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Australian Energy Market Commission
Level 5
201 Elizabeth Street
Sydney NSW 2000

30 May 2014

**RE: ERC0169 - Landis+Gyr Submission
AEMC's Rule Change Consultation Paper - 17th April 2014**

Dear Sir/Madam

Landis+Gyr thank you for the opportunity to review and provide feedback to your consultation paper draft on the National Electricity and Energy Retail Amendment (Expanding Competition in Metering and Related Services) Rule 2014.

Landis+Gyr is in general agreement with SCER's proposal as detailed. In this submission, we have highlighted the following views and recommendations for further consideration.

- Landis+Gyr recommends stringent commercial and financial due diligence (including underwriting of liability clause/s) as a pre-requisite for AEMO initial accreditation process (and subject to annual review) to reduce the likelihood of financial collapse of Metering Coordinator/s.
- The impacts resulting from Metering Coordinator/s failures have to be assessed based on the whole value chain of the specific Metering Coordinator's accredited function. Mitigation of failure impacts can be addressed through :
 - Mandating minimum functionality specification to allow new Metering Coordinators to continue offering the same level of support to consumers seamlessly ; and
 - Deploying 'Smart Ready' (Modular) meters (with agreed protocols between meters and communications modules) to avoid complete overhaul of metering technology where a new Metering Coordinator cannot support metering (communication) technology at the consumer premise.

- Landis+Gyr suggests a national framework for competitive provision of metering and related services as it provides for cost efficiencies to consumers. This would also facilitate for expeditious jurisdictional changes, as required.
- We support an Opt-out provision for consumers to allow business operational efficiencies without compromising on consumers' empowerment.
- Landis+Gyr proposes the current agreed SMI MFS (V1.3) be implemented as-is whilst SCER engages a SMI working group to review and formalise the MFS. This should be undertaken concurrently to ensure all stakeholders, including consumers, benefit both from the acceleration of the Power of Choice program and SMI MFS best accommodate the retail offering/s.
- To enable consumer uptake of retailer offerings on the commencement of Power of Choice program, it is crucial that a critical mass of smart metering technology be deployed in the field. Landis+Gyr agrees that the most effective mechanism to effect a level of critical mass is for jurisdictions to install smart meters in all new and replacement situations – a no regret move and prudent investment for reasons as outlined by SCER in the Consultation Paper.

In summary, Landis+Gyr's is keen to accelerate the Power of Choice implementation and we have moderated our recommendations in ensure requirements for rule changes are minimal.

If there is any aspect of this submission you would like to discuss in greater detail, please contact Milan Vrkic on +61 2 9690 7494.

Yours Sincerely



Milan Vrkic
General Manager Marketing & Strategy