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12 October 2006

Dr John Tamblyn
Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
Sydney NSW 2000

Email: submissions@aemc.gov.au

Dear Dr Tamblyn

Draft National Electricity Amendment (Metrology) Rule 2006

Thank you for the opportunity to comment on the draft Rule determination to implement a single metrology procedure harmonised for the National Electricity Market.

CitiPower and Powercor Australia (**Powercor**) are Victorian electricity distributors who are registered by NEMMCO as Network Service Providers and will be directly affected by the outcomes arising from this Rule change.

CitiPower and Powercor support the general intention of the proposed Rule changes but have a number of concerns about the details which are set out in the attached table for your consideration.

Please do not hesitate to give me a call on (03) 9683 42982 or email to rherrmann@powercor.com.au if you require any further information in relation to this matter.

Yours sincerely

Rolf Herrmann
Manager Regulation

Metrology Harmonisation – Proposed Rule Change

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<p>[2] Clause 7.2 Responsibility for Metering Installation Omit the clauses 7.2.1 – 7.2.3 and substitute:</p>	<p>Clause 7.2.3(f) refers to “an offer made under paragraph (d)”. This reference is incorrect as the offers are made under paragraph (e).</p>
<p>[3] Clause 7.2.5 Other responsibilities Omit clause 7.2.5 and substitute:</p> <p>7.2.5 Role of the responsible person Engagement of a Metering Provider</p> <p>(a) The <i>responsible person</i> must, for each <i>metering installation</i> for which it is responsible:</p> <ol style="list-style-type: none"> (1) engage a <i>Metering Provider</i> for the provision, installation and maintenance of that installation; or (2) subject to the <i>metrology procedure</i>, allow another person to engage a <i>Metering Provider</i> to install that installation. <p>(b) Where a <i>Metering Provider</i> has been engaged under paragraph (a), the <i>responsible person</i> must:</p> <ol style="list-style-type: none"> (1) enter into an agreement with a <i>Metering Provider</i>: <ol style="list-style-type: none"> (i) for the provision, installation and maintenance of the <i>metering installation</i> by the <i>Metering Provider</i>, where the <i>responsible person</i> has engaged the <i>Metering Provider</i>; or (ii) for the maintenance of the <i>metering installation</i>, where another person has engaged the <i>Metering Provider</i>; and (2) provide <i>NEMMCO</i> with the relevant details of the <i>metering installation</i> 	<p>The restructuring of this clause may not have completely overcome the concerns previously raised in relation to the situation where the responsible person is also an accredited metering provider as often occurs for LNSP’s. Clause 7.2.5(b) requires an agreement between the responsible person and the metering provider which is inappropriate when they are the same entity.</p> <p>Clause 7.2.5(b)(2) requires the responsible person to notify NEMMCO with the relevant details of the metering installation as specified in schedule 7.5 within 10 business days of entering into an agreement under subparagraph (1) for that connection point.</p> <p>The provision has been modified to refer to the “connection point”, however CitiPower and Powercor believe their original concern still persists. The agreement referred to in clause</p>

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<p>as specified in schedule 7.5 within 10 <i>business days</i> of entering into an agreement under subparagraph (1) for that <i>connection point</i>.</p>	<p>7.2.5(b)(1) could occur at an earlier time than the installation of the metering equipment which makes it problematic to advise NEMMCO about the relevant details of the metering installation in accordance with this clause, particularly if a metering installation is installed more than 10 days after the agreement is reached by which time the window for notification has expired. Consideration should be given to the timeframe being referenced to the time the metering installation is installed rather than the time of entering into an agreement. It is important to note that the details required to be notified to NEMMCO (specified in Schedule 7.5) cannot be known with certainty until the metering equipment has been installed.</p>
<p>[8] Clause 7.3.4 Metering installation types and accuracy Omit clause 7.3.4(e) and substitute: (e) Subject to the <i>metrology procedure</i> and this clause 7.3.4, a <i>financially responsible Market Participant</i> may make arrangements to alter any type 5, 6 or 7 <i>metering installation</i> to make the installation capable of <i>remote acquisition</i>.</p>	<p>As drafted this clause creates a possibility that metering responsibilities could be split between the type 5, 6 or 7 metering installation and the “remote acquisition” system.</p> <p>This has the potential to lead to arrangements where no established business processes and protocols exist. For example, how is essential data such as “next scheduled read date” prescribed under a type 5 or 6 “remote acquisition” arrangement?</p> <p>It would be better if the clause provided that the FRMP could arrange for the <i>responsible person</i> to</p>

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	<p>alter the type 5 or 6 metering installation.</p> <p>It is not clear how a type 7 metering installation could be modified under this clause. Reference to Type 7 should be deleted.</p>
<p>[15] Clause 7.11 Performance of Metering Installation</p>	<p>Clause 7.11.1(d)(c) includes reference to clause 7.9.3(a) which seems to be incorrect. It should possibly refer to clause 7.9.4(b)</p> <p>Clause 7.11.2 includes a circular reference. It should possibly refer to “paragraph (a)”.</p>
<p>[18] New rule 7.14 Metrology Procedure</p> <p>After rule 7.13, insert:</p> <p>7.14 Metrology procedure</p> <p>7.14.1 Requirements of the metrology procedure</p> <p>(a) <i>NEMMCO</i> must develop and <i>publish</i> the <i>metrology procedure</i> that will apply to <i>metering installations</i> in accordance with this rule 7.14 and this Chapter 7.</p> <p>(b) The <i>metrology procedure</i> must be prepared, revised and published by <i>NEMMCO</i> in accordance with the <i>Rules consultation procedure</i> and must include a minimum period of 3 months between the date when the <i>metrology procedure</i> is <i>published</i> and the date the <i>metrology procedure</i></p>	<p>Clause 7.14(c)(1)(i) may introduce uncertainty about the operation of the clause unless “device” can be interpreted only as a physical measuring device. To avoid this uncertainty redraft as follows:-</p> <p>(i) measure, or determine by <u>other</u> means other than a device, the flow of electricity in a power conductor;</p>

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<p>commences unless the change is made under clause 7.14.4 in which case the effective date may be the same date as the date of publication.</p> <p>(c) The <i>metrology procedure</i> must include:</p> <p>(1) information on the devices and processes that are to be used to:</p> <p>(i) measure, or determine by means other than a device, the flow of electricity in a power conductor;</p>	
<p>[23] S7.2.3, Item 3 Accuracy requirements for metering installations</p> <p>In S7.2.3.1, omit Item 3 and substitute:</p> <p>Item 3: The following requirements apply in relation to a type 5 <i>metering installation</i>:</p> <p>(1) the installation must comply with the <i>metrology procedure</i> when converting <i>active energy</i> into <i>metering data</i>;</p> <p>(2) the value of “x” must be determined by each <i>Minister of a participating jurisdiction</i> and must be provided to <i>NEMMCO</i> for inclusion in the <i>metrology procedure</i>;</p> <p>(3) the maximum acceptable value of “x” determined under subparagraph (2) must be 750 MWh per annum;</p>	<p>Item 3 requires the Ministers of each jurisdiction to provide the value of “x”.</p> <p>It seems possible that the Ministers could subsequently provide a new value of “x” which would seem to be inconsistent with the arrangements established by 11.6.2 which allows only a limited time for Ministers to provide Jurisdictional Metrology Material.</p> <p>If it is intended that the value of “x” only be provided once, this should be made clear. If it is intended that the Minister of a participating Jurisdiction should be able to re-determine the value of “x” this power should expire in the same way as for the Jurisdictional Metrology Material.</p>
<p>[25] S7.2.3, Item 4 Accuracy requirements for metering installations</p> <p>In S7.2.3.1, omit Item 4 and substitute:</p> <p>Item 4:</p>	<p>Item 3 requires the Ministers of each jurisdiction to provide the value of “y”.</p> <p>It seems possible that the Ministers could subsequently provide a new value of “y” which</p>

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<p>The following requirements apply in relation to a type 6 <i>metering installation</i>:</p> <ol style="list-style-type: none"> (1) a <i>metrology procedure</i> must include a procedure relating to converting <i>active energy</i> into <i>metering data</i>; (2) the value of “y” must be determined by each <i>Minister of a participating jurisdiction</i> and be provided to <i>NEMMCO</i> for inclusion in the <i>metrology procedure</i>; 	<p>would seem to be inconsistent with the arrangements established by 11.6.2 which allows only a limited time for Ministers to provide Jurisdictional Metrology Material.</p> <p>If it is intended that the value of “y” only be provided once, this should be made clear. If it is intended that the Minister of a participating Jurisdiction should be able to re-determine the value of “y” this power should expire in the same way as for the Jurisdictional Metrology Material.</p>
<p>[43] Chapter 10 Substituted Definitions</p> <p>In Chapter 10, omit the current corresponding definitions and substitute the following definitions:</p> <p>metering installation</p> <p>The assembly of components and/or processes that are controlled for the purpose of metrology and which lie between the metering point(s) or <i>unmetered connection point</i> and the point of connection to the <i>telecommunications network</i>, as shown in schedule 7.1.</p> <p>[Note: The assembly of components may include the combination of several metering points to derive the metering data for a connection point. The metering installation must be classified as a revenue metering installation and/or a check metering installation.]</p>	<p>The term “metering point” is a defined term and should be italicised.</p>