 of the National Energy Retail Law. We inform all customers their right to retailer of choice and assist them through the process. There have been some instances whereby a customer wants to roll their shop into an existing National Electricity agreement with a specific retailer that does not offer energy only contracts. From our experience energy only contracts are the only barrier that exist to freedom of choice within our area of embedded networks in some instances.

2. Given point 1 above, we can’t see the value or how customers would be able to transfer on market just because their meter is visible to the market. On this point of making all the EN off market meters visible to the NEM, we believe the costs of replacing existing meters in legacy sites with current compliant meters would average six hundred (\$600.00) per meter, and potentially several hundred thousand dollars in one site if switchboards, and or new rooms are required to house market full footprint type meters.
3. The estimated costs for an ENSP/ENM to register all off market meters in legacy buildings would be considerable, for instance our company reads and bills approximately twenty-five thousand meters (25000) each month. This would require in addition to all the tenancy fitout changes on an ongoing basis, approximately one-person full time to manage, [REDACTED] 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/sections 71 and 331 of the National Gas Law/sections 223 and 234 of the National Energy Retail Law. At this point we can not see how this would translate to customers having access to their retailer of choice, as they already have full access and are aware of their rights.
4. We have concerns with the costs of becoming an ENSP, comprising developing a submission, developing compliancy documentation, ongoing administration, overhead registering with AEMO as

a DNSP would be an initial cost of around three hundred thousand dollars in, and additional ongoing costs of around twenty dollars (\$20.00) per meter per annum would result.

5. We are not fully across the intent of the Meter Coordinator for legacy sites, and how this would be implemented. For example; We currently read 25,000 meters per month. Would our company need to become a Meter Co-ordinator? Do we continue to read the meters and the MC only become involved when a customer moves on market? This is a considerably large area of our business and

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6. Potentially the costs to implement comply with the intended legislation would outweigh any benefit the customer is currently achieving through discounted electricity rates. Bearing in mind the vast majority of customers are achieving more competitive rates from the ENO than electricity retailers. A caveat being in QLD, power of choice is just beginning to have an effect on customers transferring into market contracts.
7. Considering we have just spent a full year developing and becoming an Embedded Network Manager, we request that a hybrid framework, that could be rolled into our existing ENM accreditation be considered, for the benefit of all parties concerned, based on our experience and circumstance.

Should you require any further information, please do not hesitate to contact this office.

Yours sincerely

Glenn Armstrong



Managing Director

Energy & Plant Management Pty Ltd