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the smart choice

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Attn: Mr Mitchell Grande
Re: Response to Draft Report for the Review of the regulatory frameworks for metering services.
31 January 2023

Dear Mr Grande,

Green Metering welcomes the opportunity to provide feedback to the Australian Energy Market Commission on the Draft Report for the Review of the regulatory frameworks for metering services.

Green Metering is a new startup business focusing on the rollout of smart meter infrastructure within the National Electricity Market. Green Metering was recently registered as a Metering Coordinator with AEMO and began operations in the market in early 2023.

Green Metering sees a great opportunity for all stakeholders with improved infrastructure at the edge of the electricity network with the upgrade of metering installations with smart meter technology.

Please find below our feedback on the Draft Report recently released.

Should you wish to discuss aspects or have any further enquiries regarding this submission, please call David Lannan, Managing Director on 0421 629 514.

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QUESTION 1: IMPLEMENTATION OF THE ACCELERATION TARGET

1. *Do stakeholders consider an acceleration target of universal uptake by 2030 to be appropriate?*
2. *Should there be an interim target(s) to reach the completion target date?*
3. *What acceleration and/or interim target(s) are appropriate?*
4. *Should the acceleration target be set under the national or jurisdictional frameworks?*

1 Green Metering (GM) agrees that a target of 100% uptake is an appropriate goal to set for the deployment of smart meters to small residential customers (Type 4). Clear definition of this target is necessary to guide the market appropriately. There will be cases that do not get resolved and impacts that are not foreseen, so accepting that the target may not be reached and an appropriate plan in place to resolve the long tail of services will be needed.

GM would suggest removing Business premises and Large customers from the definition. Mainly that they are mostly already installed with smart meters, but they have very different needs and impacts vary widely.

2 GM believes interim targets are not appropriate at a global level, but depending on the implementation plan localised targets may be more appropriate. The deployment of meters is more efficient and cheaper if activities are focused in smaller areas for shorter periods of time. If this approach is taken, ensuring that targets are met in those localised areas will enable the larger goals to be achieved.

3 Localised targets based on a focused deployment plan would be reasonable. As per GM's previous submissions and discussions with AEMC, following a similar model to the deployment of the National Broadband Network and understanding of their rollout achievements would guide appropriate and realistic targets. For example if a local area of 3000 properties was deemed for replacement and given a timeframe of 2 years to be completed, setting targets during that period for tracking of success. Eg. 50% uptake in 6 months, 70% in 12 months, 90% in 18 months and 100% in 24 months.

4 An acceleration target should be set under the national framework. The MC's who will be driving the activity and the retailers that own the end user relationship mostly operate at a national level. Having different targets across different jurisdictions will be very difficult to track and no ownership of the outcome will be possible.

QUESTION 2: LEGACY METER RETIREMENT PLAN (OPTION 1)

1. *Do stakeholders consider this approach feasible and appropriate for accelerating the deployment of smart meters?*
2. *Do stakeholders consider the Commission's initial principles guiding the development of the Plan appropriate? Are there other principles or considerations that should be included?*
3. *If this option is adopted, what level of detail should be included in the regulatory framework to guide its implementation?*
4. *Do stakeholders consider a 12-month time frame to replace retired meters appropriate? Should it be longer or shorter?*
5. *Are there aspects of this approach that need further consideration, and should any changes be made to make it more effective?*

1 Green Metering supports this model of retirement, as the retirement of the legacy meters is managed by the responsible party for the existing meters.

This model takes a similar approach to the retirement of the legacy copper network for telecommunications with the rollout of the National Broadband Network. In that model, once nbn notifies Telstra that the area is "ready for service" then Telstra would stop-sell of copper services and the clock would start for the switch-off of copper services, thus forcing the end user to switch to a nbn service.

Utilising a "switch" event that is spaced across a period of time and enables retailers to focus their efforts in specific areas. This is also ensuring that an installation workforce is planned and ready to act upon the planned period for the switch to occur.

2 The initial principles are appropriate. The Commission should consider that principles may need to change and adapt over time and not set them in a rigid framework that restricts updating based on feedback.

3 The framework for the decision making, parties involved and timeframes for activities should be incorporated to guide implementation. An escalation and resolution guideline should also be incorporated to ensure there is a path for resolution where issues may arise.

4 Experience from the National Broadband Network, which this activity is very similar to, utilised an 18 month standard timeframe for the replacement of services in each localised area (approx 3000 properties). Nbn also used an initial 3 year period at the start of the

program to cover any issues that may arise and brought back to 18 months when appropriate. Even under that period there were also a good volume of properties that had issues.

GM's recommendation would be a standard 18 month period, with the first tranche of sites having a 3 year period, reducing down to 18 months (within 18 months). All tranches post that initial period would be 18 months with options to reduce if successful.

5 A centralised body to nominate and schedule the areas for retirement to the DNSP should be considered to help all parties involved be aware ahead of time of the schedule and can plan appropriately. Timing for the plan should be considered as ensuring a workforce is available in a certain area can take a long time to organise (ie 6-12 months).

QUESTION 3: LEGACY METER RETIREMENT THROUGH RULES OR GUIDELINES (OPTION 2)

1. *Do stakeholders consider option 2 feasible and appropriate for accelerating the deployment of smart meters? Are there aspects of option 2 that would benefit from further consideration?*
2. *Are market bodies the appropriate parties to set out the legacy meter retirement schedule?*
3. *If option 2 is adopted, should the meter retirement schedule be located in the rules, or guidelines developed by the AER or AEMO?*

1 GM believes that with the right resourcing, capabilities and industry support that a centralised process would be feasible and appropriate. The concern of going down this path without full support from industry and stakeholders that this approach could cause delays to the program and not meet the principles of the program.

Further consideration of the responsible parties and resourcing requirements are necessary before then understanding what is a feasible implementation process.

2 GM believes a centralised body is most appropriate to set the schedule, with appropriate rules in place with market participants on their roles in the process. Disseminating the schedule out to multiple stakeholders will be difficult to manage and control, especially if multiple parties take different approaches to meet their own needs and there is a limited ability to resolve issues.

3 A guideline approach developed by a centralised body is the most appropriate model. A schedule will never be static and if there are penalties associated with a breach of the rules this could cause significant impact to market participants beyond their control..

QUESTION 4: RETAILER TARGET (OPTION 3)

1. *Do stakeholders consider option 3 is feasible and appropriate for accelerating the deployment of smart meters? Are there aspects of option 3 that need further consideration?*
2. *If this option is adopted, what are stakeholders' suggestion on how retail market dynamics could be taken into consideration in both setting the uptake targets and monitoring performance?*
3. *Should the rules or a guideline outline only a high-level target (universal uptake by 2030 taking into account practicality of replacements) or more granular targets or interim targets?*

1 GM does not believe this is a feasible and appropriate approach for accelerating the deployment of smart meters. This model, apart from targets being set, has been the model implemented to date with limited success. This model does not provide guidance or help with an efficient and cost effective deployment for metering parties to deploy the smart meters into properties.

2 If this model was to be adopted, a focused schedule for implementation in areas would be recommended beyond just global targets. Setting targets and monitoring performance would need to have significant penalties if they are not being met, but in return due to the fluid nature of end customers this could significantly impact retailers in an already volatile cost market.

3 For this to work, interim targets must be set to track and control activity. Waiting until 2030 to hopefully hit the target would be difficult to enforce.

QUESTION 5: STAKEHOLDERS' PREFERRED MECHANISM TO ACCELERATE SMART METER DEPLOYMENT

1. *What is the preferred mechanism to accelerate smart meter deployment?*
2. *What are stakeholders' views on the feasibility of each of the options as a mechanism to accelerate deployment and reach the acceleration target?*
3. *Are there other high-level approaches to accelerating the deployment that should be considered?*

1 GM recommends a mix of Option 1 and 2 as the preferred mechanism. A centralised body being responsible for the implementation and outcome, monitoring performance and scheduling the areas for retirement. These plans would be influenced by DNSPs, MCs and Retailers with obligations set on those parties for their involvement.

2 As per our response to earlier questions, retirement in a phased and scheduled approach is most appropriate. As a new MC we see an opportunity to support this activity with commercial arrangements with Retailers.

3 Alternatives to consider could be:

- an approach that New Zealand used for their Universal Fibre Broadband (UFB) rollout. This approach provided minimum commitments to their providers for the deployment of infrastructure. Providing MC's with an area of focus for deployment of meters could drive efficiencies and ensure certain parties are working together to deploy.
- A trial process should be considered to understand any potential issues or improvements for a scale deployment. Selecting a single area per DNSP (say 3000 properties) and do a trial with those sites prior to implementation of the full program. Any learnings can then be adapted into the final deployment model.

QUESTION 6: FEEDBACK ON NO EXPLICIT OPT-OUT PROVISION

(1) Do stakeholders have any feedback on the proposal to remove the opt-out provision for both a programmed deployment and retailer-led deployment?

(2) Are there any unintended consequences that may arise from such an approach?

1 Green Metering support the removal of the opt-out provision

2 No Comment

QUESTION 7: REMOVAL OF THE OPTION TO DISABLE REMOTE ACCESS

(1) Do stakeholders consider it appropriate to remove the option to disable remote meter access under acceleration?

1 GM would support the removal of the option to disable remote access. The development over time and education of the capabilities of a smart meter provide a significant benefit to the industry and end user by utilising remote access. There is significant additional cost that is passed through to an end user who disables remote access. As the penetration of smart meters increases, these costs will also increase.

If this is option continues, it would be requested that the requirement to perform a manual read of a meter is only optional moving forward, or at worst is only required every 12 months. Meter data estimation methods should be used for these meters instead.

QUESTION 8: PROCESS TO ENCOURAGE CUSTOMERS TO REMEDIATE SITE DEFECTS AND TRACK SITES THAT NEED REMEDIATION

(1) Do you consider the proposed arrangements for notifying customers and record keeping of site defects would enable better management of site defects?

1 GM sees value in the approach proposed, but this focuses more on relieving retailers in meeting their timeframes for meter deployments than actually remediating the site and meeting the goal of installing a new smart meter.

Opportunity should be provided for commercial arrangements between MC's, Retailers and End Customers to remediate a site and install the smart meter. The MC has the commercial value in having a meter installed at a site, so responsibility to remediate that site should also be included in their responsibility, noting that recovery of that cost can be managed commercially over a period of time if that is deemed feasible.

QUESTION 9: IMPLEMENTATION OF THE 'ONE-IN-ALL-IN' APPROACH

(1) *Would the proposed 'one-in-all-in' approach improve coordination among market participants and the installation process in multi-occupancy sites?*
(2) *Are the time frames placed on each market participant appropriate for a successful installation process of smart meters?*
(3) *Are there any unforeseen circumstances or issues in the proposed installation process flow and time frames?*
(4) *How should DNSPs recover costs of temporary isolation of group supply from all retailers?*
(5) *Can the proposed role of the DNSP in the one-in-all-in approach be accommodated by the existing temporary isolation network ancillary services?*
(6) *Which party should be responsible for sending the PIN in the context of the one-in-all-in approach?*

1 GM considers that the "one-in-all-in" approach needs to be trialled to understand the potential improvements for coordination in real life scenarios. GM agrees that completing the deployments of smart meters with a single outage to the site is the preferred outcome, but it could also lead to unintentional consequences to market participants, especially if a large retailer and a MC get first opportunity to capture that site it could hinder competition in the market.

2 The timeframes as volumes of installations increase may be difficult to meet. These timeframes should be trialled and adjusted. Longer timeframes initially would be recommended with opportunity to tighten them if they are leading to a poor customer experience and/or there are efficiencies identified

3 As above, concern on the potential restriction of market competition by enabling the "Primary MC" to capture a site and deliver the services is linked to the first MC that went to a site.

An alternative opportunity could be to allow pro-active deployment of meters at a multi-occupancy site with a process similar to a Direct Metering Agreement (DMA) that with agreement of the building management / strata management to install and deploy meters for a site to the benefit of their occupants.

4 A pro-rata distribution of costs across retailers with a meter replaced during the period of the outage would be recommended

5 No comment

6 This process should remain as close to BAU as possible, with the responsibilities of each market participant outlined and ensuring information is provided to them in a timely manner to meet their obligations

QUESTION 10: STRENGTHENING INFORMATION PROVISION TO CUSTOMERS

(1) 1. Do you have any feedback on the minimum content requirements of the information notices that are to be provided by Retailers prior to customers prior to a meter deployment?
(2) 2. Are there any unintended consequences which may arise from such an approach?
(3) 3. Which party is best positioned to develop and maintain the smart energy website?

1 GM recommends that the information provided should be clear and consistent across every retailer. Mandatory minimum information should be provided but allow retailers to adapt that information into their own content as necessary

2 No known consequences

3 GM suggests that the federal government site energy.gov.au would be an appropriate place to host this information, with the information replicated via other state government and consumer advocacy groups as optional

QUESTION 11: SUPPORTING METERING UPGRADES ON CUSTOMER REQUEST

(1) Do stakeholders support the proposed approach to enabling customers to receive smart meter upgrades on request?

1 GM agrees that customers should be able to request a smart meter for any reason and have it installed. GM advises that end customers should be made aware at the time of this request of their own responsibilities for the upgrade as part of an “informed consent” provision to ensure that in case of remediation requirements, the end customer is obligated to cover those costs.

Additionally GM recommends that a provision is made available for an end customer to enable another body to request a smart meter be installed on their behalf, including the ability to nominate a MC as part of the process. An example of this is where a MC has a relationship with an EV charger company, the end user can sign as part of their order for a smart meter to be installed. The EV charger company would share the relevant details with the MC who would liaise with the retailer for the smart meter to be installed, creating an opportunity for an improved customer experience.

QUESTION 12: TARIFF ASSIGNMENT POLICY UNDER AN ACCELERATED SMART METER DEPLOYMENT

(1) Which of the following options best promotes the NEO:

- *(i) Option 1: Strengthen the customer impact principles to explicitly identify this risk to customers.*
- *(ii) Option 2: Prescribe a transitional arrangement so customers have more time before they are assigned to a cost-reflective network tariff.*
- *(iii) No change: Maintain the current framework and allow the AER to apply its discretion based on the circumstances at the time.*

(2) Under options 1 or 2, should the tariff assignment policy apply to:

- *(i) a. all meter exchanges – for example, should the policy distinguish between customers with and without CER?*
- *(ii) b. the network and/or the retail tariffs?*

(3) What other complementary measures (in addition to those discussed above) could be applied to strengthen the current framework?

1 No comment in regards to this section

QUESTION 13: MINIMUM CONTENTS REQUIREMENT FOR THE 'BASIC' PQD SERVICE

(1) Should the 'basic' PQD service deliver any other variables besides voltage, current, and phase angle?

(2) Does the 'basic' PQD service require any further standardisation, e.g., service level agreements? If so, where should these service levels sit?

(3) Should the Commission pursue a data convention to raise the veracity of 'basic' PQD?

1 GM does not believe that there should be additional variables beyond the basic service recommended to start with. Understanding the additional volume of data that would need to be provided and frequency needs to be tested before expanding. A roadmap for increasing the "basic" service can occur over time

2 As per other minimum services specifications provided by smart meters such as "Remote On-Demand Meter Read" the service levels should incorporate service availability and completion timeframes and be maintained in Metrology Procedure: Part A.

3 GM suggests that this should be investigated in the future if the data being reported does not meet the requirements of the users

QUESTION 14: UTILISING THE RIGHT EXCHANGE ARCHITECTURE FOR THE 'BASIC' PQD SERVICE

(1) Should the industry use the shared market protocol? If not, why?

(2) Should stakeholders exchange PQD directly, using NER clause 7.17.1(f)?

(3) If so, should the Commission prescribe this in the rules, or could this be by agreement between parties?

1 Utilising the shared market protocol should be considered if the cost, technical capability and timeframe for delivery is equal to or better than an alternative. If an alternative can be governed and delivered in a faster and cheaper timeframe with the same benefit and implementation as the shared market protocol, this should be considered. Technology constantly advances and sticking to an old platform because that's what is available should not be a reason to stay on it.

2 If the interface and data structure is standardised, dealing directly should not be problematic. Where direct connection is utilised, cost to deliver must be considered, especially where an increase in usage may occur and this impacts the IT platforms that are hosting the services requiring an investment to meet performance standards. These costs will need to be recovered.

3 GM suggests that for the benefit of a one-many relationship (i.e. each DNSP will have a relationship with multiple MC's) the interfaces should be standardised and prescribed in the rules for the basic service. Any additional data could be provided on an agreement basis, noting that if that data is incorporated into the basic service, the MC's will need to comply with the standard prescribed in the rules if they differ at the time.

QUESTION 15: PRICES FOR POWER QUALITY DATA SERVICES

(1) Is it sufficient for the prices for PQD services to be determined under a beneficiary pays model, especially with a critical mass of smart meters?

(2) Are alternative pricing models, e.g., principles-based or prescribing zero-cost access, more likely to contribute to the long term interest of consumers?

1 GM believes that if the basic service is prescribed to be provided, this is part of the obligations for an MC to deliver to the market. Whether these services are used or not by the DNSP, there is still a requirement for the MC to build and provide the services.

Due to this cost and obligation, the costs for the service will be reflected in the commercial arrangements for metering to the retailer (and ultimately the end user).

Where cost is born by the DNSP if they choose to access and use the service, DNSPs should have the ability to pass this cost on as part of their tariff with retailers.

GM do not suggest a new mandated commercial relationship between MCs and DNSPs is necessary as it creates further complexity. If a DNSP requests access to additional data from a MC, a separate commercial arrangement can be developed outside of this framework as could already be done currently.

2 Existing frameworks should be utilised as much as possible.

QUESTION 16: REGULATORY MEASURES TO ENABLE INNOVATION IN REMOTE ACCESS TO NEAR-REAL-TIME DATA SOONER

(3) Do stakeholders support the Commission pursuing enabling regulatory measures for remote access to near real-time data? If so, would it be suitable to:

(i) Option 1: require retailers to provide near real-time data accessible by the consumer in specific use cases (while allowing them to opt-out).

(ii) Option 2: allow customers to opt-in to a near real-time service via their retailer for any reason.

(iii) Option 3: promote cooperation and partnerships between Retailers and new entrants for near real-time data services, e.g., in a regulatory sandbox.

(4) If so, could the Commission adapt the current metering data provision procedures?

(5) Are there any standards the Commission would need to consider for remote access? E.g., IEEE2030.5, CSIP-AUS, SunSpec Modbus, or other standards that enable 'bring your own device' access.

(6) What are the new and specific costs that would arise from these options and are they likely to be material?

1 GM does not support regulatory measures being implemented for remote access to near-real time data.

The use of near-real time data will naturally be made available as market demand increases. Innovation will drive further innovation and laggards in the industry will lose market share if they do not provide services that their customers want.

As the volume of smart meter deployment increases, the cost to implement access to near-real time data will reduce and make it a feasible inclusion in capabilities for end users.

With focus on an increased rate of rollout of meters, plus implementation of PQD, an additional financial and technical burden on MC's is not necessary.

At the end of the rollout if the customers are calling out for these types of services and the market is refusing to meet the needs of the customers, then regulatory intervention may be necessary.

QUESTION 17: REGULATORY MEASURES TO ENABLE INNOVATION IN LOCAL ACCESS TO NEAR-REAL-TIME DATA SOONER

(1) Do stakeholders support the Commission considering regulatory measures for local access to near real-time data? If so, would it be suitable to:

(i) Define a customer's right in access the smart meter locally for specific purposes?

(ii) Outline a minimum local access specification, including read-only formatting and unidirectional communications? Are there existing standards that MCs can utilise, for example, IEEE2030.5, CSIP-AUS, or SunSpec Modbus?

(iii) Codify a process for activating, deactivating, and consenting to a local real-time stream? If so, could the Commission adapt the current metering data provision procedures?

(2) Are there any other material barriers that the Commission should be aware of?

1 GM does not support regulatory measures being implemented for local access to near-real time data. As per Q16, innovation will be driven by customer wants and needs. Additionally there could be significant hardware and software upgrades required, especially for security purposes. This model was utilised as par tof the Victorian smart meter rollout and is not widely used currently.

b. Noting that Zigbee is the existing interface used for a range of meters, if this is to be considered, Zigbee should be taken into consideration.

QUESTION 18: ADDRESSING SHORT TERM COST IMPACTS AND ENSURING PASS THROUGH OF BENEFITS

(1) Are stakeholders concerned about the risk of short-term bill impacts as a result of the accelerated smart meter deployment? To what extent would the above offsetting and mitigating factors address this risk?

(2) If stakeholders are concerned about residual cost impacts, what practical measures could be put in place to address these risks?

(3) What are the implications for AER revenue determinations for the upcoming New South Wales, Australian Capital Territory and Tasmania DNSP regulatory control periods? Is there a risk that network cost savings as a result of the accelerated smart meter deployment will not be fully passed through to consumers under the regulatory framework?

1 No comment for this section