

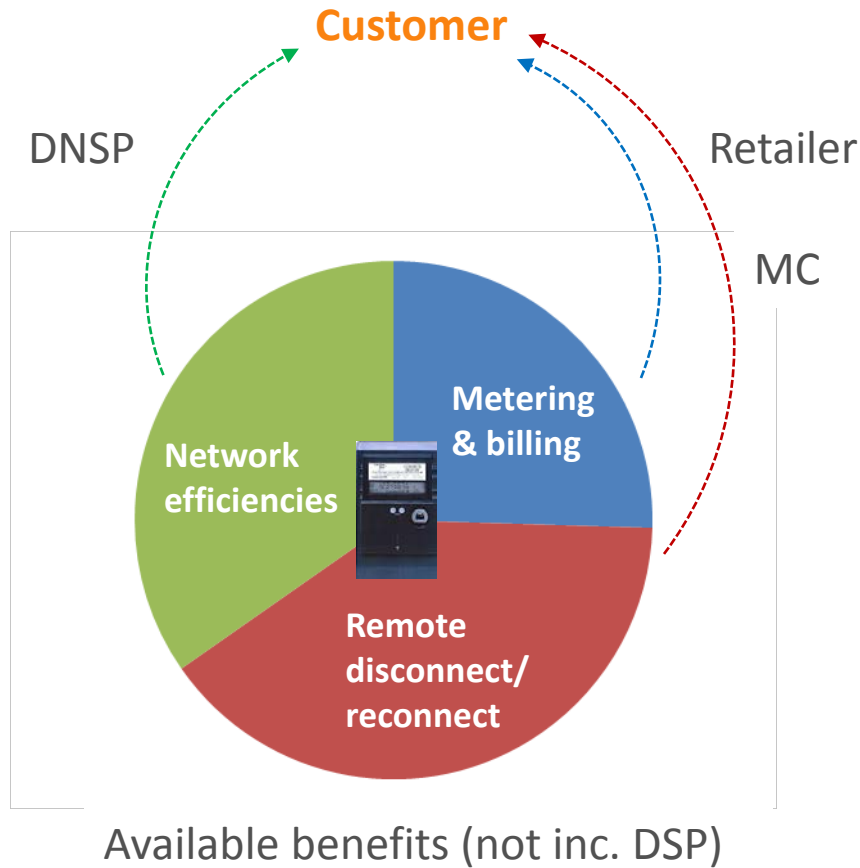


SA Power Networks.

Impacts on DNSPs from an open access framework

**AEMC Public forum on Open Access and Communications Standards for smart meters
27th February 2014**

Potential customer benefits of smart meters



Some benefits from non-metrology services



- **Controlled load**
 - Improved network utilisation



- **Power quality data**
 - Enabling the ongoing integration of solar and other renewable energy into the grid



- **Loss of supply / supply restoration / remote service check**
 - Better customer experience
 - Reduced cost to maintain reliable supply through more efficient use of field crews and other resources

Impacts of an unregulated market



- Network efficiencies arise when there is a critical mass of smart meters that provide network services
- In the absence of certainty of revenue, MCs may not invest in the capability to offer network services. In the absence of certainty of access, DNSPs may invest elsewhere
- For network efficiencies to be realised under the proposed model, we believe the following are required:
 - Common standards for access to services
 - A reasonable minimum set of basic services
 - Provisions for non-reversion of standard services at a premises
- We note that a competition review once the market has developed would be an opportunity to address inefficient pricing, but could not reverse investments already made in meters or network equipment

Transitional and implementation issues



- **Existing customer benefits must be preserved**
 - E.g. Hot water load control
- **Consumer safety benefits from smart meters should be considered**
 - E.g. loss of neutral detection
- **Security, accreditation and access control provisions must ensure that the safe and reliable supply of electricity is not compromised**
 - Unauthorised disconnection
 - Uncontrolled load switching



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