

AEMC – CMIG Rule Change Request

Consultation response by the National Electrical and Communications Association (NECA).

This document sets out the National Electrical and Communications Association's response to the AEMC's consultation on CMIG's Rule Change Request.

Rather than responding to the specific questions set out by the AEMC, NECA has outlined:

1. NECA's overall position on the rule change
2. NECA's broader position on metering
3. NECA's concerns with the Rule Change
4. NECA's recommendations for alternative options

We found this to be a better structure for summarising our views.

NECA's position on the Rule Change

- It is NECA's view that more work needs to be undertaken to understand the potential implications of the Rule Change, particularly in the context of each state's regulations.
- NECA is sceptical that the Rule Change will achieve the desired outcome and believes metering co-ordinators will face similar – if not worse – challenges to retailers when trying to secure explicit consent from residents of multi-occupancy dwellings.

NECA's position on metering

- NECA shares the AEMC's commitment to achieving outcomes that are in the long-term interests of consumers. A key part of this is ensuring there is a fair and competitive market in which electrical contracting firms can operate. To date, this has not been the case with metering since Power of Choice was introduced. Many electrical contracting firms have been frozen out the market, which has had a widely-acknowledged negative impact on consumers.
- NECA supports policies that deliver the highest safety outcomes for the public and electricians. That's why we support the ASP scheme in NSW and also why we believe a key reform for metering is developing a nationwide, independently-accredited training program that would help overcome several of the challenges faced by metering co-ordinators.
- NECA also advocates for a national register of metering installers who have taken the above training and can work for different metering co-ordinators and retailers.

NECA concerns with the Rule Change

- Retailers, and to a lesser extent networks and electricians, hold the relationship with a customer. Introducing a new party, the metering co-ordinator, is likely to add further confusion to an already complex situation that has caused significant problems for consumers.

- In NSW, there is a risk the Rule Change could lead to confusion around what constitutes ASP work and what does not. We know this is not the AEMC's jurisdiction. However, any Rule Change must be cognisant of state contexts to avoid unintended consequences which adversely affect consumers.

NECA opposes any changes that have the potential to shift ASP work to non-ASPs, unless there is a corresponding independently run and audited training regime to ensure non-ASPs can safely do the relevant work.

- Allowing metering coordinators to interrupt supply could have safety implications if they attempt to do work they are not qualified to do. Currently, a DNSP is likely to have to attend a site for a planned interruption where they may discover safety issues that require more extensive work, which a metering coordinator is not qualified to do and may not recognise the problem in the first place.
- An unintended consequence of the Rule Change could lead to reduced competition, as it would give metering providers an unfair competitive advantage for work associated with metering that required interruption of service, for example, replacing a meter board.
- The Rule Change risks giving metering co-ordinators significant market power, as they will be able to engage consumers they are not doing work for, and potentially offer additional services or funnel them into selecting the retailer they are affiliated to get the work done efficiently. This would have competition implications, adversely affecting consumers.
- Given the difficulties retailers have had in executing planned supply interruptions since the introduction of Power of Choice, NECA is concerned that metering coordinators will not do a better job. Indeed, the current situation could be made worse as metering coordinators attempt to manage their new powers and responsibilities. This could negatively impact consumers. If the Rule Change, or a form of it, is to go ahead, metering coordinators should first submit a comprehensive management plan that can be assessed and accredited by an independent body before they are allowed to interrupt supply.
- Even if AEMC was to pass this rule change request in a revised format there are other hurdles to consider from other authorities and jurisdictions that may prove problematic for this to work. These hurdles include coordinating with other retailers' customers, having access to other retailers' customer information, distributor authority rules which prevent unauthorised person from operating an SPD, etc.

NECA's recommendations for alternative options

- The only way to effectively reach all parties in multiple occupancy dwellings is for retailers to coordinate with each other and their customers. Giving metering coordinators additional powers will not resolve 3 key problems –
 - 1) that it is highly unlikely all occupants will be at home at the same time to give explicit consent for an interruption to take place as per NECF requirements.
 - 2) Even if it was organised through strata, meter coordinators do not have information on customers to identify which customers are with which different retailers, noting that retailers and meter coordinators do not have permission from the affected customers corresponding retailer to deenergise those customers.
 - 3) Retailers cannot and will not communicate between each other effectively without a proper mechanism in place, and they cannot communicate to other retailers'

customers on behalf of the other retailers as they are in competition with each other.

- NECA believes that a mechanism for retailers to collaborate on supply interruptions would deliver better outcomes.
- NECA suggests that a mechanism be put in place as well as a Retailer agreement for distribution authorities to coordinate the multioccupancy shared SPD interruptions, and in NSW ASP level 2 workers utilised to facilitate the process and complete the de-energisation of SPD and/or disconnect reconnect required, which would enable MPD devices to be installed and customer installation upgrade + meter installation work.
- Alongside this, having a nationally accredited training course and minimum standards for metering installers, as well as a register that allows them to work for different providers and retailers would improve competition, reduce delays, provide uniformity and consistency, improve safety, and deliver better outcomes for consumers.