

Australian Energy Market Commission
PO Box H166
Australia Square, NSW 1215

Submission by email: submissions@aemc.gov.au

**ActewAGL Distribution Consultation Response – National Electricity Rules
Amendment to facilitate metrology harmonization.**

Dear Sir/Madam

ActewAGL Distribution welcomes the opportunity to make this submission in response to the AEMC consultation on National Electricity Law – Proposed National Electricity Rules change.

ActewAGL supports the changes proposed and subject to the suggestions below, provides comments and recommendations for the following specific provisions of the proposed amendments to Chapter 7 of the National Electricity Rules.

If you have any questions in relation to this proposal, please call Jeff Roberts on 02 6293 5856 or 0414 515 617.

Yours faithfully


Jeff Roberts
National Electricity Market Operations Manager
ActewAGL Distribution

ActewAGL

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Response to the AEMC National Electricity Rules Chapter 7 Consultation Paper

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1. Introduction

ActewAGL is a joint venture between ACTEW Corporation Limited, a territory-owned corporation of the ACT Government, Alinta GCA Pty Ltd, and the Australian Gas Light Company Limited (AGL), Australia's largest energy supplier. The joint venture comprises two partnerships: ActewAGL Distribution and ActewAGL Retail.

This submission is provided by ActewAGL Distribution in response to the Australian Energy Market Commission (the Commission's) consultation paper on a draft industry Rules change.

ActewAGL Distribution's direct interests in the current consultation arise in respect of potential impacts on its separately defined roles as:

- Owner and operator of the ACT's electricity and gas distribution networks, and
- The *Responsible Person* under the National Electricity Rules (the Rules) for provision of type 5, type 6, and type 7 metering services to ACT electricity consumers, and
- Accredited *Metering Provider* and *Meter Data Provider* roles providing services to the *Responsible Person* in the ACT.

The issues paper and its attached draft Rules raise several matters in relation to these roles, as well as some general issues. In summary, whilst we agree with most of the changes and recommendations, ActewAGL's main concerns are that not enough analysis has been undertaken to determine the true costs and benefits across a broad range of customers. All the focus for change appears to be on the minority of large consumers, and the settlement process (although this is where the greatest savings are for Retailers).

2. General issues

2.1 Specificity of the draft Rules

Attachment A 4.2 "A single metrology framework for first and second tier metering installations will facilitate the transfer of consumers between local retailers and second tier retailers without the need for changes to the metering installation, leading to a reduction in meter churn, and a greater willingness upon service providers to invest in metering equipment. This will promote more efficient investment in metering installations."

- Transfers happen regularly now for a majority of consumers without the need to change metering. For about 1 - 2% of consumers in the National Electricity Market, the above statement applies.

2.2

Chapter 7 Rule change proposal comments (Attachment B)

| Rule Clause | Reason for proposal | Proposed amendment |
|-------------|---|--|
| 7.1.1 | Agree | |
| 7.2.1 | Agree | |
| 7.2.2.a. | ActewAGL believes that this statement will undermine the Distribution companies investment into smart metering technologies, and seems to also contradict 7.2.3.a.2. We are also concerned about stranding assets, thus increasing costs. | Delete point (a) 2. Fix sentence to read: Subject to clause 7.2.3 and 7.2.4, a Market Participant may elect to be the responsible person for: |
| 7.2.2.b | Agree | |
| 7.2.3 | Tentatively Agree | |
| 7.3.1.a.11b | This statement appears to give the impression that after 12 months, the meter can reset itself and now excludes the previous 12 months consumption. | (11b) if it is a type 6 metering installation, include facilities to record the total accumulated energy supplied through over-a period of at least 12 months; |
| 7.3.2 | What is and who determines "material losses"? What does 'material' mean in this context? What happens if the parties disagree with the calculations? Are the losses going to cost companies more than \$100k? Will it not cost more to review a particular sites losses than the gains achieved? Who wins here? | Is 'material' the best word to use here? Why not 'significant'? |
| 7.3.4A | Agree | |
| 7.6.1. | Agree with most changes. Point (d) This statement does not give sufficient notice to comply with jurisdictional customer notification periods to access land. | Change (d) to read: (d) The responsible person must co-operate with NEMMCO to provide access to the metering installation for the purpose of testing or inspection of the metering installation where NEMMCO agrees to comply with the responsible person's reasonable security and safety requirements and has first given the responsible person at least seven business days' notice of its intention to access the metering installation for the purpose of testing or inspection of the metering installation, which notice must include: |
| 7.6A | Agree | |



| Rule Clause | Reason for proposal | Proposed amendment |
|-------------|---|---|
| 7.7 | Agree with most changes. Point (a).7 Sentence worded incorrectly. | Fix to read: (7) An Ombudsman in accordance with clauses 7.7(d), (e) and (f); and |
| 7.8 | Agree | |
| 7.8.2.ca | Point (ca) Sentence worded incorrectly. | Fix to read: (ca) Subject to authorisation by the responsible person, a financially responsible Market Participant shall provide a 'read only' only password to its customer upon request. |
| 7.8.4 | Agree | |
| 7.9 | Agree | |
| 7.11 | Agree | |
| 7.12 | Point (b) & (ba) ActewAGL disagrees with having to set all desktop computers <u>+1</u> second to AEST. This increases costs to maintain separate servers and PC's specifically for meter data, will only benefit Retailers, and most participants have corporate servers linked to desktop PC's used daily for appointments and meetings etc. | Revise this statement or set out a detailed document of why this must be so and possible solutions, as generally it may only be the MDM files to NEMMCO that may need to have the creation <i>datetime</i> stamp set to AEST. |
| 7.14 | Agree | |
| S7.2 | Agree to all changes | |
| S7.3 | Agree to all changes | |
| S7.5 | Agree to all changes | |
| Glossary | Agree also to amendments in the Glossary terms | |