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Dear Julia,

Jemena Electricity Networks (Vic) Ltd. (Jemena) welcomes the opportunity to respond to the Australian Energy Market Commission's (AMEC) **Accelerating smart meter deployment rule change draft determination and draft rule.**

Jemena appreciates the intentions of the proposed rule change and supports accelerating smart meter deployment. Victorian DNSPs have been at the forefront of rolling out smart meter digital metering and understand the benefits customers are poised to derive from the accelerated deployment nationally. However, we have concerns that this change, as currently drafted, is inconsistent with obligations placed on Victorian DNSP's under the Victorian Government's Minimum AMI Functionality Specification. Due to Victoria's advanced positioning in this space, Jemena suggests minor amendments be made to the final rule change to allow Victorian DNSPs to continue with their current metering practices.

We expand on these concerns below

Clause 3.2 of the Minimum AMI Functionality Specification (Victoria) defines Victorian AMI meter types as Type 5 meters under the National Energy Rule (NER). Given this definition, a literal interpretation of the draft rules would require meter coordinators (MCs) to replace all existing Type 5 metering installations with Type 4 meters by 30 June 2030. This would require Victorian DNSPs to prematurely replace meters and accelerate the depreciation of these assets, with little to no benefit to customers.

We propose the following amendments to the rule change

To allow for Victorian DNSPs to comply with both the NER and Victorian metering obligations, we recommend that the rule change be amended to:

- distinguish Type 5 *manually read interval* meters from the Victorian Type 5 meters *capable of remote acquisition*
- require the replacement of Type 5 *manually read interval* meters (as well as Type 6 accumulation meters)
- ensure that Type 5 meters *capable of remote acquisition* can be installed in favour of a Type 4 meters installation.

This will ensure that Victorian DNSPs are not required to replace meters unnecessarily, which would ultimately create higher costs for customers.

Additionally, Jemena seeks to change the obligation to provide basic power-quality data. Currently, the draft rule change requires basic power quality data to be delivered from *small customer metering installations*. However, this is not possible for type 6 accumulation meters or type 5 manually read interval meters. Further, given the DNSP in Victoria is also the metering coordinator, it is not efficient for DNSPs to have an obligation to transact basic power quality data through the *Market Settlement and Transaction System (MSATS)* system.

To overcome these issues, Jemena proposes the obligation to provide basic power quality data where type 4 meters are installed rather than *small customer metering installations*.

Jemena has used power quality data obtained from its smart meter fleet to support the efficient operation of the distribution network, including developing a better power flow model for multiple analytics applications (including power quality analysis, DER forecasting, high impedance) and assisting customers with supply quality investigations. Reflecting on this experience, Jemena believes that an even greater benefit could be derived if the obligation to provide DNSPs with power quality data from types 1 to 3 meters was also made part of this rule change.

We suggest these changes be made for the long term benefit of customers. We have assessed this amendment against the criteria used by AEMC in the table below.

Criteria	**Assessment**
Consumer outcomes	Victorian customers already have access to the benefits of smart meters, therefore, requiring a type 4 meter rollout in Victoria will not provide any additional benefit to them. Instead, the accelerated rollout of a new type 4 meter will only add cost .
Market efficiency	While the AMEC's proposed change identifies more efficient deployment of smart meters than under the current framework, this is not the case for Victoria. Since Victoria is operating under a unique framework, due to the obligation of the Victorian AMI specifications, smart metering has largely been deployed and this rule change would not change this. Maintaining the current AMI (Type 5 'capable of remote acquisition') meters will be the most efficient way to achieve the AEMC's objectives.
Innovation and Flexibility	For Victorian customers, these changes will not provide earlier access to smart meter data to support more innovative services and products, as they already receive these benefits from the AMI (Type 5) meters.
Emissions Reduction	The proposed rule changes will not create any additional emissions benefits than the current scheme.
Implementation considerations	Jemena's proposed amendments will allow for seamless implementation of the reforms without conflict with the Victorian AMI specifications.

By allowing DNSPs to continue the use of Type 5 *remotely acquired meters*, the AMEC will ensure lower costs to customers with the same benefits, allow ease of implementation and ensure Victorian DNSPs can be compliant with both NER and jurisdictional obligations.

If you have any have questions in relation to this submission, please contact me at (03) 9173 7000 or Matthew.Serpell@jemena.com.au.

Kind regards,

Matthew Serpell

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