# Competition in metering and related services

Operational workshop

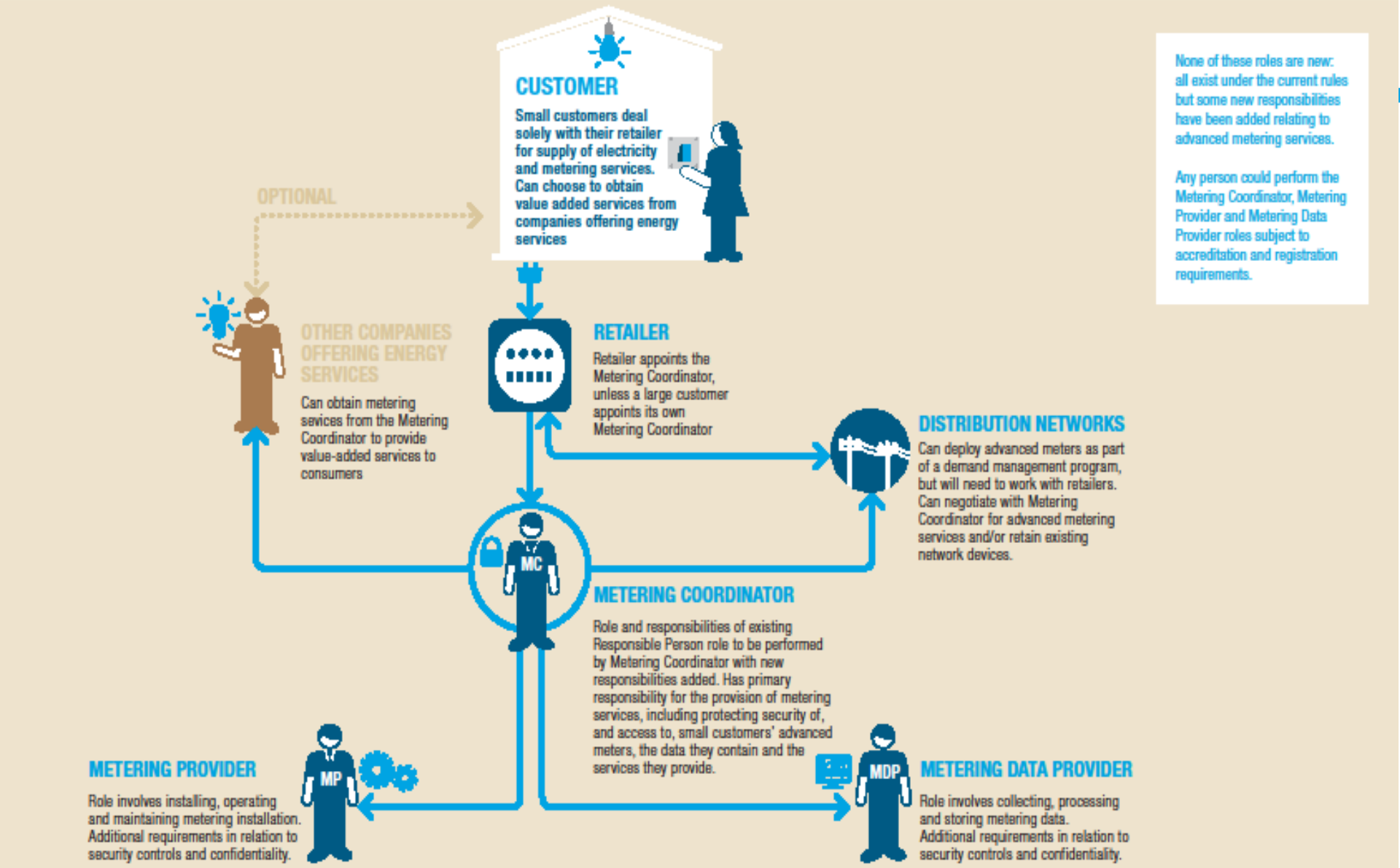
16 July 2015

# Topic 1

## Roles and responsibilities

# ROLES AND RESPONSIBILITIES

Clarifying, expanding and opening up existing roles will promote competition in the provision of metering services to improve consumer choice and control while protecting customers.




None of these roles are new: all exist under the current rules but some new responsibilities have been added relating to advanced metering services.

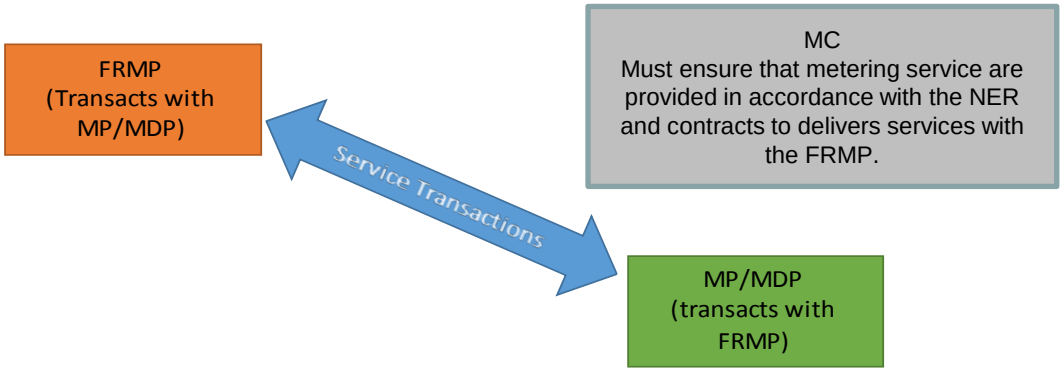
Any person could perform the Metering Coordinator, Metering Provider and Metering Data Provider roles subject to accreditation and registration requirements.

# Relationships between the parties

Under the draft rule the Metering Coordinator has overall responsibility for the provision of metering services and that these are provided in accordance with the NER. The Metering Provider and Metering Data Provider, which are appointed by the Metering Coordinator, will provide the metering services on a day to day basis.

For appointment of role (assuming no large customer MC appointment):


The day to day operation of services and transactions (note the commercial models to support the transactions and delivery of services are not limited by the draft rule):



# Issues raised in submissions and discussions

| | |
|---|---|
| Roles | • Under the draft rules the MC has overall accountability for the metering services. However, the MP and MDP perform many of services. For some stakeholders, there was some uncertainty around the MC's operational role, including in relation to providing access to services. |
| Relationships | • The draft rules require that the FRMP appoint the MC and that the MC appoints the MP and MDP. However some stakeholders are uncertain regarding the extent of matters left to commercial arrangements.<br>• There have been queries regarding the FRMP's relationship with the MP and MDP and whether service transactions are required to go through the MC. |
| Examples | • Additional examples of where uncertainty arose as a consequence of the above issues include queries regarding which party is liable for: the cost of meter replacement; and errors with respect to disconnection and metering data. |

# Topic 2

## Naming and discoverability of meter types

# Overview of the draft rule

- Under the new framework there will exist in the market:
  - Type 4 metering installations predating the rule change that do not meet the minimum services specification;
  - Type 4 metering installations that meet the minimum services specification; and
  - Type 4A metering installations that are not connected to a telecommunications network and are not required to be remotely read.
- Under the draft rule, a Metering Coordinator must ensure that all new and replacement meters for small customers must be type 4 metering installations that meet the minimum services specification.
  - AEMO may provide an exemption to this requirement where there is no telecommunications network to enable remote access at a connection point. Metering installations exempted from being capable of remote access will be classified as type 4A metering installations. A type 4A metering installation must still be capable of providing the services set out in the minimum services specification .

# Operational issues raised in submissions

| | |
|---|---|
| Identifying meter capabilities | • Unable to differentiate between existing type 4 metering installations and type 4 metering installations that meet the minimum services specification.<br>• Networks and industry will be unable to discover what services are capable of being provided from a metering installation. |
| Compliance and enforcement | • Existing type 4 metering installations and type 4 metering installations installed on and from when the changes to chapter 7 become effective will have to meet different requirements.<br>• Makes compliance and enforcement with respect to meeting requirements of the rules and procedures problematic. |
| Systems and processes | • Developing and implementing business systems and processes will be more complex without a clear distinction between meter types. |

# Possible options

- Differentiate the following three meter types in the rules:

| Type | Description |
|---|---|
| Type 4 | Type 4 meters installed under the current rules which are remotely read. |
| Type 4a | Meters that meet the minimum services specification. |
| Type 4b | Meters that are capable of providing the services set out in the minimum services specification but are exempted from being capable of remote access. |

- Expand items to be covered in NMI standing data and be discoverable via MSATS NMI discovery.
- Retain proposed arrangements in the draft rule – there is currently a variety of information on meters not available to industry eg CT connected meters.

# Questions for discussion

- What information should be available to parties on the capabilities of a metering installation?  Only that a meter meets the minimum services specification or is more granular information required?
- What information do parties require for compliance purposes?
- Which parties should this information be available to (eg DNSPs, the retailer (as FMRP), other retailers, other metering coordinators, non-registered/accredited third parties, the consumer)?
- Where would this information be stored, eg the metering register or available via a request to the MC?

# Topic 3

## New connections

# Overview of the draft rule

The draft rule includes the following obligations relevant to establishing a new connection:

- FRMP must ensure there is a metering installation and a Metering Coordinator is appointed in respect of the relevant connection point before participating in the market at that connection point;
- A Metering Coordinator must appoint a Metering Provider for each metering installation for which it is responsible;
- The Metering Coordinator must ensure that any new or replacement metering installation in respect of the connection point of a small customer is a type 4 metering installation that meets the minimum services specification (subject to exemption);
- The Metering Provider must ensure that any metering installation installed or proposed to be installed in respect of a new connection for a small customer at that connection point is a type 4 metering installation that meets the minimum services specification (except where a Metering Coordinator has obtained an exemption).

The draft rule includes the following obligations with respect to the allocation and registration of NMIs:

- The Metering Coordinator for a metering installation must apply to the LNSP for a NMI;
- The LNSP must issue a unique NMI for each metering installation to the Metering Coordinator that is responsible for that metering installation; and
- The Metering Coordinator must register the NMI with AEMO in accordance with AEMO procedures.

# Operational issues raised in submissions

- Submissions sought clarification on:
  - who appoints a Metering Coordinator and Metering Provider at new property developments;
  - who would provide a meter that meets the minimum services specification at new property developments.
- Confirmation was also sought that in the context of new connections customers would be free to choose their retailer at any time and are not locked into any arrangement chosen by a property developer.
- Submissions suggested that both current NER and draft rules don't reflect operational practice in that the LNSP establishes a NMI for a new connection point as a function of receiving a service order from a retailer for a new connection.
  - It was also suggested it would be more appropriate for the FRMP to be responsible for obtaining a NMI from the LNSP, rather than the Metering Coordinator.

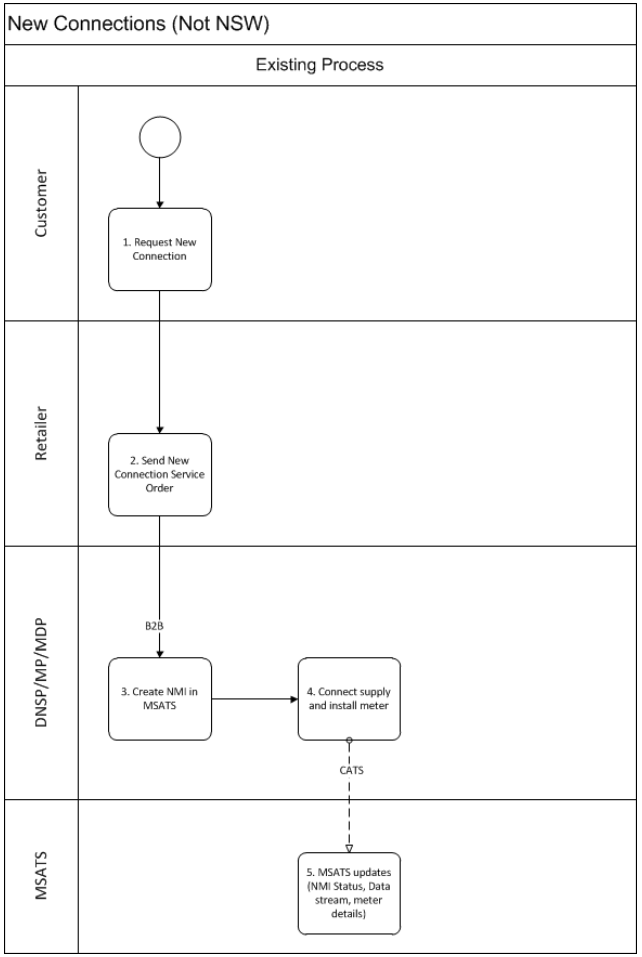
# Questions for discussion

- The AEMC is seeking feedback on the extent to which the new connection process diagrams on the following slides reflect current industry practice.
- The draft rule has been prepared on the assumption that there must be a FRMP at a new connection point before the site is physically connected and a meter is installed. This means that the FRMP appoints a MC who appoints an MP to install the meter at each new connection point.
  - Are stakeholders concerned that:
    - an MP that hasn't been engaged by the FRMP may install a meter at a new connection; or
    - that an MP may install a meter at a new connection at which there is no FRMP?
  - Will any issues arise from the immediate churn of a MC and or retailer if the first resident at a site selects a different retailer to the one chosen by the developer.
- When and to what extent is the MP for the connection point involved in the meter installation process for a new connection in NSW?

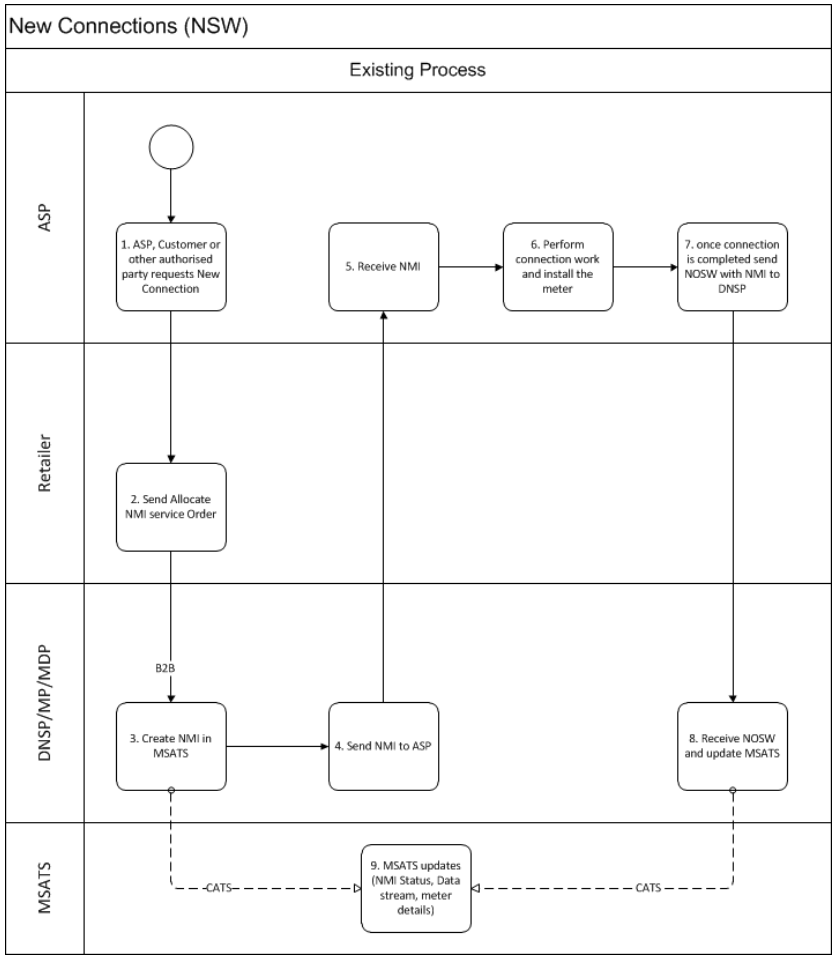
# Generation and registration of NMIs

- The AEMC is seeking feedback on the extent to which the new connection process diagrams on the following slides reflect current industry practice with respect to the generation and registration of NMIs?
  - The LNSP currently generates and registers the NMI with AEMO (ie in MSATS)?
  - The retailer (when FRMP) obtains the NMI from the LNSP as a function of placing the new connection order?
  - In NSW the LNSP notifies the ASP of the NMI at the new connection point?

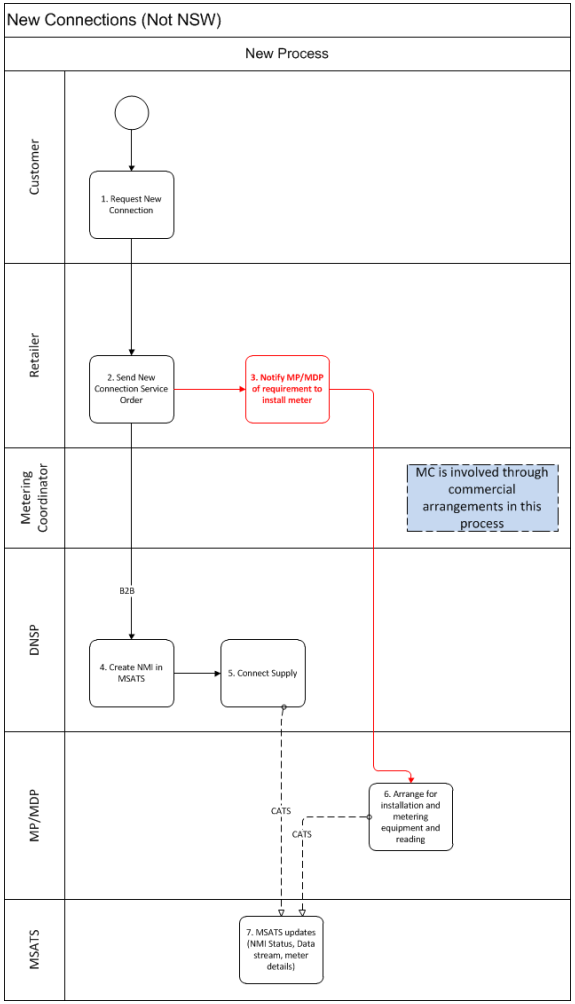
# Current new connection process (not NSW)



# Current new connection process (NSW)

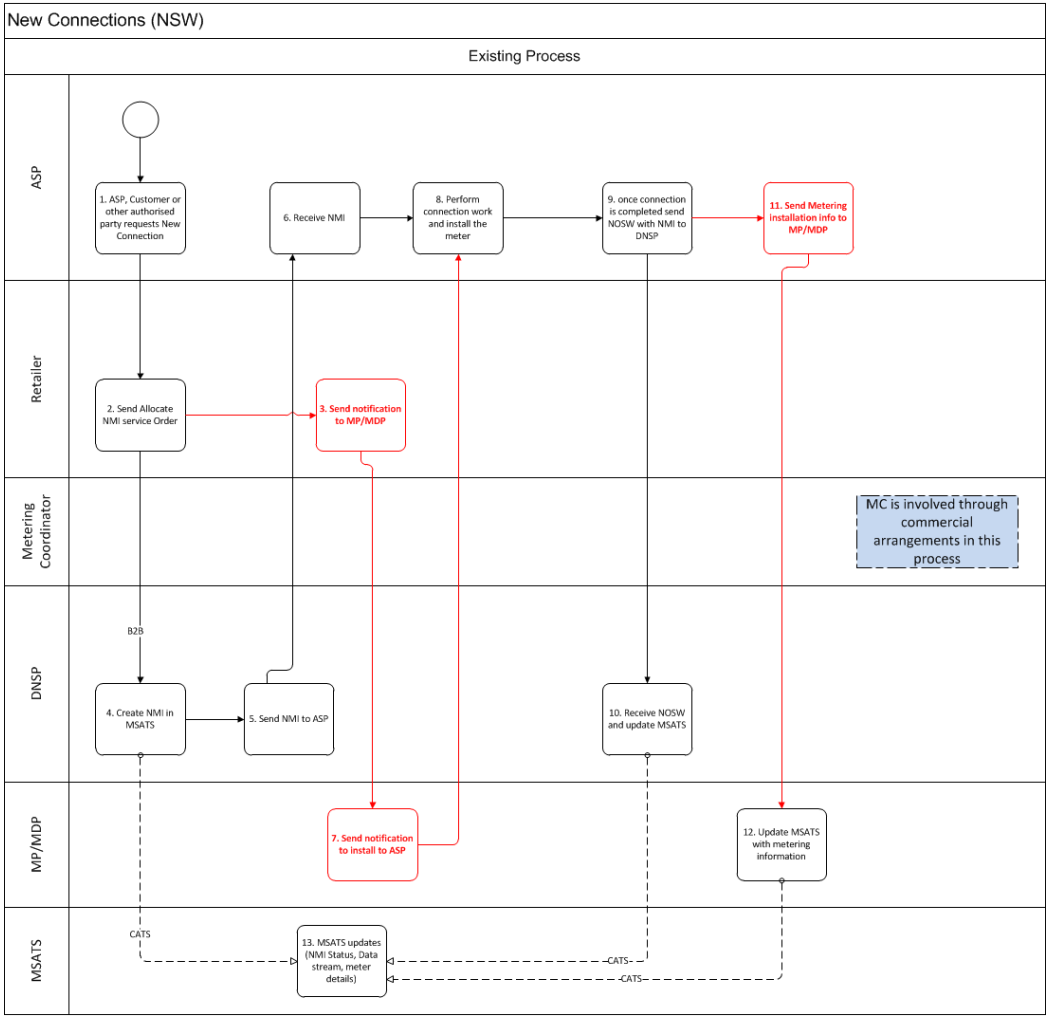


# New connection process – under new framework (not NSW)




Note: The part of the process highlighted in **red** is not regulated but it is a suggestion by AEMO

# New connection process – new framework (NSW)

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# Topic 4

## Supply interruptions

# Overview of the draft rule

*Interruption* means a temporary unavailability or temporary curtailment of the supply of energy to a customer's premises… (NERR rule 88)

**The draft rule:**

- retains existing arrangements whereby the DNSP must:
  - notify the customer of, and effect, the interruption (planned or unplanned)
  - use its best endeavours to restore supply as soon as possible
- introduces requirements on the Metering Coordinator and DNSP to:
  - assist and cooperate where the installation, maintenance, repair or replacement of metering equipment is to be undertaken by the Metering Coordinator and requires an interruption

# Operational issues raised in submissions

| | |
|---|---|
| DNSP obligations | • Notification to customer<br>• Contact details on notice<br>• Effecting the interruption and restoring supply |
| Link to opt out notification process | • Timing of interruption notification with opt out notification<br>• Responsibility for notifications |
| Impact on DNSP's other obligations | • Guaranteed service levels<br>• Performance incentive schemes<br>• Jurisdictional safety/technical requirements |
| Obligation to assist and cooperate | • What activities this would include<br>• Costs of providing assistance |

# Questions for discussion

**Supply interruptions**

1. Is an ‘interruption’ always necessary when changing a meter?

2. What happens now when a FRMP arranges for a DNSP’s meter to be replaced with a type 4 metering installation?

   a) Does the DNSP notify the customer of the supply interruption?

   b) Is the DNSP on site to effect the interruption and restore supply?

3. What effect does an isolator switch have on the responsibilities of relevant parties?

4. Is it appropriate for DNSPs to retain responsibility for notifying customers of, and effecting, a supply interruption for the installation or maintenance of metering equipment by another party?

5. How does it work in NSW? Does the DNSP itself need to be involved?

# Topic 5

## Network devices

# Overview of the draft rule

**The draft rule:**

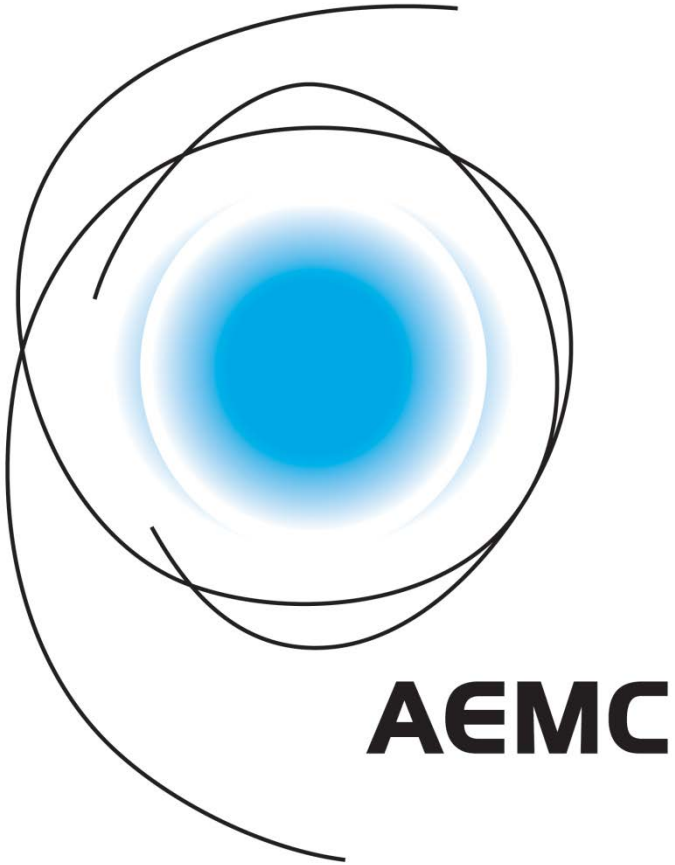
- introduces the definition of *network device*
- allows a DNSP to retain existing or install new network devices for the purposes of monitoring or operating its network
- introduces provisions regarding the installation and operation of network devices

# Operational issues raised in submissions

| | |
|---|---|
| What network devices can/ should be used for | • Whether customer consent for the device is needed<br>• Remote disconnection/reconnection<br>• Load control |
| Practical limitations to retaining or installing a network device | • Space constraints<br>• Knowledge of existing equipment<br>• Wiring complexities |
| How DNSPs would install and access network devices | • Costs and timing of ‘reasonable assistance’ clause<br>• Notifications to relevant parties when accessing devices<br>• Ongoing cooperation |
| Technical issues related to meters and network devices operating in conjunction | • Location of network device – supply side<br>• Safety concerns<br>• Risk of services being duplicated |

# Questions for discussion

1. What existing infrastructure would fit the definition of network device?
2. Are there any services that DNSPs would like access to that would not be supported by a minimum services specification meter and cannot be obtained by installing a device on a pole top?
3. Can meters and network devices operate in conjunction if they can provide similar functions, e.g. load control?
4. What happens now if there is limited space when a FRMP arranges for a new meter to be installed and the DNSP has load control equipment in place?
5. Could space constraints be addressed by setting out who has priority and/or who must pay the costs of expanding the meter board?
   - Should the customer be required to consent to the expansion of the meter board?


AEMC