

RULE

Australian Energy Market Commission

CONSULTATION PAPER

**NATIONAL ELECTRICITY AMENDMENT
(INTRODUCTION OF METERING
COORDINATOR PLANNED
INTERRUPTIONS) RULE**

**NATIONAL ENERGY RETAIL
AMENDMENT (INTRODUCTION OF
METERING COORDINATOR PLANNED
INTERRUPTIONS) RULE**

PROPONENT

Chair of the Competitive Metering Industry Group

29 AUGUST 2019

INQUIRIES

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ABOUT THE AEMC

The AEMC reports to the Council of Australian Governments (COAG) through the COAG Energy Council. We have two functions. We make and amend the national electricity, gas and energy retail rules and conduct independent reviews for the COAG Energy Council.

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1 INTRODUCTION

On 20 May 2019, the Chairman of the Competitive Metering Industry Group (CMIG) submitted a rule change request to the Australian Energy Market Commission (AEMC or Commission) seeking to introduce an ability for metering coordinators to arrange planned interruptions for any electricity customer, regardless of the customer's retailer, for the purposes of installing, maintaining, repairing or replacing an electricity meter.

This consultation paper has been prepared to facilitate public consultation on the rule change request and to seek stakeholder submissions.

This paper:

- sets out a summary of, and a background to, the rule change request
- identifies a number of questions and issues to facilitate the consultation on this rule change request
- outlines the process for making submissions.

2 BACKGROUND

2.1 Competition in metering

The *Expanding competition in metering and related services (Competition in metering)* final rule made extensive amendments to the metering-related provisions of the National Electricity Rules (NER) and National Energy Retail Rules (NERR), including transferring the metering related roles and responsibilities from the distribution network service provider (DNSP) to the newly created role of the metering coordinator.¹ These rules commenced in December 2017.

In making the *Competition in metering* rule, the Commission considered that the metering services can be more effectively provided by entities that are operating competitively with each other. The rule ended the effective monopoly of distributors over the provision of metering services for small customers by allowing any party that meets certain registration requirements to provide those metering services.

DNSPs continue to be responsible for maintaining existing accumulation (type 6) and interval (type 5) meters, however, any new or replacement meters must be an advanced (type 4) meter², with the retailer responsible for arranging the metering services for its small customers by engaging a metering coordinator.

The Victorian government has made significant derogations from the metering provisions in the National Electricity Rules (NER), with the result that key changes that were made in the *Competition in metering* rule do not apply in Victoria and metering services continue to be provided by DNSPs as a regulated monopoly service. In addition, the National Energy Retail Rules (NERR) do not apply in Victoria.

2.2 Metering installation timeframes rule change

In 2018, the *Metering installation timeframes* final rule saw changes made to the NER and NERR to provide customers with greater control and confidence over when their electricity meter will be installed. The rule imposed obligations on retailers to install meters within specified timeframes, and provided more flexibility for both retailers and DNSPs in arranging for planned interruptions.³

The final rule imposed obligations on retailers to provide a meter installation by a date agreed with the customer, or if no timing could be agreed, under prescribed timing. The final rule also specified that the DNSP must coordinate with the retailer in cases where complex meter exchanges⁴ are required in order to allow the retailer to meet its timeframe obligations.

¹ AEMC, *Expanding competition in metering and related services*, Final Determination, 26 November 2015.

² Clause 7.8.3(a) of the NER. Retailers are not required to comply with this obligation in limited circumstances set out in clause 7.8.4 of the NER (where there is no existing telecommunications network or a small customer refuses the installation or continued use of an installed type 4 meter) in which case the retailer may only install a type 4A meter. A type 4A meter is a type 4 meter without activated remote communications.

³ AEMC, *Metering installation timeframes*, Final determination, 6 December 2018. The final rule commenced on 1 February 2019.

⁴ The *Metering installation timeframes* final determination defined complex installation as meter exchange that requires connection alteration.

Additionally, the final rule included a range of measures to assist in reducing meter installation delays and increase consumer confidence. These measures included providing more flexible notification requirements for retailer and distributor planned interruptions.⁵

The Commission noted in the final determination that there are some circumstances under which it is more difficult for retailers and metering parties to install a meter than others and the maximum timeframe cannot be met. Where the retailer encounters these limited situations, including where the installation of a new meter cannot occur without interrupting the supply to another customer, the final rule provided an exemption to the meter installation timeframe.⁶

2.3 Metering deployment with isolation issues workshop

On 7 December 2018, an industry workshop on electricity metering deployment with supply isolation issues was jointly held by the AEMC, the Australian Energy Market Operator (AEMO) and the Australian Energy Regulator (AER). Key issues discussed included:

- lack of upfront site information on shared fusing, locked meter boxes and access issues
- impediments to installing meters within the required timeframes
- the most efficient solution for the roll-out of smart meters in multiple-occupancy dwellings where the isolation of supply to individual customers is not possible.

An action from the industry workshop was that the CMIG and the Australian Energy Council (AEC) were to consider drafting a rule change request to change the current arrangements on retailer planned interruptions.

2.4 Current arrangements

2.4.1 Metering roles and responsibilities

Retailer

Under the NER, retailers are responsible for arranging metering services for small customers.⁷ Retailers must appoint a metering coordinator for each of their small customer's connection points⁸ and obtain a national metering identifier (NMI) for each meter.⁹ In general, the retailer provides instructions to the metering coordinator for any metering work needed by the customer.

⁵ See section 2.4.2 for more detail.

⁶ See clause 7.8.10C(b) of the NER. For example, the meter may be at a multi-occupancy site (where an interruption to the power supply would affect other retail customers) or connection services to a premises may not be complete.

⁷ This is part of their responsibility as the financially responsible market participant (FRMP).

⁸ Clause 7.2.1(a) of the NER. Under clause 7.6.2(a)(3), a large customer may appoint its own metering coordinator.

⁹ Clause 7.8.2(c) of the NER. This involves applying to the DNSP for a NMI and providing it to the metering coordinator within five business days of receiving it.

Metering coordinator, metering provider and metering data provider

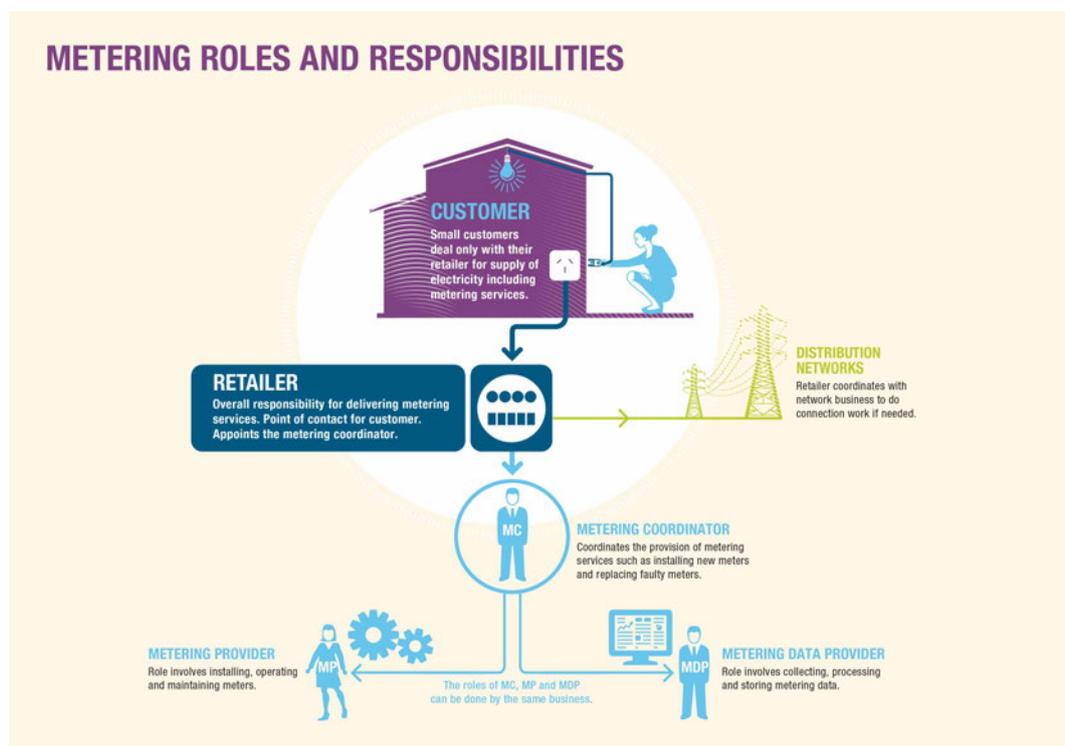
The metering coordinator has overall responsibility for all issues related to the metering installations for which it has been appointed. The metering coordinator appoints a metering provider for each connection point¹⁰ to provide, install and maintain the meter installation.¹¹ The metering coordinator also appoints a metering data provider who is responsible for the collection and processing of metering data.

Any person can perform one or more of these three metering roles provided that they are registered and accredited by AEMO. In practice, most metering coordinator businesses are also registered and accredited as metering providers and metering data providers.

DNSP

DNSPs are no longer responsible for providing new or replacement meters for small customers. However, as a transitional arrangement the DNSP is the metering coordinator (and metering provider) for existing manually read meter installations, until the meter is replaced and the retailer appoints a new metering coordinator and metering provider.¹²

Figure 2.1: Metering roles and responsibilities



10 Other than for a connection point with a type 7 meter installed which are used for unmetered connections, for example, street lights.
11 Clauses 7.3.2(a) and 7.8.1(c) of the NER.
12 Clause 11.86.7 of the NER.

2.4.2 Installing or replacing electricity meters

The different scenarios for installing or replacing a meter can be broadly categorised as:

1. **Customer-initiated installations:** These include meter installations for new connections, as well as exchanging an existing meter. Some meter exchanges require an upgrade to the customer's connection,¹³ while others do not.
2. **Replacement of malfunctioning meters:** These include:
 - repairing a single meter due to one-off conditions such as weather damage or a production fault, or
 - 'family failures' that result from a type of meter showing an unacceptably high failure rate during meter testing, leading to replacement of the whole fleet of meters.
3. **Retailer-led installations:** Under the NER, retailers can choose to deploy a fleet of new meters (a 'new meter deployment') to its customers, in order to benefit from the functions provided by the technology, such as remote meter reading.

To carry out meter installation, under jurisdictional legislation, supply is generally required to be isolated prior to any electrical works being carried out.¹⁴

Timeframes for meter installation, replacement or repair

The NER specifies that the metering coordinator must arrange for a small customer's faulty meter to be repaired or replaced as soon as practical, but no later than 15 business days after the metering coordinator has been notified of the malfunction.¹⁵

The NER also specifies timeframes to install meters for new connections and simple meter exchanges. Retailers are required to provide a meter installation for a new connection or a simple meter exchange by a date agreed with the customer. If no timing can be agreed, then the retailer needs to install the meter within six business days at a new connection, or within 15 business days if the customer has requested a simple meter exchange.¹⁶

Where a connection alteration is required to be completed by a DNSP at the time of the meter exchange, the retailer is required to install the meter by a date agreed with the customer and the DNSP.¹⁷ If no timing is agreed, the retailer is required to install the meter within 15 business days. The DNSP must coordinate with the retailer in order to allow the retailer to meet its timeframe obligations.¹⁸

13 For example, where a customer installs a power-intensive device such as a large air conditioner and required a three-phase electricity connection.

14 For example, in NSW clause 207 of the *Occupational Health and Safety Regulation 2001*, specifies that no work can be carried out if the circuits and apparatus of the part of the installation that is being worked on is energised. Clause 207(5) of that Regulation provides that this prohibition does not apply to electrical work carried out by a network operator under a plan that is required to be lodged under the *Electricity Supply (Safety and Network Management) Regulation 2002* (NSW). Similar provisions exist in other jurisdictions.

15 Clause 7.8.10(aa)(1) of the NER.

16 Clauses 7.8.10A and 7.8.10AB of the NER.

17 Where the connection services for a site are provided by a party acting as an agent of the customer, such as an accredited service provider in New South Wales, the DNSP is not subject to an obligation to coordinate as it is not the party providing the connection service.

18 Clause 7.8.10C of the NER.

Business-to-business (B2B) e-hub

AEMO's B2B e-hub supports and facilitates communications between different parties involved in providing metering services. AEMO, DNSPs, retailers, market customers, metering providers and metering data providers are required to comply with B2B procedures.

The most recent reform of the B2B framework was designed to commence in alignment with the *Competition in metering* rule and provides an agreed set of communications to facilitate the provision of metering services for small customers.¹⁹ It also allows parties to agree to use an alternative communication method. It is the Commission's understanding that most metering parties have chosen to utilise B2B communication to facilitate meter installations.

2.4.3

Planned interruption roles and responsibilities

The NERR includes a number of consumer protections. These protections include requiring retailers and DNSPs to provide prior notice to customers before they conduct a planned interruption to their electricity supply.

Retailer planned interruptions

Under the NERR, retailers are able to arrange for an interruption to their customer's electricity supply without the involvement of the distributor (a 'retailer planned interruption') where the interruption:²⁰

- is for the purposes of installing, maintaining, repairing or replacing an electricity meter; and
- does not involve either the distributor effecting the supply interruption²¹ or interrupting the supply of electricity to a customer that is not the customer of the retailer arranging the interruption.

Distributor planned interruptions

DNSPs are able to arrange for an interruption to a customer's electricity supply (a 'distributor planned interruption') for:²²

- the planned maintenance, repair or augmentation of the transmission system
- the planned maintenance, repair or augmentation of the distribution system, including planned or routine maintenance of metering equipment (excluding a retailer planned interruption); or
- the installation of a new connection or a connection alteration.

Planned interruption notices for large and small customers

The NERR specifies that a retailer or DNSP may only arrange a planned interruption of a customer's electricity supply once they have provided four business days' prior notice to the

19 AEMC, *Updating the electricity B2B framework Rule Determination*, 2016, pp. 144

20 Rule 59B of the NERR.

21 Under rule 89 of the NERR

22 Rule 88 of the NERR.

customer of the interruption or obtained the affected customer's explicit consent to the interruption occurring.

Retailers and DNSPs, with the explicit consent of the customer, can arrange for an interruption on any day within a date range of 5 business days, or on a specific date. If a date or date range is not agreed with a customer, a notice must be provided at least four business days before the date of the interruption.²³

Life support customers

For life support customers, the customer can only agree to a specific date, not a date range. If a date cannot be agreed with the customer, four business days' notice is to be provided in writing and must be counted from, but not include, the date of receipt of the notice.²⁴

Requirement to inform the other party

Under the NERR, retailers must notify the relevant DNSP on the same day it obtains a customer's explicit consent to a retailer planned interruption, or where consent is not obtained for the interruption to occur on a specific date or date range, at least four business days before the retailer planned interruption.²⁵ This is an additional consumer protection so that the distributor can address any customer queries if contacted by the customer during a planned outage.

A similar requirement exists for DNSPs to notify the relevant retailer of a distributor planned interruption.²⁶

23 Rules 59C and 90 of the NERR.

24 Subrules 59C(1)(c) and 124B(1).

25 Subrule 99A(1)(b) of the NERR.

26 Subrule 99(1)(b) of the NERR.

3 DETAILS OF THE RULE CHANGE REQUEST

The rule change request from the Chairman of CMIG proposes to allow metering coordinators to arrange for a planned interruption for any customer for the purposes of installing, maintaining, repairing or replacing an electricity meter. This chapter outlines the issues, rationale for the rule change request, and the solution proposed in the rule change request.

The rule change request includes a proposed rule.

The rule change request is available on the AEMC website, www.aemc.gov.au.

3.1 The rule change request

The Chair of CMIG has proposed amendments to the NER and to the NERR to allow for a new category of supply interruptions, *Metering Coordinator planned interruptions*. The proponent considers that metering coordinators should be allowed to carry out supply interruptions for the purposes of installing, maintaining, repairing or replacing an electricity meter.²⁷

Retailers are responsible for the metering of small customers and are required to appoint a metering coordinator to take responsibility for metering installation at each site for which the retailer is the financially responsible market participant.²⁸ The metering coordinator organises for an accredited metering provider to perform metering installations and upgrades when a new or upgraded meter is requested by the retailer (often at the behest of the customer).

In order for a new meter to be installed or for an upgrade of a customer's meter an interruption of supply is required. Under the NERR, retailers are able to arrange for a supply interruption of their customer for the purposes of installing, maintaining, repairing or replacing an electricity meter, however, the retailer is unable to interrupt supply to another retailer's customer.²⁹

The rule change request seeks to resolve the issue that metering providers are experiencing when attempting to interrupt supply to a retail electricity customer who shares a supply service with one or more other customers to enable the installation or replacement of meters for those customers in a more efficient and timely manner.

3.2 Rationale for the rule change request

The Chair of the CMIG notes customers in multiple-occupancies, or who otherwise share an isolation fuse with other customers, face delays in meter installations as supply for the retailer's customer cannot be interrupted without supply being interrupted to another customer or customers.³⁰

²⁷ Rule change request, p. 5.

²⁸ The distributor remains the metering coordinator (and metering provider) for existing manually read meter installations.

²⁹ Rule 59B of the NERR.

³⁰ Rule change request, p. 2.

Shared isolation fuses are often not identified until the metering provider attends a site to interrupt supply for the retail customer's meter installation, resulting in multiple site visits by the metering provider as well as an additional site visit by the DNSP being required.

Currently, only DNSPs can interrupt supply to multiple customers. While the DNSP can be required to arrange for a supply interruption for the metering provider to carry out the metering work in cases where there is a single supply servicing multiple customers (and often with only a single point of isolation), the proponent considers the long lead times and high costs associated with this approach to be inefficient and expensive.³¹

The proponent considers that the proposed rule change will result in less site visits, and lower costs, by allowing the metering coordinator to obtain consent for and arrange a supply interruption with other impacted customers, potentially on the first visit.³²

Multiple occupancy sites with shared supply services or fusing have been exempted from metering installation timeframes in the NERR due to the issues with interrupting supply to customers that are not the retailer's customers. The Chair of CMIG considers that customers in multiple occupancy with shared fusing arrangements are experiencing reduced service levels compared with other customers.

3.3 Solution proposed in the rule change request

The solution proposed in the rule change request is to provide metering coordinators with the same rights and obligations under the NER and NERR currently provided to distributors by allowing metering coordinators to carry out planned supply interruptions on any electricity customers for the purposes of installing, maintaining, repairing or replacing an electricity meter.³³

Under the proposal, metering coordinators would be able to interrupt supply of the customer who has requested metering work, as well as interrupting supply to any other electricity customers as required to enable the planned metering work to be completed, subject to obtaining the affected customers' consent or providing four business days' notice. The proponent considers this will give the metering coordinator, via the metering provider, the ability to obtain consent from other customers on the shared service while the meter installation is taking place, where possible.³⁴

There are no restrictions on the number of electricity customers to which supply can be interrupted under the proposed solution in the rule change request.³⁵

31 Rule change request, p. 2.

32 Rule change request, p. 5.

33 Ibid.

34 Ibid.

35 Rule change request, p. 3.

The same obligations relating to planned interruption notifications which currently apply to retailers are proposed under the proponent's rule change request to apply to metering coordinator planned interruptions, as well as the same penalties.³⁶

Additionally, the Chair of the CMIG has proposed requiring participants to use AEMO's B2B e-Hub to notify retailer and distributors of planned interruptions, unless an alternative method of notification is agreed.³⁷

The rule change request and the proponent's proposed rule are discussed in more detail in Chapter 5.

36 Ibid. It should be noted that the Commission cannot create new civil penalty provisions. However, it may (jointly with the AER) recommend to the COAG Energy Council that new or existing provisions of the NER or NERR be classified as civil penalty provisions.

37 Ibid.

4 ASSESSMENT FRAMEWORK

4.1 Achieving the NEO/NERO

Under the NEL the Commission may only make a rule if it is satisfied that the rule will, or is likely to, contribute to the achievement of the national electricity objective (NEO).³⁸

The NEO is:³⁹

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 -

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system.

The Commission may only make a rule if it is satisfied that the rule will, or is likely to, contribute to the achievement of the national energy retail objective (NERO).⁴⁰

The NERO is:⁴¹

to promote efficient investment in, and efficient operation and use of, energy services for the long term interests of consumers of energy with respect to price, quality, safety, reliability and security of supply of energy.

The Commission must also, where relevant, satisfy itself that the rule is "compatible with the development and application of consumer protections for small customers, including (but not limited to) protections relating to hardship customers" (the "consumer protections test").⁴²

Where the consumer protections test is relevant in the making of a rule, the Commission must be satisfied that both the NERO test and the consumer protections test have been met.⁴³ If the Commission is satisfied that one test, but not the other, has been met, the rule cannot be made.

There may be some overlap in the application of the two tests. For example, a rule that provides a new protection for small customers may also, but will not necessarily, promote the NERO.

4.2 Making a more preferable rule

Under s. 91A of the NEL and s.244 of NERL, the Commission may make a rule that is different (including materially different) to a proposed rule (a more preferable rule) if it is satisfied that, having regard to the issue or issues raised in the rule change request, the

38 Section 88 of the NEL.

39 Section 7 of the NEL.

40 Section 236(1) of the NERL.

41 Section 13 of the NERL.

42 Section 236(2)(b) of the NERL.

43 That is, the legal tests set out in s. 236(1) and (2)(b) of the NERL.

more preferable rule will or is likely to better contribute to the achievement of the NEO and NERO (respectively).

4.3 Rule making in the Northern Territory

The NER, as amended from time to time, apply in the Northern Territory, subject to derogations set out in regulations made under the Northern Territory legislation adopting the NEL.⁴⁴ Under those regulations, only certain parts of the NER have been adopted in the Northern Territory.⁴⁵

The proposed rule does not relate to the parts of the NER that have been adopted in the Northern Territory.⁴⁶ Consequently, the Commission will not assess the proposed rule against additional elements required by the Northern Territory legislation.

4.4 Proposed assessment framework

To determine whether the proposed rules would be likely to promote the NEO and NERO, the Commission will assess the rule change requests against an assessment framework. The framework may be refined during the rule change process. The relevant considerations in the above objectives are the promotion of efficient investment and operation of energy services for the long term interests of consumers of electricity with respect to price.

At this stage, the Commission is seeking stakeholder views on its proposed assessment framework which includes the following criteria to assess whether the proposed rule is likely to promote the NEO and NERO, namely the impact the rule has on:

- **Efficient use of energy:** customers who cannot get timely installation of an advanced meter, may miss out on benefits from new services that can help them manage their energy used and cost. The Commission will consider whether the proposal put forward by the rule proponent may help improve this.
- **Consumer protection:** delays in the installation of meters can have a severe impact on small customers, either through imposing financial hardship, leaving them without electricity supply or making it difficult to access new products and services. However, it is also important that consumers, particularly those with life support equipment, have appropriate protections in relation to interruptions to their electricity supply. The degree to which the proposed rule change may improve, or at least not interfere with, consumer protections will be considered. The Commission will also consider whether the proposed new rules are compatible with the development and application of relevant consumer protections under energy laws and regulations of Victoria.⁴⁷

44 The regulations under the *National Electricity (Northern Territory) (National Uniform Legislation) Act 2015* are the National Electricity (Northern Territory) (National Uniform Legislation) (Modifications) Regulations.

45 The version of the NER that applies in the Northern Territory is available on the AEMC website.

46 Chapter 7A of the NER in the Northern Territory applies in substitution for Chapter 7 of the uniform NER (which establishes the metering framework). Chapter 7A of the NER in the Northern Territory operates as a transitional framework until Chapter 7 takes effect in that jurisdiction.

47 The AEMC is not required to take into account the consumer protections specific to non-NECF jurisdictions (that is, Victoria), as the proposed changes to the NER would only apply in those jurisdictions that have implemented the NECF. However, Victorian consumer protections may have some relevance insofar as they indicate potential directions for the development of consumer protections in NECF jurisdictions.

- **Efficient provision of electricity services:** the degree to which the proposed rule change may reduce the likelihood that retailers undertake inefficient processes leading to consumers bearing higher costs. The Commission will also consider how delays in the installation of advanced meters may adversely affect the development of the energy services market.
- **Regulatory and administrative burden:** the benefits of the proposed rule change against the implementation costs that would likely pass through to consumers in a workably competitive market will be considered by the Commission.

5 ISSUES FOR CONSULTATION

Taking into consideration the assessment framework, a number of issues have been identified for initial consultation. Stakeholders are encouraged to comment on these issues as well as any other aspect of the rule change request or this paper, including the proposed assessment framework.

This chapter outlines potential issues in relation to:

- Proposed NER amendments
- Proposed NERR amendments
- Other considerations.

5.1 Proposed NER amendments

As discussed in chapter 2, meters may be installed or replaced on the request of a customer, to replace malfunctioning meters or as part of a retailer new meter deployment. New or replacement meters must be an advanced meter. Advanced or smart meters are interval meters that are able to provide a minimum set of services, such as remote meter reading.

Advanced meters are a key foundation for the transformation of the energy market. They enable customers to better understand and manage their electricity use and costs, and enable them to access new services. Advanced meters are also a pre-requisite for the implementation of cost-reflective tariffs, which will deliver savings in network costs and average prices for consumers.

Currently, under the NER, where the installation of a meter requires interruption of supply to another retail customer the timeframe obligations do not apply (other than for malfunctioning meters). The proponent considers that this results in customers with shared fusing arrangements experiencing reduced service levels because of the potential for extensive delays. Customers who are changing from an accumulation meter are not able to access the benefits of advanced meters until the new metering installation has been completed.

5.1.1 Additional role of the metering coordinator in the NER

The proposed rule includes amendments to Chapter 7 of the NER, to provide metering coordinators with the ability to carry out planned supply interruptions for an unlimited number of customers, for the purposes of installing, maintaining, repairing or replacing an electricity meter.

The Chair of the CMIG proposes adding a subparagraph to rule 7.3.2 of the NER which relates to the Role of the Metering Coordinator. The proposed additional provision is intended to allow for a metering coordinator planned interruption of supply:

Metering Coordinator interruption to supply

A Metering Coordinator may, subject to and in accordance with any requirements of the energy laws, arrange a Metering Coordinator planned interruption on any customer

for the purpose of installing, maintaining, repairing or replacing an electricity meter.

There is no amendment proposed to clause 7.3.2(i)(4) of the NER, which currently provides that the metering coordinator may only arrange for *retailer planned interruptions* on the request of the retailer, in accordance with *jurisdictional electricity legislation* and, if applicable, in accordance with the *emergency priority procedures*.

5.1.2

Removal of the exemption from metering installation timeframes where supply to another customer is interrupted

Clauses 7.8.10A, 7.8.1.0B and 7.8.10C of the NER provide timeframes under which meters must be installed for new connections and meter exchanges, both where a connection alteration is required, and where a connection alteration is not required.

As discussed in chapter 2, retailers are required to provide a meter installation for a new connection or a meter exchange by a date agreed with the customer. If no timing can be agreed, then the retailer needs to install the meter within the relevant timeframe specified in the NER.⁴⁸ The DNSP must coordinate with the retailer in order to allow the retailer to meet its timeframe obligations where a connection alteration is also required.⁴⁹

There are a number of exemptions in the NER under which the timeframes specified in the NER do not apply, including where installing the meter requires interrupting supply to another retail customer. The rule proposal removes the exemption relating to interrupting supply to another retail customer from the list of exemptions from meeting the required timeframes for meter installation in the NER, as the proponent considers that the introduction of metering coordinator interruptions would allow the timeframes to be met.⁵⁰

In considering whether metering coordinators should be allowed to arrange for and carry out supply interruptions for the purposes of or installing, maintaining, repairing or replacing an electricity meter the Commission is interested to understand the benefits and costs of doing so, and the magnitude of the issue it is attempting to resolve.

QUESTION 1: PROPOSED NER AMENDMENT

1.1. What are the benefits of allowing metering coordinators to arrange and carry out planned supply interruptions?

1.2. What is the magnitude of the issue that the rule change request is attempting to resolve? For example, how many meter installations are delayed due to inability to interrupt the supply of the retailer's customer without interrupting the supply of one or more other customers?

1.3 Under what circumstances would the rule be used? Do stakeholders consider that there would be any issues if the proposed rule is made with how the rule would interact with

⁴⁸ Clauses 7.8.10A and 7.8.10AB of the NER.

⁴⁹ Clause 7.8.10C of the NER.

⁵⁰ Rule change request, p. 5.

retailers, DNSPs and metering parties existing obligations in the NER or NERR?

1.4 Would additional or alternative amendments to the NER be required to address the underlying issues in the rule change request?

1.5 Are there alternative solutions to introducing metering coordinator planned interruptions which would address the underlying issue of delays in installing or replacing meters in circumstances where there are shared fusing issues?

1.6 Should any restrictions be placed on the number of customers whose supply can be interrupted under a metering coordinator planned interruption?

5.2 Proposed NERR amendments

As discussed in chapters 2 and 3, retailers and DNSPs can currently carry out planned supply interruptions under a limited number of circumstances, and for their own customers only. Under jurisdictional legislation, supply is required to be isolated (i.e. interrupted) prior to any electrical works being carried out. This includes metering installation.

Retailers are able to arrange for an interruption to their customer's electricity supply without the involvement of the DNSP (a 'retailer planned interruption') to install, maintain, repair or replace an electricity meter. However, retailers are currently not able to arrange to interrupt supply to a customer that is not their own.⁵¹

DNSPs are able to arrange for an interruption to a customer's electricity supply for any customers connected to their distribution network, including for planned or routine maintenance of metering equipment or the installation of a new connection or connection alteration.⁵² When a retailer planned interruption cannot be undertaken, a DNSP can be requested to interrupt supply (which may affect multiple customers) to enable the metering coordinator to carry out the installation, maintenance, repair and or replacement of metering equipment.⁵³

In the rule change request, the rule proponent notes that there are often long lead times and high costs in arranging for a DNSP to undertake a planned interruption to allow the metering coordinator to install or replace a meter. Involving the DNSP to carry out an interruption for the purpose of meter installation and replacement also requires the coordination of site visits with both the DNSP and the metering provider.

The rule change proponent considers that the introduction of metering coordinator planned interruptions will reduce the number of site visits required to install or replace a meter in cases where there are multi-occupancies with shared fusing. It will negate the requirement to involve DNSPs to arrange for a planned interruption, and could allow for a proportion of metering installations with these issues to be completed on the first visit if the metering

⁵¹ Rule 59B of the NERR.

⁵² Rule 88 of the NERR.

⁵³ Rule 91A of the NERR.

coordinator is able to gain the other customer's explicit consent to the supply interruption at the visit.

The proponent considers that at a minimum the proposed rule change will reduce metering coordinator and metering provider resources required to coordinate planned interruptions with the distributor, as well as avoiding the additional costs of a distributor planned interruption.

Metering coordinators will still be required to arrange for a *retailer planned interruption* of the supply of electricity at the metering installation on request of the retailer.

It is unclear from the proposed rule change whether the proponent envisions that the retailer would be expected to initially request a retailer planned interruption, and only if there is an impediment to installation of the meter such as a shared fusing situation would the metering coordinator carry out a metering coordinator supply interruption, or alternatively whether it is envisaged that a metering coordinator planned interruption would be arranged in all cases for the purposes of installing, maintaining, repairing or replacing a meter. If the latter is intended, retailer planned interruptions may become redundant.

The Commission is interested in stakeholder views on when metering coordinator planned interruptions should be utilised, and the interrelationship with retailer planned interruptions.

5.2.1 Notification of planned interruptions

Prior to supply interruptions taking place, retailers and distributors are required to either provide advanced notice of the planned interruption, or obtain the customer's explicit consent for the interruption to occur on a specific date, or within a date range of five business days. The customer, should they desire, could also provide their explicit consent to the supply interruption occurring immediately.

The proponent has suggested that metering coordinators be provided with the ability to arrange for planned interruptions with the same planned interruption notice requirements which currently apply to DNSPs and retailers.⁵⁴ A notification is required to specify the expected date, time and duration of the interruption, include a 24-hour telephone number for enquires, and a statement that any enquiries relating to the interruption are to be directed to the metering coordinator.

Under the proposed rule, if the customer whose supply requires interruption has registered that someone at the premises requires life support, as for retailer planned interruptions, the metering coordinator is required to obtain the customer's explicit consent to the supply interruption occurring on a specified date, or provide four business days notice of the supply interruption, in writing.⁵⁵ Further considerations for premises where a resident requires life support equipment are discussed in section 5.3.

The Commission is interested in stakeholder views on the proposed requirements for notification of a metering coordinator supply interruption.

⁵⁴ Rule change request, p. 6.

⁵⁵ Ibid.

5.2.2 Communication of planned outages with other market participants

The proponent has proposed that notification of the expected date, time and duration of metering coordinator planned interruptions should be provided to the retailer and DNSP of each customer which will experience an interruption of supply due to the metering coordinator planned interruption. It is proposed that this notification is required either on the same day the customer provides consent to the metering coordinator for the planned interruption, or, if the metering coordinator and customer have not come to an agreement on a date, at least four business days prior to the planned interruption of supply.⁵⁶

It is proposed that the notification must also include the NMI and the address of the specific premises affected by the metering coordinator planned interruption. The metering coordinator does not currently have access to NMI discovery. The method under which the metering coordinator would obtain the NMI for the affected customers is not discussed in the rule change request. NMI discovery is discussed in more detail in section 5.3.

Further, the rule proponent suggests that any communication between the metering coordinator and the retailer and / or DNSP must be made promptly through the B2B e-Hub, or any other agreed method. This aligns with the current communication requirements between the metering coordinator and retailers and DNSPs.

The Commission is interested in if there are any other components around communication of planned outages with other market participants which should be considered.

QUESTION 2: REQUIREMENTS FOR METERING COORDINATOR PLANNED SUPPLY INTERRUPTIONS

2.1 Are retailer planned interruptions required if metering coordinator planned interruptions are introduced? Why or why not?

2.2 Are additional or alternative amendments to the NERR required or appropriate to address the issues?

2.3 Are the methods of communicating planned outages, and the information provided in the planned outage communications with other market participants adequate? Are there any further amendments which should be considered?

5.3 Other considerations

There are a number of other considerations which require further investigation and analysis when considering the costs and benefits of the proposed rule change, and determining if the proposed rule change addresses the issue of delays in the installation of new or replacement meters in cases where there is a shared service line and shared fusing between a number of customers.

⁵⁶ Rule change request, p. 7.

5.3.1

NMI discovery

Prospective retailers are able to use NMI Discovery to identify customers' National Metering Identifier (NMI) and NMI checksum, and discover standing data about the NMI to enable the retailer to provide the customer with a retail electricity offer. DNSPs also have access to NMI Discovery for the purpose of confirming that the details being returned by NMI Discovery are correct, for those NMIs where they are the local network service provider.

Metering Coordinators can carry out a search of standing data for those NMIs where they are the current metering coordinator, or for the purpose of responding to a request from a large customer or retailer to assist in the appointment of a Metering Coordinator. This is via the Metering Coordinator Standing Data Search.⁵⁷

NMI Discovery can be used to find a NMI and the NMI Checksum by searching Market Settlement and Transfer Solution Procedures (MSATS) using any, or any combination of, the customer's address, the address's DPID and a MeterSerial ID. NMI Discovery can also be used to search for standing data for a NMI.

In order to identify the customers whose supply would be interrupted, the metering coordinator would require a way in which to identify the customer and the retailer at the connection points and obtain the relevant NMIs. The Commission is interested in stakeholder views on the most appropriate way for a metering coordinator to obtain that data, and whether NMI Discovery would provide the required information.

5.3.2

Life support

If a resident at a premises is registered as requiring life support equipment which relies on electricity, there are more onerous obligations placed on retailers and DNSPs prior to arranging planned supply interruptions. In these cases, retailers and DNSPs are required to notify the customer in writing of the expected time, date and duration of the supply at least four business days prior to the supply interruption, or if a specific date has been agreed with the customer, provide written notice of the time and duration of the planned interruption. A 24-hour phone number for enquires must also be provided.⁵⁸

Retailers and DNSPs cannot agree a date range for a premises where a resident is registered as requiring life support equipment.⁵⁹

Retailers and DNSPs are required to inform each other that someone who resides at a premises requires life support equipment once either has been notified as a customer, and register the premises in their systems.⁶⁰

Metering coordinators do not currently have direct access to this information, and retailers do not have access to this information for any premises where they are not the financially

⁵⁷ See AEMO, *Hints and tips CATS and NMI Discovery*, 20 May 2019, p. 37 as published on the AEMO website: <https://www.aemo.com.au/Electricity/National-Electricity-Market-NEM/Retail-and-metering/Market-Settlement-and-Transfer-Solutions>.

⁵⁸ Rule 124B of the NERR.

⁵⁹ Rules 59C and 90 of the NERR

⁶⁰ Rule 124 of the NERR.

responsible market participant.⁶¹ If the metering coordinator is permitted to carry out supply interruptions of any customers, a mechanism for the metering coordinator to be informed of any premises with life support equipment would be required.

The Commission is interested in stakeholder views on the most appropriate way for metering coordinators to access information on premises with life support equipment for the purpose of carrying out planned supply interruptions.

5.3.3

Dispute resolution

Under the NERL, retailers and DNSPs are required to be members of jurisdictional energy ombudsman schemes for the purpose of independent dispute resolution.⁶² Metering coordinators are not currently required to be members of jurisdictional energy ombudsman schemes as any metering related or supply interruption complaints would currently be under the remit of the retailer or DNSP. The proposed rule changes would provide metering coordinators the ability to interrupt customer supply, with potential consumer protections ramifications. Although the proponent has suggested civil penalties could apply to several of the proposed provisions,⁶³ the Commission is interested in stakeholder views on the adequacy of customer recourse for breaches of the proposed rules.

QUESTION 3: OTHER ISSUES

3.1 Do metering coordinators require a specific level of access in MSATS in order to identify the customer who would receive a supply interruption? Is there an alternative method which would be more appropriate to obtain the required information? Are there any issues with providing metering coordinators with access to NMI Discovery?

3.2 What is the most appropriate arrangements for a metering coordinator to determine whether a resident at any of the premises it intends to arrange a planned supply interruption uses life support equipment?

3.3. Should customers have any access to dispute resolution or another form of recourse if a metering coordinator breaches any of the rules in relation to metering coordinator planned interruptions?

3.4 Are there any other issues that the Commission should consider in relation to the proposed rule change?

⁶¹ It may be possible for metering coordinators to obtain this information through B2B communications.

⁶² Section 86 of the NERL.

⁶³ Again, it should be noted that the Commission cannot create new civil penalty provisions. However, it may (jointly with the AER) recommend to the COAG Energy Council that new or existing provisions for the NER or NERR be classified as civil penalty provisions.

6 LODGING A SUBMISSION

Written submissions on the rule change request must be lodged with Commission by 10 October 2019 online via the Commission's website, www.aemc.gov.au, using the "lodge a submission" function and selecting the project reference code ERC0275.

The submission must be on letterhead (if submitted on behalf of an organisation), signed and dated.

Where practicable, submissions should be prepared in accordance with the Commission's guidelines for making written submissions on rule change requests.⁶⁴ The Commission publishes all submissions on its website, subject to a claim of confidentiality.

If you are not able to lodge submissions online, please contact us and we will provide instructions for alternative methods to lodge the submission.

All enquiries on this project should be addressed to Alisa Toomey on (02) 8296 0633 or alisa.toomey@aemc.gov.au

⁶⁴ This guideline is available on the Commission's website www.aemc.gov.au.

ABBREVIATIONS

AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AEC	Australian Energy Council
AER	Australian Energy Regulator
B2B	Business-to-business
CMIG	Competitive Metering Industry Group
Commission	See AEMC
DNSP	Distribution Network Service Provider
MSATS	Market Settlement and Transfer Solution Procedures
MCE	Ministerial Council on Energy
NEL	National Electricity Law
NEO	National electricity objective
NER	National Electricity Rule
NERL	National Energy Retail Law
NERO	National energy retail objective
NERR	National Energy Retail Rules
NMI	National Meter Identifier