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Australian Energy Market Commission  
60 Castlereagh Street  
Sydney NSW 2000

Submission via website: [genevieve.schulz@aemc.gov.au](mailto:genevieve.schulz@aemc.gov.au)

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### **Unlocking CER benefits through flexible trading**

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Australian Energy Market Commissions' (AEMC) consultation note on national meter identifier (NMI) creation and maintenance at secondary settlement points.

We would firstly like to refer to our previous submissions outlining our concern that this National Electricity Rule (Rule) change is misaligned with our customers values and motivations (particularly small customers) and the concern that the benefits are grossly overstated.

In response to the consultation note, we support the distribution network service provider (DNSP) being allocated the NMI administer role if the flexible trading rule change is made. Our key reasons include:

- the alternative scenario is allocating the NMI administer role to a third-party participant which will likely mirror the embedded network manager (ENM) role. The ENM role and model has caused material customer protection issues which are likely to be observed under this model
- the DNSP taking the role of the NMI administer will avoid additional complexity being added to the Rule change and allow for transparent set of regulated costs and customer protections
- electing the DNSP as the NMI administer will provide network visibility of the child NMIs which is crucial. Under the ENM model, the DNSP will continue to be blind to the downstream generation, consumption, and the switching operations, other than that seen at the parent meter.

The costs associated with the DNSP being elected the NMI administer are material. However, in Victoria, by shifting the NMI administer role to ENMs will not negate these material costs. This is because the draft determination stipulates that for small customers the metering coordinator (MC) at the primary and secondary connection points will be the same, which in Victoria will be the DNSP. To act as the MC for sub-NMI's where the DNSP is not also the NMI administer would require additional IT functionality to manage a meter register, recognise third party NMIs in the system, track who is the metering provider (MP) and metering data provider (MDP) and store secondary NMIs relationship to the primary NMI.

The AEMC proposed an additional question on 31<sup>st</sup> May regarding the FTA functionality being manual. To be able to provide meaningful feedback, we encourage more engagement to explore this option. Our initial considerations however are:

- while the appropriateness of manual process is largely contingent on customer uptake, there is still a portion of fixed costs associated with it. In previous submissions, DNSPs have proposed small-scale trials to further understand technical designs, processes, and customer benefits prior to the introduction of the wider Rule change. The benefit of a trial is it would allow controlled customer uptake.
- to mandate a manual process, outside of a trial, presents significant risk given customer uptake is unknown. We also note the AEMC believes customer uptake of FTA would be significant in which case a manual process would not be appropriate.

Should you have any queries, please contact Ellen Lukin on 0428 824 858 or [elukin@powercor.com.au](mailto:elukin@powercor.com.au).

Yours sincerely,

A handwritten signature in blue ink that reads "Brent Cleeve". The signature is fluid and cursive, with the first name "Brent" being more prominent than the last name "Cleeve".

Brent Cleeve  
**Head of Regulatory Policy and Compliance**  
**CitiPower, Powercor and United Energy**