

Public Forum | 23 Oct 2023

AEMC

Unlocking Benefits of CER through flexible trading – Minor Energy Flow Metering

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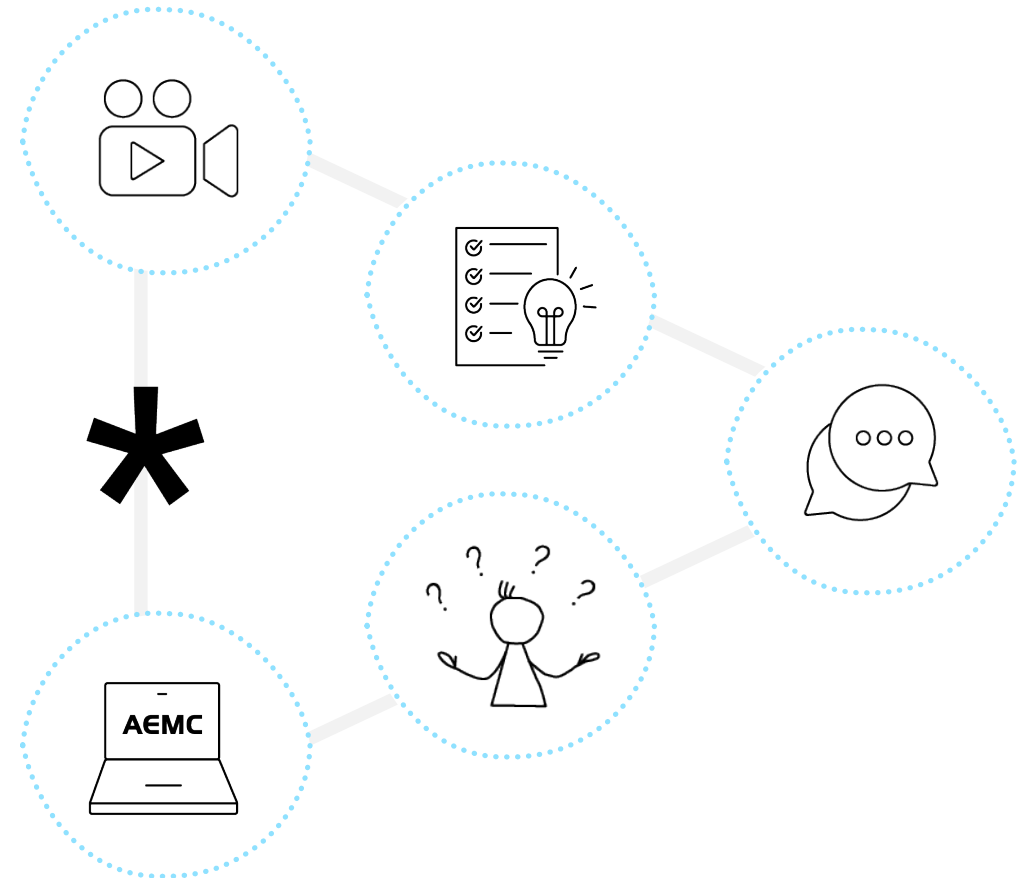


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KEY PRINCIPLES



The AEMC is committed to complying with all applicable laws, including the ***Competition and Consumer Act 2010*** (CCA), during this forum. Breaching the CCA can lead to serious penalties for individuals involved in any breach (including large financial penalties and imprisonment for key individuals involved). This protocol governs the way in which discussions will proceed at this forum, and each attendee agrees to adhere to this protocol in order to comply with the CCA.

Each attendee must make an independent and unilateral decision about their commercial positions and approach in relation to the matters under discussion in this forum.

Attendees must not discuss, or reach or give effect to any agreement or understanding which relates to:

- **pricing** for the products and/or services that any attendee supplies or will supply, or the terms on which those products and/or services will be supplied (including discounts, rebates, price methodologies etc)
- **targeting (or not targeting) customers** of a particular kind, or in particular areas
- **tender processes** and whether (or how) they will participate
- any decision by attendees:
 - about the purchase or supply of any products or services that other attendees also buy or sell
 - to not engage with persons or the terms upon which they will engage with such persons (i.e. boycotting); or
 - to deny any person's access to any products, services or inputs they require
- **sharing competitively sensitive information** such as non-publicly available pricing or strategic information including details of customers, suppliers (or the terms on which they do business), volumes, future capacity etc
- **breaching confidentiality obligations** that each attendee owes to third parties.

Meeting agenda

Item	Time	Introductory Comments
1. Welcome and acknowledgement of country	5 mins	Charles Popple – Commissioner
2. Overview of Directions Paper	5 mins	Gen Schulz – Project lead
3. Overview of stakeholder feedback and key issues for feedback – <i>Metering service roles and responsibilities, minimum specs & inspection/testing requirements, permissible loads, implementation & cost</i>	15 mins	Tamika Dartnell-Moore – Workstream Lead
5. Q & A	30 mins	Facilitator: Michael Bradley - EGM
6. Wrap up and next steps	5 mins	Charles Popple – Commissioner

Unlocking CER - Directions Paper

Split the change into three core areas



Optimising the value of CER flexibility - Opportunities for separately identifying and managing flexible CER.



Flexible trading of CER with multiple energy service providers at large customer premises (commercial and industrial consumers).



Opportunities to improve how energy use is measured for public lighting and other street furniture (such as park BBQs).



AEMO's rule change request – street lighting etc proposal

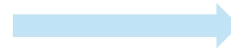
What are the current metering arrangements?

Unmetered contestable loads (Type 7):

- Energy flows calculated based on the assumption of a constant load (device's wattage and hours of use).

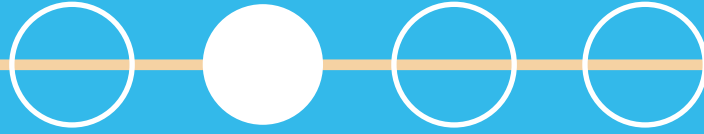
Non-contestable unmetered loads (NCONUML):

- Energy flows settled in the market using algorithms agreed between the customer, the distributor, and the retailer.



What alternative has AEMO proposed?

- A new framework to measure energy flows with a new meter type- built-in measurement technology.
- Used for streetlights and other street furniture like public barbeques.



Workstream 3

Minor energy flow metering- Key considerations

We are considering four policy areas

Use cases

**Minimum specs
and testing
requirements**

**Metering
service roles
and
responsibilities**

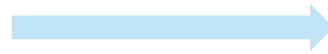
**Implementation
and costs**

Use cases - Submission feedback & Options

Submission feedback

New meter type could be used for existing "type 7" and 'non-contestable unmetered loads' loads, including:

- Public lighting
- Smart city sensors (traffic, air quality, noise sensors)
- CCTV cameras
- Telecommunications equipment
- EV chargers
- Stand-alone-power-systems (SAPS)



Options we are considering

Volumetric thresholds:

- Specifying the amount of electricity considered to be a 'minor flow'

Infrastructure type:

- Limiting use to certain infrastructure (e.g. streetlights only).

Minimum specs and requirements for testing and inspection- Submission feedback & options

Submission feedback

The minimum specs for the new meter type should not require:

- A physical display
- Remote connection and disconnection requirements
- Remote comms (if used for SAPS)

Noted the following regarding inspection and testing requirements:

- Challenges of physical testing
- Remote or sample testing alternatives



Options we are considering

Not requiring the following in the new meter type:

- A physical display
- Remote connection and disconnection requirements

Testing and inspection options:

- Remote testing
- Sample testing

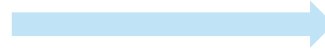
Metering service roles and responsibilities - Submission feedback & Options

Submission feedback

The roles of MC/MP/MDP could be serviced by:

- DNSPs
- Other accredited service parties

Most support new accreditation requirements for MC/MP/MDPs because there are different technological and WHS considerations



Options we are considering

MC/MP/MDP roles for:

- DNSPs (opt-in)
- Other metering service providers (competitive)

New accreditation requirements:

- For providers currently servicing Type 7 and NCONUML.

Implementation and costs - Submission feedback & Options

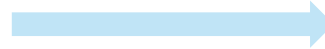
Submission feedback

Implementation considerations:

- New meter should be opt-in only
- Align this work with AER revenue determinations.
- Allocation of NMIs could be difficult

Consider costs more, particularly:

- Cost vs benefit of having this metering type and the likelihood of customer take-up
- Time between costs incurred and benefits being realised



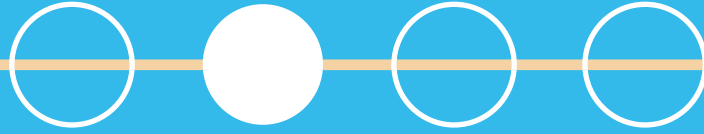
Options we are considering

Costs

- Working with Energeia to estimate costs

Implementation

- AER determination timing
- AEMO system changes
- DNSP system changes
- Interactions with Type 7 and NCONUML



Q & A

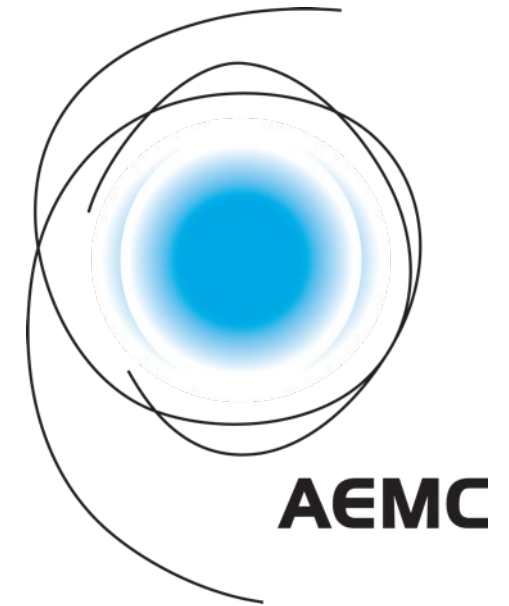
Rule change – current timeline



Office address

Level 15, 60 Castlereagh Street
Sydney NSW 2000

T +61 2 8296 7800



ABN: 49 236 270 144