

30 May 2023

Anna Collyer
Chair
Australian Energy Market Commission
60 Castlereagh St
Sydney NSW, 2000

Upload via AEMC website: [rule change no. ERC 0378]

Dear Ms Collyer,

Accelerated smart meter deployment – draft rule change

Evoenergy welcomes the opportunity to provide a submission to the Australian Energy Market Commission's (AEMC's) draft rule determination on the accelerated deployment of smart meters in the National Electricity Market (NEM). We understand the draft rule will facilitate an expedient roll-out of smart meters under an improved metering framework in the National Electricity Rules (NER) and National Energy Retail Rules (NERR).

Evoenergy owns and operates the electricity distribution network in the Australian Capital Territory (ACT) and gas distribution networks in the ACT and the Queanbeyan-Palerang Regional Council and Shoalhaven City Council local government areas of New South Wales.

Evoenergy supports the accelerated deployment of smart meters and the aim of universal roll-out by 2030. This aligns with the ACT Government's Integrated Energy Plan which targets net-zero emissions by 2045 and enables the energy transition. We likewise agree that the proposed rule changes will increase the pace of the transition however suggest some refinements may deliver greater benefits to consumers by allowing a more efficient, lower cost process.

In adopting the fast-tracked rule change process, the AEMC has recognised the significant inputs of stakeholders to the 2023 Metering services review. Evoenergy considers that in the majority, the draft rule will allow networks to aid retailers in meeting the new requirements for metering installation timeframes. We do however consider there are some areas of clarification required.

Shared fuse sites

Evoenergy is supportive of the proposed Distribution Network Service Provider (DNSP) led plan ('Legacy Meter Replacement Plan - LMRP') as a mechanism to accelerate the smart meter rollout, and the underlying objective, principles and approval process.¹

Whilst we anticipate a transparent and collegiate consultation process between the DNSP and retailers, we do have concern about the achievability of the proposed DNSP timeframes for

¹ We note that the draft Rule change for Chapter 10 (page 8) refers to a Legacy Meter Retirement Replacement Plan which may be a drafting error.

shared fuse sites if retailers 'group' replacements within a financial year rather than smoothing throughout the year.

Evoenergy recommend that the start date for 'one-in-all-in' on shared fuse sites needs to be pushed back to align with the acceleration commencement (1 July 2025). The draft determination proposes a start date of 22 January 2025 for the shared fuse procedure, however the procedure is not due to be delivered by AEMO until November 2024. This timeline presents challenges for DNSPs to update internal guidance and procedures for receiving and handling data from external parties.²

Whilst we support the intent of delivering this as efficiently as possible, the challenges of complex sites will require significant time and investigation to arrange the planned outage and replacement works. The preferred approach would be to maintain the timelines and add "best endeavours" to recognise the complexity involved in such sites without specifying timeframes in the LMRP. Retailers will not feel compelled to achieve percentage of meters when it may in fact represent a significant number of customer outages to be orchestrated.

Energy Networks Australia (ENA) and AEMC have established the Power Quality Data (PQD) sub-working group to assess the Business-to-Business (B2B) processes that might be involved in the shared fusing protocol. Early indications are that development from concept to implementation will be a minimum of 12 months and impose additional cost and resource constraints on DNSPs in addition to establishment of the data storage requirements.

Synergies with other reforms

AEMO are undertaking a parallel workstream on market procedures needed to manage the huge data influx expected with the commencement of the accelerated smart meter roll out. At the broader scale/market level, AEMO anticipate their review of the data transfer will provide the framework for the range of PQD services included in the rule change.

Evoenergy is strongly supportive of proposed position to provide basic PQD to DNSPs for free, however unless co-ordinated with other market processes, the timing of the delivery of this data will create a clunky Energy Market process or separate bespoke DNSP arrangements adding cost to the Metering Provider (MPB). Evoenergy requests the AEMC reconsider the timing of commencement of the shared fusing arrangements and the PQD, to align at 26 June 2025. DNSPs and market participants need sufficient time to develop an appropriate long-term mechanism for efficient and automated delivery.

Evoenergy is fully supportive the MPB providing advanced PQD where they can recover their costs from the requestor but suggest that the AEMC (and AER) may need to consider how this service is monitored.

Communication of future energy system

² E.g. Where multiple retailers service a multi-occupancy site.

Evoenergy is supportive of proposed consumer safeguards and retailer information requirements. We understand that AEMC is working with jurisdictional governments on how the changes to the NEM can be communicated with trust and transparency to energy consumers.

The ability of consumers to understand what their responsibilities are with respect to site defects, or the ability to refuse a meter (with consequential delays to receiving the cost saving benefits of a smart-meter), is paramount to the overall benefit of the accelerated roll-out.

Evoenergy also notes the need for an exit strategy to the accelerated roll out, for post 2030 metering procedures. In the draft determination the AEMC is proposing meter inspections and testing resume after the acceleration period ends. Evoenergy recommends consideration be given to meter ownership and ongoing costs with respect to:

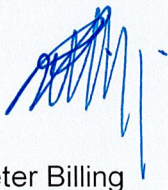
- refusals/non-rectification of faulty sites, during the accelerated roll out; and
- how networks will charge for metering services for legacy (Type 5/6 meters) post- 2030.

Evoenergy suggests that consideration be given to further transitional provisions in the rules to allow networks to plan future metering services given many networks will commence their five yearly revenue determinations in 2028. This may involve a review of the progress of the roll out, hence whilst LMRPs may be complete, the levels of Type 5/6 meters remaining on networks may have ongoing costs for testing and maintenance.

Evoenergy is committed to working with AEMC and the other market bodies to implement the digital transformation of the metering system and deliver benefits to its customers and the NEM.

Should you wish to further discuss matters raised in this submission, please contact Clare McIntosh, at clare.mcintosh@actewagl.com.au.

Yours sincerely



Peter Billing
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