



# INFORMATION

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## Accelerating smart meter deployment

### **The Commission has made a draft rule to promote a fast, efficient, and effective deployment of smart meters under an improved metering framework in the National Electricity Rules (NER) and National Energy Retail Rules (NERR)**

Our draft rule is in response to the rule change requested by Intellihub, SA Power Networks and Alinta Energy. The rule change request seeks to implement recommendations made as part of the *Review of the Regulatory Framework for Metering Services* (the Review), which was published by the Commission on 30 August 2023. The Commission has decided to use the fast-track rule change process, reflecting the extensive consultation carried out during the Review.

### **Smart meters provide the digital foundation for a modern, connected, and efficient energy system**

The energy landscape is undergoing unprecedented change in response to market and technology developments, changing community expectations, and the shift to a cleaner energy system. Households will become smarter and more autonomous over time, and will increasingly interact with the grid and energy markets.

Smart meters are an important tool to facilitate that interaction, and to support the cost-effective decarbonisation of the energy market. They offer a range of benefits, particularly for consumers, but also for market participants and the system overall. Smart meters:

- help facilitate the efficient integration of Consumer Energy Resources (CER) – such as solar photovoltaic (solar PV) systems, home batteries, and electric vehicles (EVs)
- provide consumers with more visibility and control of their electricity consumption and costs, and more access to alternative pricing options
- create opportunities for greater data sharing – promoting competition and innovation, and supporting more targeted energy policies
- allow Distribution Network Service Providers (DNSPs) to improve their management of the electricity network.

### **The draft rule would enable universal uptake of smart meters in the NEM by 2030, and improve the metering framework**

A faster and more efficient replacement of legacy meters would enable consumers to access the benefits smart meters offer sooner. An accelerated deployment targeting universal uptake by 2030 would provide net benefits of \$507 million for national electricity market regions, including New South Wales, Queensland, Australian Capital Territory and South Australia.

The draft rule includes two core reforms and four supporting reforms which together would pave the way for universal smart meter uptake by 2030.

## Core reforms to deliver the benefits that smart meters offer

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|---|--|---|
| 1 | Accelerated deployment of smart meters | <ul style="list-style-type: none"><li>• opens new possibilities for innovative products and services, expanding customers' control of and choices around their energy use</li><li>• lower costs to customers of meter reads and installations</li><li>• provides for a modern, data-enabled energy system</li><li>• underpins the cost-effective decarbonisation of the energy market</li><li>• supports better integration of CER and a safer and more secure energy system.</li></ul> |
| 2 | Access to power quality data           | <ul style="list-style-type: none"><li>• DNSPs can better manage their networks to reduce network costs for customers</li><li>• saves energy, minimises network safety risks, and lifts hosting capacity.</li></ul>  |

## Supporting reforms to enable the core reform program

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|---|--------------------------------------|--|
| 3 | New customer safeguards              | <ul style="list-style-type: none"><li>• protect customers from potential upfront charges and exit fees for new meters</li><li>• builds social licence for the smart meter acceleration program.</li></ul>      |
| 4 | Improving the customer experience    | <ul style="list-style-type: none"><li>• helps maintain social license for the acceleration program</li><li>• ensures that customers can access the full suite of benefits that smart meters provide.</li></ul> |
| 5 | Reducing installation barriers       | <ul style="list-style-type: none"><li>• supports delivery efficiencies, and therefore cost savings, in the accelerated deployment of smart meters.</li></ul>   |
| 6 | Improved meter testing & inspections | <ul style="list-style-type: none"><li>• helps minimise costs for industry and customers</li><li>• supports a 2030 universal smart meter deployment target.</li></ul>   |

Our draft rule comprises the first step of a broader program of work to modernise and digitise the energy system. The Review recommended further reforms not included in this rule change request that the AEMC is motivated to progress, including access to real-time data from smart meters. We look forward to receiving a rule change request on access to real-time data so that customers can access the full suite of benefits that smart meters offer.

### Next steps

**We are seeking stakeholder feedback on our draft rule determination.** Written submissions responding to this draft determination and draft rule must be lodged with the Commission by 30 May 2024.

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