

Powercor australia

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

Email: submissions@aemc.gov.au

Dear Dr Tamblyn

Rule for the Harmonisation of Metrology

Thank you for the opportunity to comment on the proposals to make a series of Rule changes regarding the metering arrangements in the National Electricity Market as set out in NEMMCO's submission dated 3 February 2006.

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 proposal.

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 <u>rherrmann@powercor.com.au</u> if you require any further information in relation to this matter.

Yours sincerely

Rolf Herrmann

Proposed Rule Change Attachment B				CitiPower & Powercor Comments
7.2	2 Responsibility for Metering Installation		lity for Metering Installation	
7.2.1	Respon (a) (b) (c)	The inst acc NE Rul per	e person's responsibilities e responsible person is responsible for the provision, tallation and maintenance of a metering installation in cordance with Chapter 7 and the metrology procedure; <i>MMCO</i> must establish guidelines, in accordance with the les consultation procedures, on the role of the responsible rson as required by the Rules-; e responsible person must: undertake the duties of the responsible person for that metering installation, in accordance with Chapter 7 and the metrology procedure; engage a Metering Provider to conduct the relevant work or, where the responsible person is required to do so by the metrology procedure, allow another person to engage a Metering Provider to install the relevant metering installation; enter into an agreement with a Metering Provider that includes the terms and conditions for the provision, installation and maintenance of the metering installation by the Metering Provider or, where a responsible person allows another person to engage a Metering Provider in accordance with clause 7.2.1(c)(2), enter into an agreement with a Metering Provider for the maintenance	The arrangements set out in Clause 7.2.1(c)(3) may not adequately provide for the circumstances where the responsible person is also an accredited metering provider such as often occurs for LNSP's. The agreement referred to in clause 7.2.1(c)(4) 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.

Metrology Harmonisation – Proposed Rule Change

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		of the metering installation; and	
		(4) provide <i>NEMMCO</i> with the relevant details of the <i>metering installation</i> contained in schedule 7.5 within 10 <i>business days</i> of entering into an agreement with the <i>Metering Provider</i> ;	
	(d)	Nothing in clause 7.2.1(c) prevents a <i>responsible person</i> electing to terminate its clause 7.2.1(c)(3) agreement with a <i>Metering Provider</i> after installation of a <i>meter</i> and entering into a new agreement with another <i>Metering Provider</i> for the maintenance of the <i>metering installation</i> .	
7.2.1B F	NEN metr	ONSIDILITY OF NEMMCO <i>MMCO</i> is responsible for the development and <i>publication</i> of the <i>rology procedure</i> that will apply to <i>metering installations</i> in ordance with clause 7.3.2A.	This provision, 7.2.1B, would be better located with 7.3.2A to simplify the rules.
7.2.2 Re	espo	nsibility of Local Network Service Provider	Clause 7.2.2(b) – It would be better to retain the original drafting style as follows.
	(b)	If the <i>Market Participant</i> accepts a clause 7.2.2(a) or 7.2.2(ab) offer, the <i>Local Network Service Provider is the responsible person</i> ;	(b) If the <i>Market Participant</i> accepts an <u>offer</u> <u>made under</u> a-clause 7.2.2(a) or 7.2.2(ab) offer , the <i>Local Network Service Provider is</i>
	(c)	Where a Local Network Service Provider is the responsible person, the Local Network Service Provider must provide NEMMCO with the metering installation's NMI within 10 business days of a Market Participant's acceptance of the connection agreement formed under clause 5.3.7.	<i>the responsible person</i> ; Clause 7.2.2(c) should be extended to ensure responsible persons other than the LNSP are also obliged to provide the NMI to NEMMCO within the prescribed time period.

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	 (ab) If an agreement arising from acceptance of the clause 7.2.2(b) offer is terminated due to breach by the <i>Market Participant</i>, the <i>Market Participant</i> becomes the <i>responsible person</i> for that <i>metering installation</i> upon termination of that agreement. 	
7.2.5	 (f) ensure, for any type 5 <i>metering installation</i> where the annual flow of electricity through the <i>connection point</i> is greater than the <i>type 5 accumulation boundary</i>, that the <i>metering data</i> is extracted or emanates from the <i>data logger</i> as <i>interval energy data</i>; (g) subject to clause 7.2.5(e) and unless otherwise recorded in the <i>metrology procedure</i>, allow the replacement of a <i>metering installation</i> for which that person is responsible with another <i>metering installation</i> if notice of the change is received from the <i>financially responsible Market Participant</i>; and (h) in its role as incoming <i>responsible person</i>, be responsible for the <i>metering installation</i> on the day that a <i>market load</i> transfers from one <i>financially responsible Market Participant</i> to another 	Because clause 7.2.5(g) is an obligation on the responsible person, making this clause subject to 7.2.5(e) has the effect of putting the responsible person into the role of policing the FRMP's compliance with clause 7.2.5(e) which is not appropriate.

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	Procedures.	 clause (h) or delete the clause and include the obligation in MSATS. Clause 7.2.5(h) creates difficulties if the metering installation is changed before the market load is transferred. It creates the unsatisfactory situation of the "old" responsible person being responsible for a metering installation provided under the direction of the "new" responsible person by a metering provider that may not have a relationship with the "old" 	
		responsible person. This problem of transition of responsibility should not be enshrined in the Rules. It is not obvious why this clause is required to create a head of power in addition to the power to develop MSATS procedures provided by clause 7.2.8. Consideration should be given to deleting clause 7.2.5(h)	
7.3.2A	 Metrology Procedure (c) The metrology procedure may: (1) implement jurisdictional policy directives for one or more participating jurisdictions, provided: (A) the participating jurisdiction's Minister provides 	As a matter of principle these provisions should not be permitted to create further divergence in metrology procedures applicable to the NEM jurisdictions. This would be contrary to the objective of having a single National Metrology Procedures. The ability for jurisdictions to individually issue	
	NEMMCO with a detailed written explanation as to why the Minister's participating jurisdiction	jurisdictional policy directives to influence the metrology procedure should be limited to initiatives currently in progress such as the introduction of FRC in	

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	cannot adopt the <i>metrology procedure</i> ;	Queensland and the Advanced Metering Infrastructure
(B)	the <i>jurisdictional policy directive</i> contains a date by which a <i>participating jurisdiction</i> will undertake a review to evaluate that <i>participating</i> <i>jurisdiction</i> 's ability to harmonise the <i>jurisdictional</i>	project in Victoria. Such a limitation could be provided by including a sunset date for such jurisdictional policy directives, say 1 January 2008. After the sunset date all policy directives would be via
	<i>policy directive</i> with the <i>metrology procedure</i> ('the review date');	the MCE. (See also comments in relation to the definition of " <i>jurisdictional policy directive</i> ".
(C)	the <i>jurisdictional policy directive</i> , as implemented by the <i>metrology procedure</i> , ends on the review date unless the relevant <i>Minister</i> issues <i>NEMMCO</i> with a new <i>jurisdictional policy directive</i> in accordance with clause 7.3.2A(g);	The effect of Clause (B) and (C) could lead to the unexpected termination of provisions created under a jurisdictional directive if the review date is overlooked. An alternative mechanism is required to ensure that a
(D)	 the <i>jurisdictional policy directive</i> is consistent in content with the information specified in clauses 7.3.2A(b)(1) and 7.3.2A(c)(2) , but may also address the following matters for the relevant <i>participating jurisdiction</i>: (i) guidelines for the replacement of a device capable of producing <i>interval energy data</i> with a device that only produces <i>accumulated</i> 	review is conducted before the provisions expire. Clause 7.3.2A (D)(ii) The specification of a <i>type 5</i> <i>accumulation boundary</i> other than zero as provided in this clause will present practical problems because customer's consumption is variable and unless this is accommodated in a practical way in the definition there will be relatively onerous procedures to deal with customer loads which move across this boundary. The
	 <i>energy data</i>; and (ii) the specification of the <i>type 5 accumulation boundary</i>. The <i>type 5 accumulation boundary</i> is to be zero MWh unless specified otherwise in the <i>metrology procedure</i>; 	responsible person needs to be given reasonable discretion and flexibility for collection of metering data for loads around the 5 <i>accumulation boundary</i> . See also comments in relation to the definition of " <i>type</i>
(E)	the <i>metering data</i> is not prevented from being extracted or emanating from a <i>data logger</i> as <i>interval energy data</i> if required by the <i>financially</i>	<i>5 accumulation boundary</i> " Clause 7.3.2A (E) – the drafting could be improved by replacing the words "for the purpose other than for

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	responsible Market Participant or an Local Network Service Provider for the purpose other than for settlements;	settlements" with "for any purpose other than for settlements"
(2)	 than for settlements; contain the following matters: (A) Clarification of the Rules in regards to the following processes: (i) load profiling; (ii) provision and service of meters; (iii) provision of energy data services; (iv) metrology for a market load connected to a network where the owner or operator of that network is not a Registered Participant; and (v) accreditation of Metering Providers; (B) A more detailed specification of the following technical standards: 	"maintenance" it would be preferable to use this term for consistency with other provisions such as 7.1.2.
	 (i) the accuracy of <i>metering installations</i>; (ii) <i>data logger</i> standards; (iii) inspection and testing standards; (iv) <i>Metering Provider</i> accreditation standards; (v) the technical requirements of the <i>metering installation's</i> database; and (vi) the technical standards for <i>metering</i> of a <i>market load</i> that are is connected to a <i>network</i> where the operator or owner of that 	

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network is not a Registered Participant;	
(C) Clarification of the <i>Rules</i> covering obligations imposed on the following persons:	
(i) responsible persons;	
(ii) <i>NEMMCO</i> ; and	
(iii) Metering Providers;	
(6) contain information to ensure consistency in practice between the <i>metrology procedure</i> and other instruments, including but not limited to the practices adopted in the <i>Market Settlement and Transfer Solution Procedures</i>;	In Clause 7.3.2A(c)(6) it would be appropriate to also include reference to the need to ensure consistency with B2B procedures.
 (d) a <i>Minister</i> may delegate the right to issue a <i>jurisdictional policy directive</i> by instrument of delegation, a certified copy of which must be provided to <i>NEMMCO</i> if the <i>Minister's</i> delegate issues a <i>jurisdictional policy directive</i> under clause 7.3.2A(c)(1)(A); 	Clause 7.3.2A(d) – It is unclear why a provision for the Minister to delegate the right to issue a jurisdictional policy directive is required. This provision should be deleted.
(g) Any person may submit to <i>NEMMCO</i> a proposal to amend the <i>metrology procedure</i> . <i>NEMMCO</i> must receive and consider a proposal for the amendment of a <i>metrology procedure</i> . If the proposal for an amendment is:	
(1) a <i>jurisdictional policy directive</i> , <i>NEMMCO</i> must:	
(A) acknowledge receipt to the relevant <i>Minister</i> ;	
 (B) undertake the <i>Rules consultation procedure</i> and include in that consultation the <i>Minister's</i> written explanation specified in clause 7.3.2A(c)(1)(A); 	
(C) at the conclusion of the Rules consultation	

(D) unless advised otherwise by the <i>Minister</i> resulting from information provided to the <i>Minister</i> under clause 7.3.2A(g)(1)(C), incorporate any	ause 7.3.2A(g)(D) provides a potentially satisfactory conclusion to the consultation process
<i>procedure</i> that is in the nature of a guideline, specification or other standard for the <i>Minister's</i> <i>participating jurisdiction</i> ;	quired under (B) and (C). Good regulatory practice quires the rationale for the final decision to be clearly plained not simply implemented "unless advised nerwise by the Minister." At the very least, the evant Minister should consider the material provided der (C) and confirm the decision including the asoning behind the confirmation.
 (a) The type of <i>metering installation</i> and the accuracy requirements for a <i>metering installation</i> that must be installed in respect of each <i>connection point</i> are to be determined in accordance with schedule 7.2;- (aa) The <i>financially responsible Market Participant</i> may arrange alterations to any type 5, type 6 or type 7 <i>metering installation</i> to make it capable of <i>remote acquisition</i> unless otherwise provided for in the <i>metrology procedure</i>; (ab) The type 5, type 6 or type 7 <i>metering installation</i> under clause 7.3.4(aa) must not be altered until the transfer of the relevant <i>market load</i> has been effected by <i>NEMMCO</i> in accordance with the <i>Market Settlement and Transfer Solution Procedures</i>, unless the <i>Market Settlement and Transfer Solution</i> 	the drafting note describes the intention of Clause 3.4(aa) to be related to the replacement of type 5, 6 or metering with type 4 metering. However, this is not clected in the drafting which proposes a right for the RMP to arrange alteration to type 5, 6 or 7 metering stallations relating to "remote acquisition" which is consistent with clause 7.2.3 where the Market rticipant may only elect to be responsible for type 1, 3 or 4 metering installations. It is also unclear how emote acquisition" relates to type 7 metering stallations. The provision should be redrafted to strict the option to those situations where the placement results in a type 4 metering installation.

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	di	fferent to the <i>market load</i> transfer date;	altered <u>under clause 7.3.4(aa)</u> until the transfer of the relevant <i>market load</i> has been effected by <i>NEMMCO</i> in accordance with the <i>Market</i> <i>Settlement and Transfer Solution Procedures</i> , unless the <i>Market Settlement and Transfer</i> <i>Solution Procedures</i> specify arrangements for the alteration of the <i>metering installation</i> to be carried out on a date that is different to the <i>market load</i> transfer date
7.11	(ab) NE	 be delivered to <i>NEMMCO</i> for the purposes of Chapter 3. Such parameters must include, but are not limited to, the volume limit per annum below which <i>NEMMCO</i> will not require <i>metering data</i> for those purposes; the timeframe obligations for the extraction or delivery of <i>metering data</i> from a <i>metering installation</i> for the purpose of <i>settlements</i>; 	Clause 7.11(ab) has been included to provide industry with improved certainty on information requirements critical to the operation of type 4, 5 and 6 metering installations. Greater certainty would be available if the appropriate parameters were included directly into the Rules rather than incorporated into procedures. Clause 7.11(ab) refers to " <i>NEMMCO</i> must establish procedures". It is appropriate that if these parameters are not included in the Rules then they should be specifically included in the "metrology procedure" rather than create addictional procedures.
	SARY TER	MS assist in the review of the changes to Chapter 7)	

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jurisdictional policy directive: (new) The authorised policy position of a <i>participating jurisdiction</i> on <i>metering</i> <i>installations</i> types 5, 6 and 7 which is provided in writing to <i>NEMMCO</i> by the <i>Minister</i> for the purpose of including the authorised policy in the <i>metrology procedure</i> without alteration by <i>NEMMCO</i> , either directly or after consultation in accordance with <i>Rules consultation procedures</i> . <i>NEMMCO</i> may determine the format of the presentation of the authorised policy in the <i>metrology procedure</i> .	As a matter of principle jurisdictional policy directives should not be permitted to create further divergence in metrology procedures applicable to the NEM jurisdictions. This would be contrary to the objective of having a single National Metrology Procedures. The ability for jurisdictions to individually issue jurisdictional policy directives to influence the metrology procedure should be limited to initiatives currently in progress, such as the introduction of FRC in Queensland and the Advanced Metering Infrastructure project in Victoria. Such a limitation could be provided by including a sunset date for such jurisdictional policy directives, say 1 January 2008. After the sunset date all new policy directives would be via the MCE. CitiPower and Powercor note that the definition of <i>jurisdictional policy</i> directive restricts this power to Type 5, 6 and 7 metering installations. This limitation will prevent the Victorian Government from using this provision to implement its plans for Advanced Interval Metering. This is because the required functionality includes communications taking the metering installations outside the Type 5, 6 and 7 category. This limitation should be reviewed in discussion with the Victorian Government.

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remote acquisition: (new) The acquisition of <i>metering data</i> from a <i>metering installation</i> , where the acquisition process is designed to transmit the <i>metering data</i> from the site of the <i>metering point</i> to the <i>metering database</i> , and does not, at any time, require the presence of a person at, or near, the <i>meter</i> for the purposes of data collection or data verification (whether this occurs manually as a walk by reading or through the use of a vehicle as a close proximity drive-by reading), and includes but is not limited to an interval <i>meter</i> that transmits <i>metering data</i> via: (1) direct dial-up; (2) satellite; (3) the internet; (4) a general packet radio service; (5) power line carrier; or (6) any other equivalent technology.	The use of the word "designed" in the context of "where the acquisition process is designed to transmit the <i>metering data</i> from the site of the <i>metering point</i> to the <i>metering database</i> " could be interpreted to mean a capability which is designed into the process but not necessarily used. The drafting should be amended to "The acquisition of <i>metering data</i> from a <i>metering installation</i> , where the acquisition process is designed to transmits the <i>metering data</i> from the site of the <i>metering point</i> to the <i>metering database</i> ," to remove uncertainty.
Type 5 accumulation boundary: (new) The volume of energy for a connection point above which the metering data that is extracted or emanates from a type 5 metering installation must be extracted or emanate as interval energy data for the purpose of producing settlements ready data. Below the type 5 accumulation boundary, the metering data may be extracted or emanate from the metering installation as accumulated energy data for the purpose of producing settlements ready data, in which case the metering installation must be registered with NEMMCO as a type 6 metering installation, otherwise the metering data may be extracted or emanate as interval energy data for the purpose of producing settlements ready data.	This point of demarcation above which metering data must be extracted as interval energy data would be more easily understood if it were to be referred to as the "Type 5 accumulation limit". The proposed approach may be too restrictive as it limits the demarcation to be specified by the volume of energy. It may be more appropriate to provide greater flexibility to allow boundaries based on other criteria, such as customer classes or tariffs, to be used also. See also comments at 7.3.2A(c) (D)(ii) about the practicality of this provision because customers consumption is variable and unless this is accommodated in a practical way in the definition there will be relatively onerous procedures to deal with

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		customer loads which move across this boundary. For new customers the lack of historic data creates additional uncertainty about what the volume of energy will be and whether or not it will trigger the accumulation boundary. The responsible person needs to be given reasonable discretion and flexibility for collection of metering data for loads around the <i>type 5</i> <i>accumulation boundary</i> .
S7.2.3 Note 3:	Accuracy requirements for metering installations A type 5 metering installation must comply with the metrology procedure when converting active energy into metering data. The value of "x" must be determined by the relevant Minister and must be provided as a jurisdictional policy directive to NEMMCO. The maximum acceptable value of "x" is 750 MWh per annum. The metering installation may provide delays in transferring the interval energy data to a remote location where access to a telecommunications network has been established. Where such delays are approved by the relevant Minister, the approval must be provided as a jurisdictional policy directive to NEMMCO. The metrology procedure must record the value of "x" for each jurisdiction, and indicate how interval energy data will be established for type 5 metering installations in that participating jurisdiction during the period of delay.	The metering types shown in Schedule 7.2.3 do not include the concept of "small" Type 4 and "large" Type 4 contemplated in section A2(b) of Attachment A: Statement in Support of Request for Changes to the Rules. It would be clearer if this demarcation was set out in the Rules. It would be appropriate for "small" Type 4 meters to be subject to Note 3, Note 3a and Note 3b which are applicable to Type 5 metering rather than Notes 2 and 2a which are relevant to Type 4 metering. Similarly the "x" limit applicable to Type 5 metering should also apply to "small" Type 4 metering to appropriately separate the less frequently read "small" Type 4 metering installations from the more frequently
Note 4:	A <i>metrology procedure</i> must be prepared and <i>published</i> by <i>NEMMCO</i> for the purpose of converting <i>active energy</i> into <i>metering data</i> . The value of "y" must be determined by the relevant <i>Minister</i> and must be provided as a <i>jurisdictional policy directive</i> to <i>NEMMCO</i> . The maximum acceptable value of "y" is 750 MWh per	read "large" Type 4 metering installations. Note 3 gives the Ministers of each jurisdiction direct control over the values of "x" and "y". It is unclear why this should be the case for matters that relate

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	ener telec proc juris data claus be p not a accu	Im. This <i>metering installation</i> type provides for <i>accumulated</i> <i>gy data</i> to be transferred to a remote location where access to a <i>communication network</i> has been established. The <i>metrology</i> <i>redure</i> must record the value of "y" for each <i>participating</i> <i>adiction</i> , and identify the method by which <i>accumulated energy</i> is to be converted into <i>trading interval</i> data in accordance with se 7.9.3(b), and the method by which <i>estimated energy data</i> is to repared during the period when the <i>accumulated energy data</i> is available. Devices within the <i>metering installation</i> may provide <i>unulated energy data</i> in pre-determined <i>daily</i> time periods where a time periods are contained in the <i>metrology procedure</i> .	directly to metrology. It would be preferable, and provide greater certainty to participants, if the current jurisdictional values were provided respectively and any future amendments were made through the normal Rules consultation process. This would also overcome the risk that jurisdictions could further diverge under the proposed arrangements. In Note 4, insert the words "from a type 6 metering installation" after the words "active energy" in the second line to make it clear.
	Schedule 7.4 - Metering Provider 57.4.2 Categories of registration (c) <i>NEMMCO</i> may establish an Accredited Service Provider		See comments below under S7.4.5
	(0)	category of registration for a <i>Metering Provider</i> in accordance with clause S7.4.5;	
S7.4.5	5 Capabilities of Accredited Service Provider		The proposal to create a <i>Metering Provider</i> category of Accredited Service Provider which is restricted to the
	(a)	A <i>Metering Provider</i> who is registered in the category of Accredited Service Provider may only perform work on a type 5 or type 6 <i>metering installation</i> for the purpose of installing that <i>metering installation</i> ;	installation only of certain types of meters is inconsistent with S7.4.1 which requires a <i>Metering</i> <i>Provider</i> to "ensure that the <i>metering installation</i> is installed and maintained in accordance with" In
	(b)	<i>NEMMCO</i> must include the Accredited Service Provider category in the accreditation guidelines prepared and <i>published</i> under clause 7.4.2(ba);	other words a <i>Metering Provider</i> must be responsible for maintenance also which is inconsistent with the intention behind creating the Accredited Service Provider.

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(c)	ů v v v	It would be better not to confuse the role of the <i>Metering Provider</i> by referring to the Accredited
(d)	<i>NEMMCO</i> may determine different Accredited Service Provider competencies for each <i>participating jurisdiction</i> ;	Service Provider as a class of <i>Metering Provider</i> but rather a category of persons accredited to carry out certain limited functions on behalf of the <i>Metering</i> <i>Provider</i> .
(e)	The Accredited Service Provider competencies determined under clause S7.4.5(c) must be consistent with the service requirements established in the <i>metrology procedure</i> in respect of the work to be performed under clause S7.4.5(a).	