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30 May 2024

Julia Cassuben
Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2001

Dear Ms Cassuben,

RE: Draft Rule Determination: National Electricity Amendment (Accelerating Smart Meter Deployment) Rule and National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule [ERC0378]

Powermetric welcomes the opportunity to respond to the Australian Energy Market Commission's (AEMC) Draft Determination for the Rule Change request for the acceleration of smart meter deployment (the Rule Change Request) published 4 April 2024.

About Powermetric

Powermetric Metering Pty Ltd (Powermetric) is an Australian Electricity Market Operator registered Metering Coordinator (MC), accredited Metering Provider and Metering Data Provider operating in Australia's National Electricity Market. Powermetric, which is a wholly-owned subsidiary of Shell Energy Operations Pty Ltd, offers a range of products and services including installation, testing, maintaining and reading type 2-4 meters for corporate, government and industrial electricity customers. Additionally, Powermetric also operate in industries including agriculture, healthcare and small to medium enterprises.

Powermetric delivers smart metering to business energy users across Australia. We work with industrial and commercial businesses, energy brokers and retailers and embedded network providers.

http://www.powermetric.com.au

General Comments

Powermetric continues to support the development of an innovative energy market where customers are empowered, and energy regulatory frameworks keep pace with intelligent digital efforts fostering the energy transition. We welcome the Rule Change Request brought forward to the AEMC by Intellihub, SA Power Networks and Alinta Energy and subsequently, the AEMC's Draft Determination. Powermetric provided a submission with our response to the consultation for the AEMC's review into the regulatory framework for metering in December 2022, and recognise that an accelerated smart meter deployment is necessary to align with broader energy transition targets.

A harmonised and simplistic regulatory approach, while maintaining safety standards, will support the development of any value-added services, encourage new entrants into the market and ultimately will maximise the benefits for all small customers.

Powermetric's views are outlined below.

Section 2.3.2.

The AEMC has outlined new requirements for Metering Coordinators to provide Power Quality Data to (PQD) to DNSPs with the intention to help overcome the commercial barriers, including high costs which DNSPs are currently facing to access the data. Powermetric accept that this is a reasonable requirement however, we believe the resources to implement this, including time and costs, is disproportionate to the outcome. Specifically, there will need to be system changes initiated and implemented by MC's to provide the PQD and the IT and systems changes will be significant. The full data set will only be available to DNSPs by 2030 and as outlined above, there are significant time and cost implications, where MCs will be carrying the cost and resourcing impacts whilst also implementing the physical rollout of smart meters.

We refer to Appendix D of the Draft Determination where the AEMC has outlined a summary of the draft rules and the commencement dates at Section D.1. We refer to Schedule 2 and the requirement for Metering Coordinators to provide Power Quality Data (PQD) to DNSPs, as per Chapter 7 of the Draft NER, with a commencement date listed as 26 June 2025[1]. We see this commencement date as an unreasonable timeframe for requiring PQD as the AEMC have indicated that the details of PQD, such as the specification of technical details, will not be finalised until end of 2024. This timeframe does not allow sufficient time for MCs to fully understand what is required, amidst preparing for the large-scale smart meter rollout to commence simultaneously. We strongly encourage the AEMC to ensure prioritisation of workstreams and requirements be given to undertaking the physical rollout of smart meters, especially considering that the PQD has never been available to DNSPs and this is a new enhancement.

Section 3.1.1.

The AEMC has outlined they intend to introduce a reform program targeting universal uptake of smart meter and acknowledges that any site remedial work may be a barrier to smart meter installation. Powermetric wishes to emphasise this point and to suggest that the necessary trained and equipped field resources required for both smart meter installations and site remediation works is likely be a constraint. Powermetric therefore not only supports the AEMC encouragement of government to consider financial support but also request the AEMC encourage government to facilitate and support the training of the necessary field resources for this reform program.

Section 3.2.1

The draft rule proposes to define 'basic' PQD to include the measurements of voltage, current and power factor. Depending upon the frequency of delivery of the 'basic' PQD provided to DNSP's, Powermetric is concerned that the current measurement could be used to determine customer behaviour and if this information is provided in near real time then this data has the potential to be used for unintended purposes by individuals. If the measurement of voltage and power factor are provided to the DNSP's, in near real time or otherwise, then the current may be calculated for the load profile delivered as part of the standard 'next day' daily meter data provided to the relevant market participants including the DNSP's.

[1] https://www.aemc.gov.au/sites/default/files/2024-04/draft_national_electricity_amendment_accelerated_smart_meter_deployment_rule_2024.pdf

Section 3.2.3

The draft rule recommends a new civil penalty for instances where MDP's fail to provide 'basic' PQD to DNSP's. Powermetric appreciates that that the rules need to ensure compliance however this appears to be excessive in light of the fact that meter data provided by MDP's to the DNSP's to enable the DNSP's to settle the market does not currently attract any civil penalties. This civil penalty also implies that PQD is more critical than most other aspects of MP's and MDP's roles. Given this is a new service to DNSP that currently receive little of this information and that MDP's are providing this service at no cost to a DNSP, Powermetric believe this civil penalty is unreasonable and disproportionate.

Section 3.5.3

Powermetric appreciate that the AEMC have provided a draft rule to establish a Shared Fusing Meter Replacement Procedure to improve efficiency and effectiveness of this situation however, the process still requires considerable coordination between the DNSP's, the impacted retailers and impacted MC's in a situation where resources will be stretched as these parties deal with volume of meter replacements contemplated during the accelerated smart meter rollout program. Powermetric believe that the most efficient and effective means to achieving the upgrading of share fuses to individual meter fuses is to require the DNSP's to conduct the isolations as described and then for the DNSP's to install all the individual meter fuses without the need for the impacted MP's being present. Once that work is completed the DNSP's return the supply and then notify the retailers that the share fuse situation has been resolved for the site. The retailer can then appoint the MC's, if that has not already been completed, and the MC can plan the meter upgrade works in their most efficient and effective way. Powermetric is aware that most DNSP's have the capability for this type of work and that this meter fuse deficiency could be classified as site remedial work. We strongly urge the AEMC to consider this option for a shared fuse process.

Conclusion

In summary, Powermetric are broadly supportive of the approach proposed by the AEMC in its Draft Determination however, we strongly urge the AEMC to consider key issues raised and address these points through further analysis and stakeholder consultation.

We look forward to reviewing the next stage of the consultation.

Please contact Ian Wolhuter at iwolhuter@powermetric.com.au if you would like to discuss our submission further.

Yours sincerely,

[signed]

Ian Wolhuter

GM Powermetric

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