



Australian Energy Market Commission

RULE CHANGE

RULE DETERMINATION

National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2010

Rule Proponent(s)

Australian Energy Market Operator

Commissioners

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6 May 2010

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About the AEMC

The Council of Australian Governments, through its Ministerial Council on Energy (MCE), established the Australian Energy Market Commission (AEMC) in July 2005 to be the rule maker for national energy markets. The AEMC is currently responsible for rules and providing advice to the MCE on matters relevant to the national energy markets. We are an independent, national body. Our key responsibilities are to consider rule change proposals, conduct energy market reviews and provide policy advice to the Ministerial Council as requested, or on AEMC initiative.

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Summary of the draft Rule determination

The Australian Energy Market Operator (AEMO) requested that the Australian Energy Market Commission (Commission or AEMC) to consider a Rule change to address the existing arrangements for the provision and responsibility for remotely read metering data services. Currently, AEMO is responsible for remotely read metering data services while the services for the collection and processing of remotely read metering data are provided by Metering Data Agents. These Metering Data Agents are regulated under a set of deeds. AEMO considers that these deeds arrangements are complex and costly to administer and lack transparency and clarity. AEMO proposes that the deeds arrangements be removed and that in its place, a new category of service provider - a Metering Data Provider - be created in and regulated under the National Electricity Rules (Rules). AEMO proposes that the responsibility for remotely read metering data services be transferred from itself to Financially Responsible Market Participant (FRMP) or the Responsible Person.

Furthermore, AEMO proposes to clarify the definition and usage of terms used in Chapter 7 of the Rules and to ensure that these terms are clearly and consistently applied throughout this Chapter. AEMO has also proposed some re-structuring of Chapter 7 of the Rules to enhance the clarity and interpretation of these Rules.

On 27 August 2009, the Commission published a notice under section 95 of the National Electricity Law (NEL) advising of its intention to commence the Rule change process and the first round of consultation in respect of the Rule Change Request. A consultation paper was prepared by the AEMC staff identifying specific issues or questions for consultation was also published with the Rule Change Request. Submissions closed on 16 October 2009.

The Commission agrees with the substance and issues raised in the Rule Change Request and has decided to make a draft Rule. The draft Rule adopts, in part, the solution proposed by AEMO while also incorporating suggestions provided by stakeholders to clarify the operation of the Rules.

In brief, the Commission determines that:

- Metering Data Providers will be a new category of service provider regulated under the Rules;
- the responsibility for the provision of metering data services for metering installation types 1-4 will be the FRMP unless it receives and accepts an offer from the Local Network Service Provider (LNSP). For metering installation types 5-7, the LNSP will be responsible for the provision of metering data services as consistent with current practice;
- there will be separate Service Level Procedures in the Rules;
- terms used in Chapter 7 of the Rules and the structure of Chapter 7 of the Rules has been modified to enhance the clarity of the Rules.

The Commission proposes to transfer the responsibility for the provision of metering data services from AEMO to market participants. In light of this transfer of responsibility, the Commission is interested in views as to whether, compared to current arrangements, there would be a material increase in aggregate costs that would be incurred by market participants while discharging their responsibilities relating to the quality assurance of metering data services. The Commission is thus interested in views as to the efficiency of transferring the responsibility for the provision of metering data services from AEMO to market participants.

Furthermore, the Commission welcomes views on the efficiency of making the party responsible for the provision of metering data services for metering installation types 1-4 the Financially Responsible Market Participant (with the option of accepting a voluntary offer from the LNSP). The alternative arrangement is to extend the Responsible Person framework, which currently applies to metering installations, and apply this to the provision of metering data services across all metering installation types.

In accordance with the notice published under section 99 of the NEL, the Commission invites submissions on this draft Rule determination, including the draft Rule, by 1 July 2010.

In accordance with section 101(1a) of the NEL, any person or body may request that the Commission hold a hearing in relation to the draft Rule determination. Any request for a hearing must be made in writing and must be received by the Commission no later than 13 May 2010.

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1 AEMO Rule Change Request

1.1 The Rule change proposal

On 18 June 2009, the Australian Energy Market Operator (AEMO) made a request to the Commission to make a rule regarding the provision of metering data services (Rule Change Request).

1.2 Rule Change Request Rationale

In this Rule Change Request, AEMO seeks to address the deeds arrangements that it administers to engage Metering Data Agents for the collection and processing of remotely read metering data. AEMO considers that these deeds arrangements (that exist outside of the Rules) lack transparency and clarity and are complex and costly to administer.

AEMO also seeks to address the lack of clarity in the usage of terms in Chapter 7 of the Rules and proposes that these terms are clearly and consistently applied throughout this Chapter. Such examples include, AEMO proposing to clarify the definition of metering installation and ensuring that there is consistent usage of the term 'energy data' so that it is not confused with the term 'metering data'. AEMO has also proposed some re-structuring of Chapter 7 to aide the interpretation of the Rules.

1.3 Solution proposed by the Rule Change Request

In this Rule Change Request, AEMO proposes that there be:

- the creation of a new category of service provider in the Rules called a Metering Data Provider (which replaces metering data agents) and thus abolishes the deeds arrangements; and
- a transfer of responsibility for the collection and processing of metering data from Type 1, 2, 3 and 4 metering installations from AEMO to the Responsible Person or the Financially Responsible Market Participant.

Furthermore, AEMO proposes to:

- extend the existing dispute resolution process in clause 8.2 of the Rules to include disputes between Metering Data Providers and other parties, including Registered Participants;
- establish service level procedures for Metering Providers¹ and Metering Data Providers in the Rules;

¹ Metering Providers are already recognised as a service provider (refer to Rule 7.4).

- vary, delete or introduce definitions in the Rules to clarify the roles and obligations of service providers, improve the clarity of, and reduce duplication within, the Rules, and standardise terminology across all metering installation types;
- restructure Chapter 7 to ensure each clause deals only with one substantive matter, correct errors and improve clarity, and take into account of the substantive changes proposed in AEMO's Rule change proposal; and
- make consequential amendments to Chapters 3, 5, 6, 8, 9 and 11 of the Rules.

1.4 Consultation

On 27 August 2009, the Commission published a notice under section 95 of the National Electricity Law (NEL) advising of its intention to commence the Rule change process and the first round of consultation in respect of the Rule Change Request. A consultation paper prepared by the Commission's staff identifying specific issues or questions for consultation was also published with the Rule Change Request. Submissions closed on 16 October 2009.

The Commission received eight submissions on the Rule Change Request as part of the first round of consultation. They are available on the AEMC website.² A summary of the issues raised in submissions and the Commission's response to each issue is contained in Appendices A and B.

1.5 Extensions of Time

On 10 December 2009, the Commission published a notice under section 107 of the NEL to extend the publication date of the draft Rule determination to 1 April 2010. The Commission considered that this extension of time is necessary because the Rule Change Request raised issues of sufficient complexity.

On 1 April 2010, the Commission published a second notice under section 107 of the NEL to extend the publication date of the draft Rule determination to 22 April 2010. The Commission considered that this extension of time is necessary because the Rule Change Request raised issues of sufficient complexity.

On 15 April 2010, the Commission published a third notice under section 107 of the NEL to extend the publication date of the draft Rule determination to 6 May 2010. The Commission considered that this extension of time is necessary due to a material change in circumstances that affects this Rule Change Request.

² www.aemc.gov.au

1.6 Consultation on draft Rule determination

In accordance with the notice published under section 99 of the NEL, the Commission invites submissions on this draft Rule determination, including the Draft Rule by 1 July 2010.

In accordance with section 101(1a) of the NEL, any person or body may request that the Commission hold a hearing in relation to the draft Rule determination. Any request for a hearing must be made in writing and must be received by the Commission no later than 13 May 2010.

Submissions and requests for a hearing should quote project number "ERC0092" and may be lodged online at www.aemc.gov.au or by mail to:

Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

2 Draft Rule Determination

2.1 Commission's determination

In accordance with section 99 of the NEL the Commission has made this draft Rule determination in relation to the Rule proposed by AEMO. The Commission has determined that it should make, with amendments, the Rule proposed by AEMO.

The Commission's reasons for making this draft Rule determination are set out in section 3.1.

A draft of the proposed Rule (Proposed Rule) to be Made (Draft Rule) is attached to and published with this draft Rule determination. The Draft Rule is different from the Rule proposed by AEMO.³ Its key features are described in section 3.2.

2.2 Commission's considerations

In assessing the Rule Change Request the Commission considered:

- the Commission's powers under the NEL to make the Rule;
- the Rule Change Request;
- the fact that there were no relevant Ministerial Council on Energy (MCE) Statements of Policy Principles;⁴
- submissions received during first round consultation; and
- the Commission's analysis as to the ways in which the Rule Change Proposal will or is likely to, contribute to the National Electricity Objective (NEO).

2.3 Commission's power to make the Rule

The Commission is satisfied that the Draft Rule falls within the subject matter about which the Commission may make Rules. The Draft Rule falls within the matters set out in section 34 of the NEL as it relates to:

- The operation of the national electricity market (section 34(1)(a)(i)); and
- The activities of persons (including Registered Participants) participating in the national electricity market or involved in the operation of the national electricity system. (section 34 (1)(a)(iii)).

³ Under section 99(3) of the NEL the draft of the Rule to be made need not be the same as the draft of the proposed Rule to which the notice under section 95 relates.

⁴ Under section 33 of the NEL the AEMC must have regard to any relevant MCE statements of policy principles in making a Rule.

Further, the Draft Rule falls within the matters set out in schedule 1 to the NEL as it relates to:

- Item 27 because it relates to the metering of electricity to record the production or consumption of energy;
- Item 29 because it relates to the regulation of persons providing metering services relating to the metering of electricity;
- Item 30(c) because it relates to the dispute under or in relation to the Rules between persons, including the procedure for the conduct of such disputes;
- Item 32 because it relates to the provision of metering data services.

2.4 Rule making test

Under section 88(1) of the NEL the Commission may only make a Rule if it is satisfied that the Rule will, or is likely to, contribute to the achievement of the NEO. This is the decision making framework that the Commission must apply.

The NEO is set out in section 7 of the NEL as follows:

“The objective of this Law is to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:

- (a) price, quality, safety, reliability and security of supply of electricity; and
- (b) the reliability, safety and security of the national electricity system.”

For the Rule Change Request, the Commission considers that the relevant aspect of the NEO is the efficient investment in and efficient operation and use of electricity services for the long term interests of consumers of electricity with respect to price and quality of supply of electricity.⁵

The Commission is satisfied that the Draft Rule will, or is likely to, contribute to the achievement of the NEO because:

- creating a new category of metering data provider in the Rules will remove complex administrative arrangements currently in place and result in more transparent, clearer and simplified regulation of such service providers. This would promote regulatory certainty, reduce compliance risks and directly contribute to productive efficiency gains;
- conferring the FRMP with the responsibility for the provision of metering data services with respect to metering installation types 1-4 places the obligation on

⁵ Under section 88(2) of the NEL, for the purposes of section 88(1) of the NEL, the AEMC may give such weight to any aspect of the NEO as it considers appropriate in all the circumstances, having regard to any relevant MCE statement of policy principles.

the party that receives a clear and direct benefit from the provision of these services and is best able to bear this responsibility. However, the LNSP may voluntarily place an offer to be responsible for the provision of metering data services for a particular metering installation. This approach would promote the efficient investment in and operation of electricity services; and

- restructuring Chapter 7 of the Rules, modifying definitions, creating a conceptually distinct 'metering data services database' and clarifying the use of metering data terms ensures that the regulation of metrology matters in the National Electricity Market (NEM) is clear, coherent and consistent and would promote regulatory certainty and reduce the regulatory costs of compliance.

Under section 91(8) of the NEL the Commission may only make a Rule that has effect with respect to an adoptive jurisdiction if it is satisfied that the proposed Rule is compatible with the proper performance of AEMO's declared network functions. The Draft Rule is compatible with AEMO's declared network functions because it does not impact on Rules relating to AEMO's declared network functions and transmission network service providers specifically.

2.5 Other requirements under the NEL

The Commission is required to have regard to, if relevant, form of regulation factors as required under section 88A of the NEL. These factors do not apply in this instance as the Rule Change Request does not relate to the making or revocation of a Rule that specifies an electricity network service as a direct control network service or confers a function or power upon the Australian Energy Regulator (AER). Furthermore, the Rule change request does not relate to the regulatory activities undertaken by the AER for the purpose of making or amending a distribution determination or transmission determination or making an access determination.

The Commission is also required under section 88B of the NEL to take into consideration the revenue and pricing principles outlined under section 7A of the NEL, with respect to any matter or thing specified in items 15 to 24 and 25 to 26J of Schedule 1 to the NEL. As the Rule Change Request applies to matters which fall outside these items under Schedule 1, the Commission has determined that the revenue and pricing principles are not relevant in this instance.

3 Commission's reasons

The Commission has analysed the Rule Change Request and assessed the issues or propositions arising out of this Rule Change Request. For the reasons set out below, the Commission has determined to make this draft Rule determination in relation to the proposed Rule. The Commission's analysis of the Rule proposed by AEMO is also set out below.

3.1 Assessment

AEMO's Rule Change Request proposes to introduce metering data providers into the Rules framework and transfer the responsibility for metering data services from AEMO to the Responsible Person. Furthermore, AEMO proposes some restructuring of Chapter 7 of the Rules along with the amendment, removal or creation of various metering data terms to ensure consistency and clarity.

Following first round consultation, stakeholders raised the following key issues:⁶

- interaction with smart metering developments;
- responsibility for metering data services;
- service level procedures; and
- definition of settlements ready data.

In relation to smart metering developments, the Commission has decided not to address issues raised in this Rule Change Request pertaining to smart metering developments because these issues would be more appropriately addressed as part of the MCE's National Smart Metering Program, which may result in future Rule Changes.

In relation to the responsibility for metering data services for metering installation types 1-4, the Commission has decided that the FRMP is best placed to be responsible for the provision of metering data services because it receives a clear and direct benefit from the provision of these services. The LNSP has the opportunity to provide an offer to be responsible for the provision of metering data services in relation to metering installation types 1-4, but it is not under any regulatory obligation. For metering installation types 5-7, the LNSP will remain responsible for the provision of metering data services.

In relation to Service Level Procedures, the Commission considers that separate Service Level Procedures are currently necessary because it would not be feasible to amalgamate the Service Level Procedures with the Metrology Procedure at present. However, the Commission has sought to remove any apparent duplication in the Rules

⁶ Refer to Appendices A and B for the Commission's detailed response to issues raised by stakeholders, including technical drafting issues.

relating to the Service Level Procedures with the Rules relating to the Metrology Procedure. The Commission recommends that these Service Level Procedures and the Metrology Procedure be reviewed over time with the view to harmonising these procedures in the future.

In relation to the definition of settlements ready data, the Commission considers that the definition proposed by AEMO does not necessarily require LNSPs to replicate data into their systems. LNSPs may use metering data for billing purposes in accordance with the Metrology Procedure.

Overall, the Commission considers that a Rule is required to introduce metering data providers into the Rules framework so that there is transparency, clarity and consistency in the regulation of metering data providers. The Commission considers that the FRMP is the appropriate party to bear the responsibility for the provision of metering data services for metering installation types 1-4. The Commission also considers that restructuring Chapter 7 and clarifying the terms and clauses in chapter 7 (and related chapters) ensures that the regulation of metrology matters in the NEM is clear and able to be understood by market participants.

3.2 Draft Rule

The Draft Rule proposed by AEMO has, in terms of its policy intent, been adopted by the Commission. The Commission considers that the Draft Rule encapsulates the policy positions that were assessed and agreed by the Commission. Furthermore, there were a suite of technical drafting issues raised by stakeholders and assessed by the Commission that would, upon implementation, be a significant improvement to the operation of Chapter 7 of the Rules and related chapters.

The key features of this Draft Rule are:

- the creation of a new category of service provider: metering data providers, including the accreditation, registration and dispute resolution processes to apply to such metering data providers;
- the transfer of the responsibility for metering data services, for metering installation types 1-4, from AEMO to the Financially Responsible Market Participant;
- ensuring that the responsibility for metering data services, for metering installation types 5-7, remain the responsibility of the LNSP;
- changes to the definition of 'metering installation' and the creation of a 'metering data services database' (that is maintained by the metering data provider), which is conceptually distinct from the 'metering database' maintained by AEMO;
- creation of service level procedures in the Rules that will apply to Metering Providers and Metering Data Providers;

- changes to metering data terms (for example, 'energy data' and 'metering data') to ensure that these terms are clearly and consistently applied across the Rules;
- clarification of the drafting of various clauses in Chapter 7 to better accord with best practice as suggested by stakeholders and assessed by the Commission; and
- some restructuring of clauses in Chapter 7 to ensure more coherent organisation of the Rules pertaining to metrology.

3.3 Civil Penalties

The provisions of the National Electricity Rules which are classified as provisions that attract civil penalties are listed in the *National Electricity (South Australia) Regulations*. The Commission may amend or remove these provisions but must notify the MCE of the policy rationale for taking this course of action.

The Draft Rule seeks to amend certain provisions, which are currently classified as having civil penalties. The Commission seeks to continue to classify these amended provisions as attracting civil penalties because it is necessary for the integrity or secure operation of the National Electricity Market and would promote compliance with these provisions. In particular, the following amended provisions should remain classified as attracting civil penalties:

3.19(c); 5.3.7(g); 7.2.3(c); 7.2.5(b); 7.2.5(d); 7.2.8(d); 7.3.2(a); 7.6.3(d); 7.7(b); 7.8.2(a); 7.8.2(c); 7.11.1(a)-(d); 7.12(a).

The Commission proposes to remove the following provisions, which are currently classified as civil penalty provisions:

- 7.3.1(a)(1)-(13);
- 7.3.5(f);
- 7.8.2(e);
- 7.8.4
- 7.9.3 (this clause has been moved to clause 7.11.5);
- 7.11.2(a), (c) and (d) (these clauses have been moved to clause 7.3.7); and
- 7.12(b).

While the Commission cannot create new civil penalty provisions, it may seek the approval of the MCE to classify a new or existing provision as a civil penalty provision in the *National Electricity (South Australia) Regulations* by providing the policy rationale. The Commission seeks the approval of the MCE to classify the following provisions as civil penalty provisions:

7.2.2(d); 7.2.3(k); 7.3.1(a); 7.3.7(a), (c) and (d); 7.4.1A(a); 7.8.2(i) –(j); 7.8.4(a)-(c); 7.11.5; 7.14.1A(c)(4).

The Commission considers that these provisions should be classified as civil penalty provisions because breach of these provisions would pose a risk to the secure operation of the National Electricity Market. Further, the classification of these provisions as civil penalty provisions would encourage compliance with these provisions.

The Commission notes that these provisions would only have civil penalty consequences upon the relevant amendments to the *National Electricity (South Australia) Regulations* coming into effect.

4 Commission's analytical approach

This chapter describes the analytical approach that the Commission has applied to assess the Rule Change Request in accordance with the requirements set out in the NEL (and explained in Chapter 2).

4.1 General analytical approach

As noted in section 2.4, the Commission may give such weight to any aspect of the NEO as it considers appropriate in all the circumstances. For this Rule Change Request, the Commission considers it appropriate to give weight to the following aspect of the NEO: the efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to price and quality of supply of electricity.

Economic efficiency is a concept that is central to the NEO. As the Commission has discussed in relation to previous Rule change requests, economic efficiency is commonly considered to have three elements:

- Productive efficiency - e.g. the electricity market should be operated on a least cost basis given the existing and likely network and other infrastructure;
- Allocative efficiency - e.g. electricity generation and consumption decisions should be based on prices that reflect the opportunity cost of the available resources; and
- Dynamic efficiency - e.g. ongoing productive and allocative efficiency should be maximised over time. Dynamic efficiency is commonly linked to the promotion of efficient long-term investment decisions.

In the context of regulated energy markets, a relevant consideration is the extent and form of market intervention. Interventions in the operation of the market should be minimised. This enables resources to be allocated primarily on the basis of prices established through market mechanisms, hence supporting productive, allocative and dynamic efficiency

The Commission also seeks to apply principles of good regulatory design and practice as it considers that the NEO has implications for the means by which the regulatory arrangements operate (in addition to their ends). In applying these principles, the Commission seeks to have regard to the need, where practicable to:

- promote stability and predictability - market Rules should be stable, or changes to them predictable, so that participants and investors can plan and make informed short and long-term decisions; and
- promote transparency - to the extent that intervention in the market is required, it should be based on, and applied according to, transparent criteria.

4.2 Application of analytical approach to the Rule Change Request

In the present circumstances the application of this analytical approach has involved focussing on the following issues:

- Interaction with smart metering developments;
- Provision of metering data services
- Responsibility for metering data services;
- Service level procedures;
- Clarification of terms related to metering data; and
- Other related and consequential changes to the Rules.

The Commission has focussed on this set of issues because:

- these issues were raised by stakeholders during the first round of consultation; and
- these issues were considered by the Commission to be of material significance as to whether or not the proposed Rule would meet the Rule making test.

In addition to the elements of the statutory Rule change process adhered to by the Commission, the application of the Commission's analytical approach in this instance has involved the following tasks and methods:

- engaging a technical consultant to provide independent advice on the operation of Chapter 7 of the Rules; and
- bilateral consultation with stakeholders, including AEMO, on the issues raised in this Rule Change Request.

5 Interaction with smart metering arrangements

One of the key issues raised by this Rule Change was the extent that this Rule Change would address smart metering arrangements, particularly those reforms being proposed under the MCE's National Smart Metering Program.

5.1 Rule change proponent's view

In proposing this Rule Change, AEMO has not dealt specifically with the impacts of smart metering arrangements. AEMO recognises that this Rule Change is not intended to foreshadow or restrict specific Rule Changes for smart meters.

However, AEMO states that this Rule change takes into account the general introduction of smart meters. AEMO's view is that this Rule change request would be beneficial to the MCE's National Smart Metering Program because it clarifies the role of the Responsible Person and provides transparency as to the role of metering service providers.

5.2 Stakeholder views

Stakeholders were concerned about the possible interaction or overlap between this Rule Change proposal and the developments in the national smart metering program.⁷ Further clarity was sought on how this Rule Change would interact with the smart meter program.

EnergyAustralia and Integral Energy's view was that this Rule Change should not preempt or propose changes for smart metering because the minimal functional specifications for smart metering had not yet been finalised.⁸ AGL and Jemena's view was that this Rule change would introduce reforms that would support or provide a basis for the smart metering program.⁹ Some stakeholders made comments against specific clauses in this Rule change where there would be, in their view, significant national smart meter infrastructure implications.¹⁰

5.3 Analysis

The policy position adopted by the Commission is that this Rule Change should not address smart metering issues. The Commission considers that it is appropriate that this Rule Change be kept separate from smart metering developments currently undertaken by the MCE. The MCE's National Smart Metering Program is likely to involve future Rule changes that may deal with specific issues that were raised by stakeholders.

⁷ SP AusNet, Integral Energy, Jemena, EnergyAustralia and United Energy Distribution.

⁸ EnergyAustralia submission p 3; Integral Energy submission p 2.

⁹ AGL submission p 1; Jemena submission p 2.

¹⁰ SP AusNet submission p 1; Jemena submission p 5.

5.4 Conclusion

Accordingly, the Commission has decided not to address any issues raised in this Rule change that have implications for the MCE's National Smart Metering Program.

6 Provision of Metering data Services

Under AEMO's Rule Change Request, it has proposed new arrangements for the provision of metering data services. AEMO has proposed that the provision of metering data services be provided by a Metering Data Provider, which would be recognised as a new service provider in the Rules. Metering data services are defined as the services that involve the collection processing, storage and delivery of metering data and the management of relevant National Metering Identifier (NMI) standing data.

6.1 Current Arrangements for Metering Data Services

Under current arrangements, the type of metering installation determines the manner by which metering data services are provided. For types 1-4 metering installations, metering data services are the responsibility of AEMO and the provision of metering data services is undertaken by Metering Data Agents. These Metering Data Agents are regulated by AEMO through a set of deeds that sit outside of the Rules.

For metering installation types 5-7, it is the Responsible Person (that is, the Local Network Service Provider) who is responsible for metering data services. For these metering installation types, the Metering Providers category C (manual collection) and Metering Provider category D (manual collection, processing and delivery), carry out the provision of metering data services.

The following table below summarises the current arrangements for the provision of metering data services.¹¹

Table 6.1 Current Arrangements for the Provision of Metering Data Services

Metering Installation Type	Responsible Party	Provider of Services
1 to 4	AEMO	Accredited Metering Data Agents chosen by the FRMP under the Deeds arrangements
5, 6 and 7	Responsible Person (the Local Network Service Provider)	Metering Provider category C (manual collection) Metering Provider category D (manual collection, processing and delivery)

¹¹ This table has been reproduced from AEMO's Rule Change Request, 23 June 2009 at page 4.

6.2 Proposed Arrangements for Metering Data Services: Introducing the Metering Data Provider

6.2.1 Metering Data Providers

Under this Rule Change Request, AEMO proposes that there be a new service provider recognised in the Rules: the Metering Data Provider. The operational role of the Metering Data Provider is that it would provide metering data services. Consequently, this would see the removal of Metering Data Agents and the abolishment of the deeds arrangements, which currently regulate the operation of Metering Data Agents.

AEMO proposes to separately define two classes of service providers with respect to metrology. These are:

- Metering Providers who would have the operational role of providing, installing and maintaining a metering installation; and
- Metering Data Providers who would have the operational role of providing metering data services for all metering installation types.

AEMO would continue the accreditation and registration regime for both metering providers and metering data providers as well as setting out the performance requirements established through service level procedures.

6.2.2 Metering Data Services Database

Under AEMO's proposed arrangements, the Metering Data Provider would establish and maintain the Metering Data Services Database. The Metering Data Services Database would hold the metering data and relevant NMI standing data. The Metering Data Services Database is separate from the 'metering installation'.

6.2.3 Metering Database

This Rule Change Request would ensure that the Metering Database remains the responsibility of AEMO. It would contain both metering data and settlements ready data, which would be maintained and administered by AEMO.

6.3 Stakeholder Views

Stakeholders generally supported the creation of the Metering Data Provider as a new category of service provider in the Rules. Grid Australia and AGL supported the establishment of the Metering Data Provider.¹² Jemena and United Energy Distribution were supportive of this Rule Change, although they raised concerns about the details proposed by AEMO.¹³ Integral Energy was generally supportive of the proposed

¹² Grid Australia submission p1; AGL Submission p 1.

¹³ Jemena Submission p 1; United Energy Distribution submission p 1.

amendments, including the creation of the category of Metering Data Providers.¹⁴ However, Integral Energy was concerned that the Metering Data Provider should have the immunities and indemnities currently available to AEMO under the NEL.¹⁵ While EnergyAustralia supported the general policy direction of this Rule Change because it believed it would improve regulatory design and accountability for the provision of metering services, it raised its concern about the additional audits that would be required on the Metering Data Provider and the implementation costs of setting a new Metering Data Services Database.¹⁶ SP AusNet, however, took the view that there was no clear reason why the deed structure could not be extended again.¹⁷

6.4 Analysis

The Commission considered Integral Energy's submission where it argued that there should be immunities and indemnities for the Metering Data Provider in relation to data error risks, including risks of non-delivery of data. The Commission's view is that the risks of systematic error are more likely to occur at the point of measurement of data, that is, at the metering installation, rather than at the point of the transportation of the data. Therefore, it is likely that the risks of systematic data errors that may affect Metering Data Providers are not likely to be substantial. Furthermore, the Commission's view is that the accreditation framework is sufficiently robust to ensure that the likelihood of such risks would be averted or addressed at the outset. Relevant aspects of the accreditation framework may include:

- registration checklists
- independent review of service capability
- AEMO undertaking a market readiness review
- annual audits
- compliance assessment monitoring through the Service Provider Compliance Assessment Procedure.

The Commission considered EnergyAustralia's submission which stated that there would be implementation costs associated with the creation of the Metering Data Services Database, including additional audits on the Metering Data Provider. The Commission agrees that there would be implementation costs. However, the Commission's view is that these costs are necessarily incidental and are justified because of the benefits that would emerge upon the creation of a regulatory regime which clearly delineates roles and responsibilities.

¹⁴ Integral Energy submission p 1.

¹⁵ Integral Energy submission p 4.

¹⁶ EnergyAustralia submission p 1-2.

¹⁷ SP AusNet submission p 1.

6.5 Conclusion

The Commission considers that the creation of a new service provider - the Metering Data Provider - in the Rules would promote regulatory certainty in relation to the provision of metering data services. The regulation of Metering Data Providers in the Rules would enhance the transparency regarding the accreditation and performance management of such service providers. The proposed arrangements would present a more streamlined process because it would adopt a consistent approach across all metering installation types. Further, the proposed arrangements under the Rules would present a less complex regulatory approach compared to the current Deeds arrangements that presently affect metering installation types 1-4. Finally, potential issues raised by the creation of the Metering Data Provider category in the Rules can be addressed through the accreditation framework in place.

Overall, the Commission determines that introducing Metering Data Providers in the Rules (and the subsequent abolishment of Metering Data Agents regulated under a deeds framework) would enhance the regulatory regime surrounding metering data providers, reduce compliance risks and directly contribute to productive efficiency gains. Consequently, the Commission determines that introducing Metering Data Providers in the Rules is likely to contribute to the achievement of the NEO.

7 Responsibility for Metering Data Services

In this Chapter, the Commission considers the issue as to which party should bear the responsibility for the provision of metering data services.

7.1 Rule Change Proponent's View

According to AEMO's Rule Change Request, the Responsible Person would be responsible for both the provision of the metering installation as well as the provision of metering data services. Effectively, this Rule change proposal adds a further responsibility on the Responsible Person with respect to metering installation types 1-4; that is, responsibility for the provision of metering data services.

Under current arrangements, there are two parties involved in the provision of metering data services for metering installation types 1-4. Firstly, AEMO is the party currently responsible for the remote collection of metering data for metering installation types 1-4. Secondly, the FRMP (which can be a Retailer, Generator or a Market Customer) is responsible for engaging the Metering Data Agent through the Deeds framework.

In this Rule Change Request, AEMO seeks to move away from its current responsibility for the remote acquisition of metering data. AEMO considers that it no longer needs to perform this function because:¹⁸

- remote collection of data is not a core function that AEMO must perform in order to support the market;
- remote collection of data is now well established and no longer requires AEMO's operation compared to the start of the NEM;
- remote collection of metering data will become more common with the introduction of new technologies across all metering installation types and it would not be appropriate for AEMO to be responsible for these developments; and
- AEMO is responsible for accreditation, deregistration and auditing Metering Data Providers and thus it would not be appropriate for AEMO to perform this function as well.

As AEMO is now attempting to remove its responsibility for metering data services, it has suggested that the responsibility for metering data services can be allocated either to:

- the Financially Responsible Market Participant who currently engages the Metering Data Provider and would now additionally be responsible for metering data services; or

¹⁸ AEMO Rule Change Request p 11.

- the Responsible Person who would both engage the Metering Data Provider and be responsible for metering data services.

While AEMO stated that there would be some benefits with the FRMP being responsible for engaging the Metering Data Provider and being responsible for metering data services, it recommended that the Responsible Person be allocated the role of being responsible for metering data services. AEMO took this view because:

- The FRMP has the first choice to perform the role of the Responsible Person based on cost and corresponding service levels. In its capacity as a Responsible Person, the FRMP would be able to choose the Metering Data Provider for metering installation types 1-4.

To assist the FRMP in deciding whether it is to take the role of the Responsible Person, AEMO has proposed that the Rules set out the terms and conditions of the offer relating to the provision of the metering installation itself and the provision of metering data services along with the parties engaged to perform each function. Additionally, the Rules will be able to specify that the FRMP may request additional services from the Metering Data Provider at its own cost.¹⁹

- The Responsible Person would select both the Metering Provider and Metering Data Provider and hence would have end-to-end responsibility for the metering installation and the provision of metering data services. This would remove any gaps or boundary disputes regarding responsibility and accountability between the metering installation and data collection. AEMO argues that this would promote efficiency in the provision of these services.²⁰

7.2 Stakeholder Views

There were some concerns regarding the allocation of the responsibility for the provision of metering data services away from AEMO and the proposed arrangements to confer this responsibility upon the Responsible Person.²¹

7.2.1 Grid Australia's submission

Grid Australia's view was that AEMO should retain the responsibility for remote data acquisition and should not assign this responsibility to a market participant. Also the FRMP should continue to select and contract the Metering Data Provider rather than the Responsible Person.²²

¹⁹ AEMO Rule Change Request p 13.

²⁰ AEMO Rule Change Request p 13.

²¹ Grid Australia, Integral Energy and EnergyAustralia made specific objections to AEMO's proposed arrangements.

²² Grid Australia submission p 2.

Grid Australia was concerned with a Transmission Network Service Provider (TNSP) being made the Responsible Person with respect to the provision of metering data services in relation to transmission network connection points. If TNSPs were made the Responsible Person this would impose costs, such as:

- engagement of third party Metering Data Providers;
- implementation of performance and compliance monitoring processes;
- appointment of skilled personnel; and
- implementation of new IT systems.²³

Consequently, Grid Australia proposed that the wholesale end of the National Electricity Market be treated differently from the retail end of the market.

7.2.2 Integral Energy's Submission

Integral Energy was concerned that if the responsibility for the provision of metering data services was allocated to the Responsible Person, then the Responsible Person would be liable for data error risks, such as risks associated with the non-delivery of data. Integral Energy thus proposed that there should be corresponding indemnities placed on the Responsible Person similar to the protections currently available to AEMO.

7.2.3 EnergyAustralia's submission

EnergyAustralia stated that the Responsible Person for transmission network connection points should be the relevant network service provider and not the market participant. That is, for transmission network connection points located within a network operated by a Distribution Network Service Provider (DNSP), the Responsible Person should be the relevant DNSP. Also, for transmission network connection points within a TNSP's network, this should be the relevant TNSP. EnergyAustralia stated that this metering arrangement is preferable because information regarding and access to the transmission network connection point is best provided by the relevant network service provider.²⁴

Furthermore, EnergyAustralia stated that there are no clear provisions in the Rules on who should perform the role of Responsible Person for child metering points within an embedded network and sought clarification. EnergyAustralia's view was that the Responsible Person for child metering points should be the same as for its parent metering point.

²³ Grid Australia submission p 4-5.

²⁴ EnergyAustralia submission p 5.

7.3 Analysis

7.3.1 Transferring responsibility from AEMO

Currently, the party responsible for ensuring the provision of remotely read metering data services is AEMO in relation to metering installation types 1-4. Given market developments that have occurred since the start of the NEM, the Commission is prepared to accept that a party other than AEMO could be best placed to bear the responsibility for the provision of metering data services for metering installation types 1-4.

Under the current arrangements, AEMO is responsible for the accreditation and auditing of providers of metering data services (that is, Metering Data Agents) and related quality assurance processes. The Commission is concerned that shifting the responsibility for the provision of metering data services away from AEMO to market participants may require market participants to conduct their own quality assurance processes in order to satisfy themselves of meeting their responsibilities associated with the provision of metering data services. The Commission is interested in views as to whether the conduct of potentially multiple quality assurance processes (conducted by market participants who would each be responsible for the provision of metering data services) is a material issue. That is, compared to current arrangements, the Commission seeks to understand whether there would be a material increase in the aggregate costs incurred by market participants needing to conduct their own quality assurance processes. The Commission would welcome views on this matter.

7.3.2 Responsibility of the Financially Responsible Market Participant

AEMO recommended that the party responsible for metering data services should be the Responsible Person.²⁵ AEMO recommended that the Responsible Person would be responsible for both the provision of the metering installation and the provision of metering data services. However, submissions raised concerns about this aspect of AEMO's Rule Change Request; in particular, as noted above in 7.2.1, Grid Australia was concerned that if TNSPs were made the Responsible Person then it would be obliged to provide metering data services in circumstances where it did not have the capacity to currently meet this requirement.

The Commission, in its own analysis, is concerned about AEMO's recommendation because it effectively confers a new regulatory obligation on the LNSP without there being any ostensible efficiency benefit. Specifically, under AEMO's Rule Change Request, the LNSP would be obliged to respond to a request for an offer to be the Responsible Person. The Commission considers that conferring an obligation on the LNSP to respond to a request for an offer to be the Responsible Person would not likely contribute to the achievement of the NEO. However, it is possible for there to be arrangements where the LNSP may voluntarily provide an offer to be responsible for metering data services as a consequence of its own commercial decisions. These

²⁵ AEMO Rule Change Request p 12.

arrangements are possible through the operation of the market without the need to impose a regulatory obligation.

The Commission considers therefore that the party best placed to be responsible for the provision of metering data services is the FRMP in relation to metering installation types 1-4. The Commission notes that in AEMO's Rule Change Request²⁶ the following advantages of the FRMP directly engaging the Metering Data Provider for metering installation types 1-4:

- the FRMP can choose the Metering Data Provider that best meets its cost and performance criteria;
- the FRMP can negotiate value added data services directly with the provider of the services; and
- it is a continuation of current operational practice under the deeds arrangements.

The Commission considers that making the FRMP responsible for the provision of metering data services for metering installation types 1-4 is the efficient outcome because the FRMP receives clear and direct benefits from the provision of metering data services. Also, making the FRMP responsible for the provision of metering data services for metering installation types 1-4 would represent an incremental change that is consistent with current operational practice where a FRMP engages a service provider to provide metering data services. As discussed, the Commission notes that these arrangements would not preclude the LNSP from making an offer to be responsible for the provision of these metering data services as consistent with their commercial decisions, however the LNSP is under no regulatory obligation to provide an offer.

A consequence of this analysis, with respect to the provision of metering data services for metering installation types 1-4, is that it would not necessarily follow that there would be one party responsible for end-to-end collection and processing of metering data. For metering installation types 1-4, it is possible that the outcome may well be that the party responsible for the provision of the metering installation is the LNSP as the Responsible Person while the FRMP is responsible for the provision of metering data services

In relation to metering installation types 5-7, the Commission applies current arrangements whereby the LNSP is responsible for the provision of metering data services. Therefore, for metering installation types 5-7, the LNSP would be responsible for both the provision of the metering installation and the provision of metering data services.

Accordingly, for the purposes of clarity, the Commission determines the following division of roles and responsibilities set out in Table 7.1:

²⁶ AEMO Rule Change request p 12.

Table 7.1 Proposed roles and responsibilities for the provision of the metering installation and provision of metering data services.

Metering installation type	Responsibility for the Provision of the Metering Installation	Provider of the Metering Installation	Responsibility for Metering Data Services	Provider of Metering Data Services
1 to 4	Responsible Person (the FRMP or LNSP)	Accredited Metering Provider	FRMP (or the LNSP if it decides to make an offer which is accepted by the FRMP)	Accredited Metering Data Provider
5 to 7	Responsible Person (the LNSP)	Accredited Metering Provider	LNSP	Accredited Metering Data Provider

The Commission welcomes views on the efficiency of the proposed arrangements outlined in Table 7.1. Specifically, the Commission welcomes views on the efficiency of making the party responsible for the provision of metering data services for metering installation types 1-4 the Financially Responsible Market Participant (with the option of accepting a voluntary offer from the LNSP). These arrangements are articulated in clause 7.2.2 of the draft Rule to be made. The alternative arrangement is to extend the Responsible Person framework, which currently applies to metering installations, and apply this to the provision of metering data services across all metering installation types.

7.3.3 Child Metering Points in Embedded Networks

EnergyAustralia's raised an issue stating that there were no clear provisions in the Rules relating to the Responsible Person for child metering points in embedded networks. The Commission understands that in 2007, AEMO made a decision that the Responsible Person for metering installations within an embedded network would be determined in accordance with the Rules and consequently, any contradictory provisions in the Metrology Procedure would be deleted.²⁷ The Commission takes the view that there is sufficient prescription regarding the Responsible Person for child metering points in embedded networks. The Responsible Person for child metering points under contestable arrangements are treated in the standard manner as with other connection points. For example, if a child metering point is a type 5 metering installation, then the Responsible Person is the LNSP and if it is a type 4 metering installation then the Responsible Person is either the Market Participant or the LNSP. For non-contestable arrangements, then the Rules appropriately do not cover such child metering points. Therefore, the Commission does not consider that there is a 'gap'

²⁷ AEMO 2007, 'Embedded Networks and Retail Competition - Final Determination' v1.0, 22 August 2007.

in the regulatory framework surrounding the Responsible Person for child metering points in embedded networks.

7.4 Conclusion

For the purposes of clarity, Table 7.2 outlines the differences between the current arrangements, AEMO's proposal and the Commission's position in this draft Rule determination relating to the responsibilities (and service provision) for metering data services.

Table 7.2 Service provision and Responsibility for Metering Data Services

Metering Installation Type	Party responsible for the provision of metering data services			Service provider that provides metering data services		
	Current Arrangements	AEMO Proposal	AEMC Position	Current Arrangements	AEMO Proposal	AEMC Position
1 to 4	AEMO	FRMP or Responsible Person	FRMP (unless an offer from LNSP is received and accepted)	Metering Data Agent	Accredited Metering Data Provider	Accredited Metering Data Provider
5 to 7	Responsible Person (the LNSP)	Responsible Person (the LNSP)	LNSP	Metering Providers C and D	Accredited Metering Data Provider	Accredited Metering Data Provider

The Commission considers that the party responsible for the provision of metering data services for metering installation types 1-4 should be the FRMP because it is the party that receives the direct benefit from the provision of these services. The LNSP would have the opportunity to make an offer to be responsible for providing these services for metering installation types 1-4, but it is not under any regulatory obligation to provide an offer; rather it relies upon its own commercial decisions in the NEM. The Commission considers that the party responsible for the provision of metering data services for metering installation types 5-7 should be the LNSP as consistent with current arrangements.

8 Service Level Procedures

In this Chapter, the Commission considers the issue of creating separate Service Level Procedures in the Rules. These Service Level Procedures set out the performance standards and requirements for Metering Providers and Metering Data Providers.

8.1 Rule Change Proponent's View

Under this Rule Change Request, AEMO proposes that service level requirements to bind Metering Providers and Metering Data Providers be established as Service Level Procedures under the Rules. AEMO proposes a new clause in the Rules that makes it clear that AEMO is authorised to establish Service Level Procedures. These Service Level Procedures authorise AEMO to issue and amend the Service Level Procedures in accordance with the Rules consultation procedures. The scope and specification of the Service Level Procedures would be stipulated in new clauses.

8.2 Stakeholder Views

Several stakeholders were opposed to the creation of separate Service Level Procedures because, in their view, the Metrology Procedure (set out in Rule 7.14) already binds participants and sets out the roles and requirements for the provision of metering data services.²⁸ These stakeholders argued that creating separate Service Level Procedures would produce duplication, introduce additional complexity and confusion, uncertainty and costs for no apparent benefit.

8.3 Analysis

The Commission recognises the need for a coherent set of documentation encompassing both the Metrology Procedure and the Service Level Procedures but is mindful that such a significant change as proposed by stakeholders may not be tenable at present given the volume of changes and complexity involved. With these considerations in mind, the Commission has sought, at the outset, to locate the Service Level Procedures adjacent to the Metrology Procedure in the Rules. Furthermore, the Commission notes that AEMO is best placed to determine the appropriate delineation between the Metrology Procedure and the Service Level Procedures. The Commission's view is that AEMO is also best placed to conduct a review of relevant requirements and procedures to ensure that transparent, consistent and coherent arrangements are in place and that this review should be conducted as part of AEMO's ongoing metrology program. For present purposes, in drafting the Rules for the Service Level Procedures, the Commission has sought to remove any apparent duplication in the Rule itself.

²⁸ United Energy Distribution submission p 3; SP Ausnet submission p 10; Jemena submission p 2; Citipower and PowerCor submission p 3; Integral Energy submission p 4.

8.4 Conclusion

The Commission supports the introduction of separate Service Level Procedures in the Rules that have been drafted to remove any apparent duplication with the Metrology Procedure. At present, the Service Level Procedures should be separate from the Metrology Procedure. However, for the purposes of clarification, the draft Rule proposes to locate the provisions relating to the Service Level Procedures adjacent to the Metrology Procedure. The Commission considers that a review of the Service Level Procedures with the Metrology Procedure should be conducted by AEMO as part of its metrology program with the view to creating more coherent arrangements in the future.

9 Clarification of Terms relating to Metrology

In this Chapter, the Commission considers metrology related terms that AEMO sought clarification as part of its Rule Change Request.

9.1 Rule Change Proponent's View

In its Rule Change Request, AEMO has sought to clarify various definitions related to metrology and associated matters.

9.1.1 Metering Installation

AEMO proposes to vary the glossary term for metering installation for the following reasons:

- appropriately delineates the operational roles of Metering Provider and Metering Data Provider;
- technology and equipment neutral so it can be applied consistently across all metering installation types;
- broadly applies to both manual and remote data collection and is indifferent to the method of data collection.²⁹

AEMO proposes to vary the glossary term for metering installation in the following manner:

- removal of the reference to a 'data logger', 'data collection system' or 'communications link' so that the method of collection is technologically neutral;
- the previous limit of the metering installation to 'the boundary of the telecommunications network' would no longer apply;
- a Note would be added to the definition of the metering installation so that while an unmetered connection point does not require a meter; it nevertheless, is considered as having a metering installation.³⁰

Additionally AEMO proposes to add or vary the following associated glossary terms:

- A new term 'communications interface' is proposed which would apply where data is collected by remote acquisition and would be part of the metering installation;
- The term 'telecommunications network' is proposed to be varied so that it is the generic process by which remote collection of data takes place;

²⁹ AEMO Rule Change Request, p 14.

³⁰ AEMO Rule Change Request, p15.

- The term 'remote acquisition' is proposed to be varied so that:
 - it is clear that the 'telecommunications network' provides remote acquisition capability;
 - enables, through a Note in the glossary term, remote acquisition to be used for the collection of non-interval metering data in accordance with clause 7.3.4(f);
 - includes 'wireless' and 'radio' as important generic technologies and uses the more general term 'mobile telephone networks' rather than 'generic packet radio service';
 - clarifies that 'direct dial-up' refers to fixed-line telephony.³¹

9.1.2 Revenue Metering Installation

AEMO proposes to remove the term 'revenue metering installation' from the Rules. The following related terms are also proposed to be deleted from the Rules: 'revenue metering point', 'revenue meter' and 'revenue metering data'. Effectively, the addition of the word 'revenue' in this context is redundant. AEMO states that the removal of these terms would not impact upon the registration of a metering installation for the purpose of the Market Settlement and Transfer Solution Procedures because a metering installation would continue to be registered as being for revenue purposes.

9.1.3 Metering Data Terms

AEMO proposes that the terms referring to 'energy data' and 'metering data' be clarified for completeness and consistency with the proposed approach for metering data services and the definition of metering installation. AEMO retains the principle that 'energy data' refers to the data that is held in the metering installation (but has not been collected or processed) whereas 'metering data' refers to the data once it has been collected and processed from a metering installation.

Table 9.1 AEMO's Proposed Changes to Metering Data Glossary Terms³²

Glossary Term	AEMO Proposal
Energy Data	Energy data refers to data held in the metering installation. Consequently the terms 'accumulated energy data' and 'interval energy data' be varied to indicate that it is data held in the metering installation
Metering Data	Metering data represents a snap-shot of the energy data at the point in time that the data is collected. Metering data is held in the metering data services database. Metering data would include accumulated metering data, interval metering data, calculated metering data, substituted

³¹ AEMO Rule Change Request, p 15.

³² AEMO Rule Change Proposal p 17-8.

Glossary Term	AEMO Proposal
	metering data, estimated metering data and check metering data. Metering data would be processed by validation, substitution and estimation in accordance with the metrology procedure and this processed data would be defined as metering data as well.
'Estimated energy data 'as it applies to unmetered connection points	The term 'calculated metering data' for metering data associated with unmetered connection points (metering installation type 7) will now be used
Substituted metering data	This is a new term in the Rules referring to metering data that has been substituted where it fails validation or is incomplete.
Estimated metering data	This is a new term in the Rules to replace 'estimated energy data' with 'estimated metering data' so that it applies to estimated values of accumulated metering data, interval metering data or calculated metering data.
Settlements Ready Data	This term refers to data held in the metering database rather than being delivered to the metering database.
'Type 5 accumulation boundary and 'profile"	These terms will be varied to take into account the clarification of the terms 'energy data' or 'metering data'
The use of 'extracted or emanate' in the glossary terms and the Rules	The terms 'collect' or 'collected' are more appropriate rather than 'extracted or emanate'

9.2 Stakeholder Views

Generally, stakeholders did not comment on AEMO's proposed changes with respect to the definition of metering installation, the deletion of revenue metering installation and other metering data terms.

However, stakeholders commented on the definition of settlements ready data proposed by AEMO. Jemena and United Energy Distribution were opposed to the proposed change to the definition of settlements ready data. The current definition of settlements ready data states, and stakeholder practice suggests, that settlements ready data is processed by AEMO and delivered from the metering data provider to the metering database. However, under the Rule Change request, settlements ready data refers to data that has been processed by AEMO and is held in the metering database. This settlements ready data is then delivered to the FRMP and LNSPs for settlement purposes. Under the new definition, stakeholders argued that significant system changes and costs would be incurred in replicating AEMO's systems to bring data across from AEMO to the LNSP for billing purposes. Jemena and United Energy Distribution considered that this adds further inefficiency.

9.3 Analysis

In relation to the definition of settlements ready data proposed by AEMO, the Commission considers that this definition would not require participants to replicate settlements ready data for billing purposes. The Commission takes this position because it notes that participants may still use 'metering data' for billing purposes in accordance with the metrology procedure under clause 7.14.3(a)(5) and thus would not need to rely on replicating settlements ready data. The Commission acknowledges, however, that some data is only available from the metering database (ie. metering installation type 6 data).

9.4 Conclusion

In relation to the definition of settlements ready data, the Commission considers that AEMO's proposed definition is sound; it is the role of the Metering Data Provider to validate and substitute metering data while AEMO prepares settlements ready data. The proposed definition still enables participants to use 'metering data' for billing purposes. Therefore, participants would not need to replicate settlements ready data in their billing systems.

Overall, the Commission considers that the changes to the definition of terms outlined in the AEMO Rule Change Request are consistent with the broader changes proposed by AEMO while enhancing the accuracy and clarity of the terms used throughout the Rules. These changes to the definition and usage of metrology related terms would enhance regulatory certainty, reduce regulatory costs of compliance and thus likely contribute to the achievement of the NEO.

10 Other Related and Consequential Changes to the Rules

In light of AEMO's Rule Change Request, the Commission considers related changes to Chapter 7 of the Rules and consequential changes made to other Chapters of the Rules.

10.1 Rule Change proponent's view

10.1.1 Related Changes to Chapter 7 of the Rules

The table below articulates related changes to Chapter 7 of the Rules that were proposed by AEMO.³³

Table 10.1 Related changes to Chapter 7 of the Rules

Rules Reference	AEMO's proposal
Structure of Chapter 7	<p>AEMO has proposed changes to the structure of Chapter 7 such that each section, where possible, deals with one substantive matter only. AEMO proposes the following changes:</p> <ul style="list-style-type: none"> • limit section 7.3 to 'metering installation arrangements' by removing matters related to metering data to other clauses; • create a heading for section 7.2A entitled 'B2B arrangements'; • create a new section 7.3A for 'Payment for metering provision and metering data'; • bring all elements of 'metering data services' relevant to Metering Data Providers into clause 7.11, which would be titled 'Metering data arrangements' • Metering Data Providers and Metering Providers would be included in section 7.4 with the function of Metering Data Providers in a new clause 7.4.1A; • create a new section S7.6 that deals with accreditation and registration of Metering Data Providers.
Payment for metering and metering data (current Clause 7.3.6)	This would be new clause 7.3A. This clause has been drafted so that 7.3A(a) does not apply where an AER determination has been made in relation to either metering provision or metering data services.
Data validation and check metering data	It is proposed that clause 7.9.4(d) sets out that AEMO must prepare a substitute value in accordance with the metrology procedure when metering data fails validation.
Metering data arrangements in	AEMO proposes the following:

³³ AEMO Rule Change Request, p 19.

Rules Reference	AEMO's proposal
clause 7.11	<ul style="list-style-type: none"> • clause 7.11.1(a) refers explicitly to interval data • the need to collect interval data in 7.11.1(a) is subject to clause 7.3.4(g) • AEMO proposes that 7.11.1(b)(1), 7.11.1(c)(1) and 7.11.1(d)(1) be changed to a more general reference of the accuracy of the metering installation rather than accuracy of metering data • remove reference to instrument transformers and the communications link and instead replace with a reference to the service level procedures. Clause 7.11.1(b)(3) would no longer be needed and could be deleted.
Rules schedule 7.2.3 - accuracy requirements for type 4	AEMO proposes that the requirements be drafted so that it reads: '7.11.1(a) and (b) or 7.11.1(a) and (c)' to be more accurate.
Rules schedule 7.2.3 - accuracy requirements for type 6	AEMO proposes that this requirement should be varied to include that the metering installation records 'accumulation energy data only' and there is a method to convert the accumulation data into trading interval data.
Rules schedule 7.2.3 - accuracy requirements for type 7	AEMO proposes to change this requirement so that it is clear that metering data is 'deemed to correspond to the flow of electricity in the power conductor'.
Rules schedule 7.2.3 - delay in transferring data	Items 3(4) and 3(5) and item 4(4) refer to situations where there are delays in transferring metering data to a remote location. AEMO proposes to delete these items because it has not been used and these requirements are more appropriately dealt with in service level requirements.
Rules table S7.3.3	The current expression in this table states " $2 \leq \leq 10$ GWh" and this is not consistent with standard mathematical usage of symbols. It is proposed to vary this reference to read " $2 \leq \text{GWh} \leq 10$ ".
Rules schedule S7.2.6.1	It is proposed to change references from 'metering point' to 'connection point' for consistency.
Categories of registration for metering providers	AEMO proposes to add the categories of registration for metering providers for metering installations types 5 and 6 to schedule 7.4
AEMO's use of agents	AEMO proposes to retain the principle that it may use agencies to assist in managing its responsibilities for the metering databases. However it proposes to delete the glossary term 'agency data collection system'.
Metering Provider provisions in transition from Code to Rules	It is proposed to delete the last paragraph of clause 7.4.2(bc) because it is no longer required with the successful transition from the National Electricity Code to the Rules
Schedule 7.2.4(a)	The table should be clear on usage of terms such as 'metering point' or 'connection point'. It should also be clear of Type requirements.

Rules Reference	AEMO's proposal
	<p>AEMO thus proposes:</p> <ul style="list-style-type: none"> change the column heading from 'Type' to 'Type in accordance with Table S7.2.3.1'; and delete the current middle column of the table 'Energy (GWh pa)...' as it is not required.
'Check meter', 'Check metering data' and 'check metering installation'	AEMO proposes to vary these terms to they are aligned with the proposed terms for energy and metering data.

10.1.2 Consequential Changes to Other Chapters of the Rules

AEMO proposed some changes to other Chapters of the Rules that would result as a consequence of this Rule Change Proposal.³⁴

Table 10.2 Consequential changes to other Chapters of the Rules

Rules reference	AEMO's proposal
Chapter 6, clause 6.20.1	AEMO proposes to ensure that the use of the term 'metering data' rather than 'energy data' is used consistently in relation to charging for distribution services.
Chapter 8, clause 8.2.1	AEMO proposes to vary the dispute resolution clauses so that it includes metering data providers
Chapter 9, Schedule 9G1	AEMO proposes to delete the reference to the term 'revenue meter' as consistent with the intent of this Rule change
Metering data provider	<p>AEMO proposes that terms that refer to service provider, where appropriate should now include a reference to a metering data provider. In particular:</p> <ul style="list-style-type: none"> Clause 3.19(a) and (c) which refer to Market Management Systems Access Procedures Clause 5.3.7(g)(4) and S5.6(l) which refer to the arrangements for access to a metering installation

10.2 Stakeholder Views

Stakeholders made a few comments on the related rule changes to Chapter 7 of the Rules. In particular, the following comments were made:

- clause 7.9.4(d), Citipower & PowerCor recommended that the term 'interim data' be used rather than 'substituted data'; and

- clause 7.11.1(b)(3), SP AusNet queried as to why the performance standard specified in the metrology procedure were not covered by this clause.

Stakeholders did not make any comment on consequential changes to Chapter 7.

10.3 Analysis

In relation to stakeholder views, the Commission has made the following minor drafting changes because it would enhance the clarity and accuracy of the Rules:

- clause 7.9.4(d), the Commission intends to use the term 'replacement data' to refer to data that has been used where validation has failed; and
- clause 7.11.1(b)(3), the Commission will make an appropriate reference to the performance standards in the metrology procedure.

The Commission has noted that the term 'communications interface' is sought to be made a defined term in Chapter 10 of the Rules. However, there are existing references to 'communications interface' in Chapter 5 of the Rules.³⁵ To enhance the clarity of these terms, the Commission has generalised the references to 'communications interface' in Chapter 5 of the Rules while retaining the specific definition of 'communications interface' in Chapter 10 of the Rules.

10.4 Conclusion

The Commission considers that the related changes to Chapter 7 are consistent with AEMO's Rule Change Request. Similarly, in relation to the consequential changes to other chapters of the Rules, the Commission considers that these changes are necessarily incidental to the intent of AEMO's Rule Change Request.

Overall, the related changes to chapter 7 and consequential changes to other chapters of the Rules would enhance the clarity and accuracy of the Rules and thus promote regulatory certainty, reduce the regulatory costs of compliance and likely contribute to the achievement of the NEO.

³⁴ AEMO Rule Change Request p 30.

³⁵ Specifically, clauses: S5.2.6.2(d); S5.2.6.2(e); S5.3a.4.3.

Abbreviations

AEMC	See Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
Commission	Australian Energy Market Commission
DNSP	Distribution Network Service Provider
FRMP	Financially Responsible Market Participant
LNSP	Local Network Service Provider
MCE	Ministerial Council on Energy
NEL	National Electricity Law
NEM	National Electricity Market
NEO	National Electricity Objective
NMI	National Metering Identifier
Rules	National Electricity Rules
TNSP	Transmission Network Service Provider

A Summary of Issues Raised in Submissions

A.1 Summary of Issues Raised in Submissions

Table A.1 Summary of Issues Raised in Submissions

Stakeholder	Issue	AEMC Response
SP AusNet	The AEMC's approach to submissions regarding changes to Chapter 7 of the Rules should be broad in scope (p 3 of submission).	As this Rule change deals with clarification of existing metrology requirements, the AEMC has taken a broad approach to addressing suggestions to clarify the operation of these Rules.
SP AusNet	There is significant overlap between this Rule Change and MCE's National Smart Metering Program and this Rule change should not have an effective date until the national smart metering Rule changes are completed. (p 1 of submission).	The AEMC recognised that there is overlap with the smart metering program and has decided not to address issues with smart metering implications as part of this Rule change.
UED	Further clarity in this Rule Change would be required for smart metering (p 2 of submission).	The AEMC will not address issues with smart metering implications as part of this Rule change.
Integral Energy	Concerned to ensure that the Rule Change does not set a precedent for the introduction of smart meters. (p 2 of submission).	The AEMC will not address issues with smart metering implications as part of this Rule change.
Grid Australia	AEMO should retain responsibility for remote data acquisition and should not assign this responsibility to a Participant. Also the Financially Responsible Market Participant should continue to select and contract the Metering Data Provider not the Responsible Person.(p 2 of submission).	The AEMC considers that the proper role for AEMO is to no longer retain responsibility for remote data acquisition. Rather, the responsibility for the provision of metering data services for metering installation types 1-4 should be borne by the FRMP because it receives a clear and direct benefit from the provision of these services.
SP Ausnet	AEMO should retain responsibility for remote data acquisition and should not assign this responsibility to a Participant. Also the Financially Responsible Market Participant should continue to select and	The AEMC considers that the proper role for AEMO is to no longer retain responsibility for remote data acquisition. Rather, the responsibility for the provision of metering data services for

Stakeholder	Issue	AEMC Response
	contract the Metering Data Provider not the Responsible Person.(p 4 of submission).	metering installation types 1-4 should be borne by the FRMP because it receives a clear and direct benefit from the provision of these services.
Grid Australia	If TNSPs were made the Responsible Person this would impose costs, such as engaging third party Metering Data Providers, implementation of performance and compliance monitoring processes, appointment of skilled personnel, and implementing new IT systems (p 4- 5 of submission).	The Responsible Person will not be responsible for the provision of metering data services for metering installation types 1-4. The TNSP is not obligated to be responsible for the provision of metering data services for metering installation types 1-4.
Grid Australia	If TNSPs were made the Responsible Person there would be increased legal and commercial liabilities for metering data errors (p 5 of submission).	The AEMC considers that most of the risks of systematic errors occur in the measurement of data rather than in the transport of data. Also the accreditation framework is sufficiently robust to mitigate such systematic errors.
EnergyAustralia	The Responsible Person for wholesale metering points should either be the LNSP when the wholesale metering point occurs within the LNSP's network or the TNSP when the wholesale metering point is located in the TNSP's network because the relevant network service provider has access to the network. (p 5 of submission).	The AEMC's view is that the FRMP should be responsible for the provision of metering data services for metering installation types 1-4. Therefore, unless the LNSP makes an offer and this is accepted by the FRMP, the LNSP is not responsible for the provision of metering data services for metering installation types 1-4. Also, access to the network is the role of the Metering Provider and not the Responsible Person.
Integral Energy	There should be indemnities for the Responsible Person for risks associated with non-delivery of data similar to the indemnities currently available to AEMO (p 3-4 of submission).	The AEMC has analysed the risks involved and considers that risks arising from systematic errors in the non-delivery of data are minimal compared to the risks of systematic error in data measurement. Also the risks of non-delivery of data are addressed through the accreditation

Stakeholder	Issue	AEMC Response
		framework, which AEMC considers is sufficiently robust. Accordingly, the AEMC does not accept indemnities for the Responsible Person. Further, the FRMP will be responsible for the provision of metering data services for metering installation types 1-4.
EnergyAustralia	There are no Rules dealing with the Responsible Person for Child NMI's within embedded networks. (p 6 of submission).	For child NMI's in contestable arrangements, the Responsible Person is determined in accordance with the Rules. For example, child NMI's that are classified as type 5 metering installations, then the Responsible Person is the LNSP in accordance with the Rules. For child NMI's in non-contestable arrangements, the Responsible Person is appropriately not addressed by the Rules.
EnergyAustralia	Concerned about additional audit costs on Metering Data Provider and costs associated with the creation of the metering data services database. (p 2 of submission).	The AEMC accepts that there would be implementation costs as part of the transition. However, there would be sufficient benefits in terms of delineating roles and responsibilities that would justify these implementation costs.
Integral Energy	There should statutory protections/indemnities for Metering Data Providers (p 4 of submission).	The AEMC considers that residual risks associated with transport of data are addressed through the accreditation framework.
SP AusNet	There should be an attempt to rationalise the regulatory regime for metrology. The Service Level Requirements should not be enshrined as Procedures and should not be in addition to obligations stipulated in Rules or Metrology Procedure. (p 2 of submission).	The AEMC accepts that rationalising the regulatory structure is a desirable goal in the interest of regulatory simplicity and coherence. The AEMC proposes that there be Service Level Procedures but these be located near the Metrology Procedure. The AEMC recommends that AEMO review these procedures with the view to

Stakeholder	Issue	AEMC Response
		harmonising these over time.
UED	Service Level Procedures are not required - covered by existing metrology requirements (p 3 of submission).	While the AEMC appreciates that amalgamating the documents is a desirable goal, the volume of changes required to achieve this now would be onerous on AEMO and participants. Rather the AEMC proposes that AEMO review the Service Level Procedures and the Metrology Procedure to harmonise these over time.
Jemena	Service Level Procedures should not be duplicated by the Metrology Procedure (p 2 of submission).	The Service Level Procedures and Metrology Procedure have been amended to remove apparent duplication. However, the AEMC recommends that AEMO review the Service Level Procedures and Metrology Procedure to harmonise these over time.
Integral Energy	Concerned that creating statutory service level procedures adds complexity, uncertainty and costs. (p 5 of submission)	The Service Level Procedures and Metrology Procedure have been amended to remove apparent duplication. However, the AEMC recommends that AEMO review the Service Level Procedures and Metrology Procedure to harmonise these over time.
UED	Enhanced services should only be with the agreement of the Responsible Person (p 2 of submission).	The Financially Responsible Market Participant should not be prevented from seeking additional services from a Metering Data Provider that is unrelated to the Responsible Person's obligations.
UED	A third layer of data access is not warranted and introduces unnecessary burden (p 3 of submission).	The data access requirements are necessary to ensure transparency in the provision of data to parties identified in rule 7.7(a) and this includes the settlements process. The MDP has a role to provide access (whether that be electronic or

Stakeholder	Issue	AEMC Response
		otherwise) to metering data in the metering data services database upon request.
Jemena	Changes to settlements ready data definition may require replication of metering data from AEMO systems (p 2 of submission).	For the avoidance of doubt, the AEMC clarifies that the change to the definition of settlements ready data does not require participants to replicate data for billing purposes. Under clause 7.14.3(a)(5) DNSPs may use metering data for billing purposes in accordance with the metrology procedure.
UED	Proposal to alter the settlements ready data definition has no benefit (p 4 of submission).	For the avoidance of doubt, the AEMC clarifies that the change to the definition of settlements ready data does not require participants to replicate data for billing purposes. Under clause 7.14.3(a)(5) DNSPs may use metering data for billing purposes in accordance with the metrology procedure.
Integral Energy	The definition of 'metering data services database' should exclude reference to NMI standing data. (p 5 of submission)	The AEMC accepts this point and has modified the definition to only refer to 'relevant' NMI standing data.

B Technical Drafting Issues

B.1 Technical drafting issues relating to Chapter 7 of the Rules

Table A.1 refers to clauses in the Draft Rule to be Made (Draft Rules) unless specified otherwise (for example, the clause may refer to AEMO's Marked Up version of Chapter 7 on the Rules in its Rule Change Request).

Table B.1 Technical drafting issues relating to Chapter 7 of the Rules

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.1.1(b)(3); 7.4.1A(a)	UED, Jemena	Stakeholders suggest that the definition of 'metering data services' be replaced with 'the collection, processing and delivery of metering data'.	The definition should be sufficiently clear such that it accurately encompasses the range of activities attributable to that definition. The definition proposed by stakeholders is unduly restrictive. The AEMC proposes to retain the definition in AEMO's proposal. Nonetheless, it accepts that the reference to the role of the metering register can be deleted to simplify the definition.
7.2.2(d)(2)	Citipower & PowerCor;UED	This clause was previously proposed to be clause 7.2.5(g)(3) of AEMO's marked up version of Chapter 7 of the Rules. Stakeholders state that this clause is impractical because manual reading of meters not feasible in a smart metering context. Suggest a 'reasonable endeavours' qualification.	This clause would be addressed under Rule changes dealing with smart metering arrangements. It is out of scope for this Rule Change Request.
7.2.2(d)(2)	SP AusNet; Jemena	This clause was previously proposed	This clause would be addressed under

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		to be clause 7.2.5(g)(3) of AEMO's marked up version of Chapter 7 of the Rules. Stakeholders state that the practical application of this clause is not feasible when smart meters introduced. This clause should only apply to customers using >160MWhpa.	Rule changes dealing with smart metering arrangements. It is out of scope for this Rule Change Request.
7.2.2(d)(2)	SP AusNet	This clause was previously proposed to be clause 7.2.5(g)(3) of AEMO's marked up version of Chapter 7 of the Rules. Stakeholder suggests that there should be a corresponding obligation on the Metering Provider to provide capability to carry out manual reading and to do so within appropriate timeframe upon the Responsible Person's request.	The AEMC's view is that an obligation on Metering Providers is unnecessary as there is already a clause 7.11.3(k) that requires a Metering Data Provider to arrange with a FRMP or LNSP to obtain metering data if remote acquisition becomes unavailable.
7.2.3(c)(2)	SP AusNet	Stakeholder asserts that the LNSP's offer to the market participant is conducted in a contestable commercial context, hence commercial offers (naming the Metering Data Provider and the Metering Provider) should not be revealed.	The LNSP is no longer obligated to provide an offer to be responsible for metering data services for metering installation types 1-4. However, as consistent with current arrangements, the LNSP will still be required to provide an offer to be the Responsible Person with respect to the provision of a metering installation for metering installation types 1-4. Information relating to this offer (ie. name

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			of metering provider and terms and conditions of the offer) will assist the FRMP in deciding which party should be responsible for the provision of the metering installation.
7.2.3(i)(2)	SP AusNet	Clause not logically located. Suggests moving it to 7.3.1	This clause is necessary so that there are explicit obligations on the LNSP and this clause will retain its proposed location.
7.2.3(k)(3)	Citipower & PowerCor;UED	This clause was previously proposed to be clause 7.2.5(g)(3) of AEMO's marked up version of Chapter 7 of the Rules. Stakeholders state that this clause is impractical because manual reading of meters not feasible in a smart metering context. Suggest a 'reasonable endeavours' qualification.	This clause would be addressed under Rule changes dealing with smart metering arrangements. It is out of scope for this Rule Change Request.
7.2.3(k)(3)	SP AusNet; Jemena	This clause was previously proposed to be clause 7.2.5(g)(3) of AEMO's marked up version of Chapter 7 of the Rules. Stakeholders state that the practical application of this clause is not feasible when smart meters introduced. This clause should only apply to customers using >160MWhpa.	This clause would be addressed under Rule changes dealing with smart metering arrangements. It is out of scope for this Rule Change Request.
7.2.3(k)(3)	SP AusNet	This clause was previously proposed to be clause 7.2.5(g)(3) of AEMO's marked up	The AEMC's view is that an obligation on Metering Providers is unnecessary as there is already a

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		version of Chapter 7 of the Rules. Stakeholder suggests that there should be a corresponding obligation on the Metering Provider to provide capability to carry out manual reading and to do so within appropriate timeframe upon the Responsible Person's request.	clause 7.11.3(k) that requires a Metering Data Provider to arrange with a FRMP or LNSP to obtain metering data if remote acquisition becomes unavailable.
7.2.5	Jemena	Information in the explanatory note should be included in the body of the Rules to explain intent of this section.	This suggestion does not seem to be consistent with drafting style of Rules.
7.2.5(a)(1); 7.2.5(c)	SP AusNet	The Responsible Person may employ more than one Metering Provider for a metering installation, so clause should be redrafted to recognise that there may be more than one Metering Provider engaged.	The AEMC accepts that multiple Metering Providers may be engaged and has accepted drafting to reflect these circumstances.
7.2.5(aa) (refer to AEMO's Mark-Up of Chapter 7 of the Rules in their Rule Change Request)	Jemena	Suggests that another person (other than AEMO) should be allowed to engage a Metering Data Provider subject to approval of the Metering Provider.	This proposal is not consistent with the FRMP being responsible for engagement of a Metering Data Provider.
7.2.5(ab) (refer to AEMO's Mark-Up of Chapter 7 of the Rules in their Rule Change Request)	SP AusNet	AEMO can forceably nominate the Responsible Person's choice of Metering Data Provider for transmission network connection points and interconnectors. Concerned this may upset the commercial relationship between Responsible Person	The AEMC's view is that there is adequate justification for AEMO to retain its power to nominate the Metering Data Provider for unusual points of supply on the transmission network because it may be needed to settle the market. It is noted that AEMO

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		and the Metering Data Provider. AEMO should be Responsible Person for such connection points.	already has this power to intervene under current market arrangements. However, the AEMC proposes to delete this clause because this issue can be addressed through the accreditation process, which would also enhance the transparency of this process.
7.2.5(ab) (refer to AEMO's Mark-Up of Chapter 7 of the Rules in their Rule Change Request)	Grid Australia	Proposes to delete this clause and transfer it to a new proposed clause 7.2.2(d) where AEMO has the power to nominate Metering Data Provider for transmission network connection points and interconnectors. If AEMO is exercising this power to nominate for cross-validation of metering data, then the criteria should be explicitly stated to limit AEMO's discretionary nominations.	This clause is unnecessary because AEMO's discretion to nominate a Metering Data Provider would now be addressed through the accreditation framework.
7.2.5(d)	SP AusNet	Language in Rules should clarify the distinction between the role of the Responsible Person and service providers in accordance with the principle that the service provider carries out the action and the Responsible Person ensures actions are undertaken. For example, suggests sub-paragraph (d)(3) should be 'ensure' rather than 'provide'.	The AEMC's view is that language should aim to be consistent with respect to the various roles. Sub-paragraphs (d)(3) and (d)(6) can be re-drafted to use the word 'ensure' rather than 'provide' for the purposes of consistency.
7.2.5(d)(1); 7.2.5(d)(2);	Citipower & PowerCor; UED;	Suggests removing the phrase 'and	This phrase refers to specific procedures

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.2.2(d)(1); 7.2.3(k)(1)	Jemena	procedures authorised under the Rules' because it lacks specificity/clarity and adds regulatory complexity.	in Ch 7. The AEMC has proposed drafting (see clause 7.2.1(a)) such that AEMO is to publish a list of such procedures.
7.2.5(d)(9)	Citipower & PowerCor; UED; SP AusNet	Stakeholders suggest that the reasonable requirements of LNSP should be met before replacing or altering metering installations. SP AusNet furthers adds that the issue of removal of LNSP assets is particularly pertinent in smart metering context. UED and Citpower suggest a new clause 7.2.5(d)(10).	This clause has smart metering implications and as such should be treated as out of scope for this Rule Change Request.
7.2.8(g)	SP AusNet	there should be consistent language in Rules regarding procedures. This clause seems to be covered by 7.4.3	The AEMC agrees that this clause is not required and should be deleted.
7.2A.5	SP AusNet; UED	Remove clause as it is a transitional measure that has expired.	The AEMC proposes to retain this clause as it contains deeming provisions relating to the B2B Procedures.
7.3.1(a)(1)	SP AusNet	Clarify the phrase ' or an equivalent accessible display' particularly in light of smart meter changes.	The AEMC understands that this clause means that each metering installation must have a display or read-out that can be viewed by the customer that shows the total consumption of power to that time.
7.3.1(a)(7)	SP AusNet	Suggests that metering installation should only be required to record authorised flows of energy to exclude	This is outside the scope of the metrology requirements in Chapter 7. This issue should be addressed

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		situations where customer has installed unauthorised (ie. without notice) generation units such as photovoltaic cells.	in other requirements such as distribution codes, connection agreements and retail contracts.
7.3.1(a)(7)	SP AusNet	Consider replacing the word 'registering' with 'measuring'	The AEMC agrees that the terminology could be tightened and made consistent with clause 7.3.1(a)(6).
7.3.1(a)(11)	SP AusNet	Stakeholder seeks clarification that the metrology procedure can allow a lesser period for storing interval energy data.	The AEMC's view is that this requirement is based on the storage capability of the meter reading cycle and hence should not be amended.
7.3.1(b)(4)	SP AusNet; Jemena	The requirement for an appropriately constructed panel should be mandatory (ie a 'must' not a 'may') so relocate clause to paragraph (a).	For the avoidance of doubt, the AEMC considers that this clause should be deleted because it is not strictly a metrology issue; rather it relates to detailed installation requirements that fall outside the ambit of Chapter 7 of the Rules.
7.3.1(b)(4)	SP AusNet	Clause should be deleted as it is the customer that provides the panel and not the Metering Provider or Responsible Person.	The AEMC clarifies that this clause does not set out who provides the panel, but rather that the metering installation should be mounted on a panel. As stated above, this clause is to be deleted.
7.3.1(d)	SP AusNet	It is not the Responsible Person but rather the FRMP that applies to the LNSP for an NMI so clause should be re-drafted to reflect actual practice.	It is the Responsible Person who is responsible for the metering installation that applies for a NMI.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.3.1(g)	SP AusNet	Suggests extending the requirement to give metering data to others such as market participants.	The AEMC agrees and has proposed drafting that is consistent with the metering data access requirements in the Rules.
7.3.1(g)	SP AusNet	Suggests clarifying the role of the Responsible Person in this clause.	The AEMC agrees that the role of the Responsible Person should be clarified and has proposed corresponding drafting.
7.3.4(l)	SP AusNet	Reference to first meter churn guidelines has expired.	As a matter of drafting practice, the AEMC proposes to retain the date by which the first meter churn guidelines must be developed and published.
7.3.7	UED	Concerned that the use of supply capacity control for the purposes of emergency management or times of network constraint may be constrained by the need to gain an exemption from AEMO under this Rule. Suggest deleting the term 'outage'.	The AEMC agrees that 'outage' could be removed to ensure that there is no confusion with other system outages. The AEMC suggests substituting 'metering installation malfunction' and that this could be added as a new glossary term.
7.3.7(a); 7.3.7(d)	SP AusNet	Clauses should be redrafted to reflect actual 'process' for detecting, rectifying and reporting malfunctions. Note there is no specific requirement to inform Responsible Person if repair made within timing period.	The AEMC does not accept stakeholders view to modify 7.3.7(a) because specifying one process is not feasible. There are multiple types of malfunctions available, which includes the multiple techniques used by Responsible Persons and services providers for detecting and rectifying

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			malfunctions. Additionally, in 7.3.7(d) notifying the Responsible Person is inherent in this process.
7.3.7(a)(1)	Grid Australia	The 2 business days response time should commence from when Responsible Person becomes aware or should reasonably be aware of malfunction/outage rather than when a malfunction/outage is detected.	The AEMC agrees with this suggestion as it is consistent with industry practice and accordingly, has suggested appropriate drafting.
7.3.7(a)(2)	Grid Australia	The 10 business days response time should commence from when Responsible Person becomes aware or should reasonably be aware of malfunction/outage rather than when malfunction/outage is detected.	The AEMC agrees with this suggestion as it is consistent with industry practice and accordingly, has suggested appropriate drafting.
7.3.7(a)(2)	SP AusNet	Replace 'ought' with 'should' for consistency of legal drafting.	Agreed. But this is no longer an issue with suggested change to clause 7.3.7.
7.3.7(d)	Grid Australia	There should be an obligation on participants and service providers who become aware of an outage/malfunction to notify the Responsible Person immediately or as soon as practicable.	The AEMC agrees with placing an obligation on participants and service providers to notify the Responsible Person because this ensures expeditious treatment of metering installation malfunctions.
7.3A(f)	SP AusNet	Stakeholder queried operation of this clause given that LNSP recovers metering service costs for minimum/standard	This clause should be interpreted such that LNSP would not recover costs under paragraph (a) for costs associated with types 5,6 and 7

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		service through a regulated charge. Suggest removing or altering this clause.	metering installations to the extent that these costs are recoverable from an AER determination.
7.4.1; 7.4.1A	SP AusNet	Suggests re-wording the heading of these clauses to 'role' rather than 'responsibility' in light of the principle that the service provider has the action while the Responsible Person has the role and responsibility of ensuring the service provider carries out action.	The AEMC agrees with this suggestion and has proposed corresponding drafting.
7.4.1(b) & 7.4.1A(b)	SP AusNet	Suggests that 'responsibility' for security falls upon the Responsible Person while role of the Metering Provider and the Metering Data Provider is to meet Rule requirements such as metrology procedure, including security provisions. Suggests to remove clause.	The AEMC accepts the points made, but would not delete this clause. Rather, the clause would be rephrased to remove the word 'responsible' and replace it with 'must'.
7.4.2(ba)	Jemena	This clause requires guidelines to include a dispute resolution mechanism. Access to dispute resolution mechanisms should be reinstated under rule 8.2.4	The AEMC's view is that the dispute resolution process does include Metering Providers and Metering Data Providers under Rule 8.2.
7.4.2(bb)	Citipower & PowerCor	Stakeholder suggests that the phrase 'any requirements established by AEMO' is too broad and should be deleted.	The AEMC has amended this clause to restrict its application.
7.4.2(bb); 7.4.2(bc)	SP AusNet	This is a non-exhaustive list of obligations placed by	Drafting proposed by the AEMC has resulted in the list of

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		AEMO on Metering Providers. If these are firm obligations on Metering Providers, they should be at a high level in Rules with details provided in the Metrology Procedure.	obligations placed by AEMO to be no longer non-exhaustive. Requirements specified here are more appropriate in Rules than in the Metrology Procedure.
7.4.2(bc)	UED	What does the phrase 'deliver up to AEMO of data, works and other property in the event of the deregistration of a Metering Provider' mean?	This clause enables AEMO to have all the information it requires in order to settle the market in the event that an Metering Provider/Metering Data Provider is deregistered. However, AEMO accepts that the reference to 'other property' could be varied to 'other property that AEMO has the right to' which clearly limits only to tangible assets where AEMO has an ownership right.
7.4.2(bc)	UED	Reference to 'the ownership of intellectual property that is developed or used by metering providers'. Stakeholders concerned that if there is a transfer of rights of interest in assets and IP, there should be fair and reasonable compensation.	The AEMC understands that AEMO needs this information in order to continue to process the data for market settlement in the event of a Metering Provider/Metering Data Provider deregistration.
7.4.2(bc)	Grid Australia	Stakeholder is opposed to the inclusion of the 'retention of quality systems' because quality accreditation is granted to an organisation and its people and	The AEMC understands that this clause enables AEMO to ensure that quality systems accreditation is maintained so that service provider accreditation is

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		encompasses more than transferred system. It is a holistic measure that cannot be readily assigned.	retained. AEMO is not proposing that quality systems are transferred or “delivered-up” to AEMO. The AEMC has proposed drafting for clarity.
7.4.2(bc)	Citipower & PowerCor	AEMO should not prescribe software and systems used by service providers.	The AEMC takes the view that this clause is necessary to ensure that service providers have compatible systems and processes to effectively support the market. This clause should remain.
7.4.2A(d)	Jemena	This clause requires guidelines to include a dispute resolution mechanism. Access to dispute resolution mechanisms should be reinstated under rule 8.2.4	The AEMC's view is that the dispute resolution process does include Metering Providers and Metering Data Providers under Rule 8.2.
7.4.2A(e)	Citipower & PowerCor	Stakeholder suggests that the phrase 'any requirements established by AEMO' is too broad and should be deleted.	The AEMC has amended this clause to restrict its application.
7.4.2A(f)	UED	What does the phrase 'deliver up to AEMO of data, works and other property in the event of the deregistration of a Metering Provider' mean?	This clause enables AEMO to have all the information it requires in order to settle the market in the event that an Metering Provider/Metering Data Provider is deregistered. However, AEMO accepts that the reference to 'other property' could be varied to 'other property that AEMO has the right to' which clearly limits only to tangible

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			assets where AEMO has an ownership right.
7.4.2A(f)	UED	Reference to 'the ownership of intellectual property that is developed or used by metering providers'. Stakeholders concerned that if there is a transfer of rights of interest in assets and IP, there should be fair and reasonable compensation.	The AEMC understands that AEMO needs this information in order to continue to process the data for market settlement in the event of a Metering Provider/Metering Data Provider deregistration.
7.4.2A(f)	Grid Australia	Stakeholder is opposed to the inclusion of the 'retention of quality systems' because quality accreditation is granted to an organisation and its people and encompasses more than transferred system. It is a holistic measure that cannot be readily assigned.	The AEMC understands that this clause enables AEMO to ensure that quality systems accreditation is maintained so that service provider accreditation is retained. AEMO is not proposing that quality systems are transferred or "delivered-up" to AEMO. The AEMC has proposed drafting for clarity.
7.4.2A(f)	Citipower & PowerCor	AEMO should not prescribe software and systems used by service providers.	The AEMC takes the view that this clause is necessary to ensure that service providers have compatible systems and processes to effectively support the market. This clause should remain.
7.4.2A(f)	Citipower & Powercor	Requirements stipulated in paragraph (f) should be subject to the Rules consultation procedures.	The AEMC's view is that the Rules operate sufficiently to ensure that the requirements in paragraph (f) are subject to the Rules consultation procedure. However,

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			the AEMC has proposed drafting to enhance the clarity of this clause.
7.4.3	SP AusNet	No provision for the service provider to dispute AEMO's assessment or severity of AEMO's action.	The AEMC understands that this is a consultative process and currently dealt with under AEMO's 'Service Provider Compliance Assessment Procedure'.
7.4.3	SP AusNet	The concept of materiality and intent should be introduced in AEMO's consideration when determining actions to take following a review.	The AEMC understands that issues of materiality and intent are dealt with in AEMO's 'Service Provider Compliance Assessment Procedure'.
7.4.3(a)	SP AusNet	Clause requires AEMO to establish a 'procedure' for deregistration, but this clause already provides such so further procedures is not required.	The AEMC's view is that the procedures envisaged would provide further detail and as such, this clause is necessary.
7.4.3(b)	Citipower & PowerCor; UED; Jemena	Breaches should refer to 'material' breaches.	The AEMC addresses concerns about materiality by changing 'may have' to 'has' and relied on the phrase 'reasonably determines' in relation to a breach.
7.4.3(b)	UED	Suggest deleting the phrase ' or any requirements established under clause 7.4.2(bb) or 7.4.2A(d)' as this is adequately covered by the accreditation framework and no need to resort to non-exclusive list of requirements.	The AEMC will delete this clause as it is unnecessary to refer to specific clauses where a general reference suffices.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.4.3(b)	SP AusNet	Suggests removing the phrase 'expressed to apply' as it is ambiguous.	The AEMC agrees with this suggestion to clarify this phrase.
7.4.3(b)(2)	Jemena	Stakeholder argues that the phrase 'of more than 7 days after notice' is insufficient time and need clarity as to whether these are 7 business days or calendar days.	The AEMC considers that the time period provided and the process of notification and review in circumstances where AEMO has reasonably determined that there was a breach is sufficient. In addition, in practice AEMO would work with the service provider before issuing a notice of breach.
7.4.3(c)	UED	Suggest that the phrase 'allow the provider to continue to operate under constraints agreed to by AEMO' should also include the agreement with the responsible person.	The AEMC's view is that AEMO's role to accredit service providers does not require the agreement of the Responsible Person. However the AEMC suggests adding a new clause to inform the Responsible Person of the outcome of a review under paragraph (c).
7.4.3(d) (refer tp AEMO's Mark-up of Chapter 7 of the Rules in their Rule Change Request)	SP AusNet; EnergyAustralia	Stakeholders seek clarification on the concept of 'unethical' as the basis for deregistration. It is unclear what circumstances are deemed 'unethical' given breaches of Rules and procedures are covered by 7.4.3(b).	The use of the word 'unethical' is ambiguous. Further other clauses cover potential and material incidents of breach. Therefore, this clause should be deleted in the interests of promoting regulatory certainty.
7.5.1	SP AusNet	Seeks confirmation as to the approach regarding responsibility for the metering register. If 'agency' databases are still used to	The metering register should reside only in the metering database managed by AEMO. Accordingly, there should not be a

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		contain parts of the metering register, concerned that there is overlapping responsibility between the Responsible Person and AEMO. If this is the case, suggests 'splitting' information between components held by AEMO in Market Settlement and Transfer Solution (MSATS) Procedures and those held by the Metering Data Provider/Metering Provider.	problem with overlapping responsibilities. The AEMC has proposed modifying clause 7.1.1(b)(8) to provide further clarity.
7.6.2(b)	SP AusNet	Consider removing this clause and referencing to 7.9.5 for data correction details.	The AEMCs' view is that this clause should be retained. This clause deals with non-compliance whereas 7.9.5 deals with errors in tests, inspections and audits.
7.6.3	SP AusNet	Change heading of clause to 'audits of metering data'.	The AEMC's view is that AEMO's proposed heading is the most appropriate.
7.6.3	SP AusNet	This clause deals with AEMO's responsibility for audits of the metering installation and metering database. There seems to be a gap in the Rules where there should be audits between metering data services database and the metering installation and/or metering database.	No evidence has been provided that there is a failure of process by AEMO to recognise the role of the responsible person. Consequently, there is no need to add a clause for the responsible person. However the AEMC accepts a modification to paragraph (d) to ensure that AEMO agrees to comply with the responsible person's reasonable security and safety requirements.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.6.3(a)	Citipower & PowerCor	Clause states Registered Participant's metering installation, but should this be the Responsible Person's metering installation or just metering installation.	The AEMC has proposed drafting which aims to clarify who is entitled to request audits from AEMO.
7.6.3(a)	Jemena	The Responsible Person, not the Registered Participant, is responsible for the metering installation. This clause should be revised accordingly to refer to the Responsible Person and not the Registered Participant.	The AEMC agrees that it is the Responsible Person, not the Registered Participant, who is responsible for the metering installation. Clause 7.6.3(d) has been revised.
7.7	SP AusNet	Suggest heading should be 'Security of Metering Installations and Energy Data'.	The AEMC's view is that AEMO's proposed heading is the most appropriate.
7.7(a)(7) and 7.7(b)	UED	Concerned that with current drafting a customer may only seek access to data at their metering installation from the retailer (FRMP). Should allow customer to request access from LNSP.	The AEMC's view is that the consumers will have primary relationship with the retailer, hence it is unnecessary for this clause to allow a customer to have access to the LNSP.
7.7(a)(9)	SP AusNet	This clause states 'in accordance with clause 7.2.9(c)(5)' however it is unclear why 7.2.9(c)(5) is referred to here. Perhaps this is intended to be the Service Level Procedures generally?	The AEMC understands that this clause allows a Metering Data Provider who has not been engaged, but nevertheless has a legitimate interest in the data to obtain metering data, particularly when a connection point is transferred between retailers.
7.7(b)	Citipower & PowerCor	This clause refers to energy data and	The AEMC accepts that clause 7.7(a)

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		uses the phrase 'by persons referred to in paragraph (a)'. However, paragraph (a) deals with metering data. The phrase 'by persons referred to in paragraph (a)' should be deleted.	and 7.7(b) should be consistent. Accordingly, the AEMC proposes to alter paragraph (a) to include a reference to energy data.
7.7(c1) [New proposed clause]	Grid Australia	Should include a further clause whereby the Metering Data Provider must 'ensure' access to metering data from the metering data services database only to persons eligible under 7.7(a).	The AEMC accepts the need for such a clause and has provided corresponding drafting.
7.7(g)	Citipower & PowerCor	Suggest that in order to maintain adequate security of the metering installation access should be restricted to 'electronic access'.	The AEMC accepts this and has proposed corresponding drafting.
7.8	Jemena	Consideration should be given to changes to security arrangements insofar as it impacts the roll out of smart meters.	This clause has smart metering implications and as such should be treated as out of scope for this Rule change.
7.8.2(e)	SP AusNet	In AEMO's Rule change proposal, clause 7.8.2(e) was deleted. This removed AEMO's right to meter passwords, so now can no longer access meters.	The AEMC agrees that it may be beneficial for AEMO to have a general right to request passwords for the purposes of settlement if ever necessary.
7.8.4(c)	SP AusNet	Requests further clarity on what constitutes 'advise' in the phrase 'advise AEMO of the variation' resulting in the alteration of metering data following an onsite	The AEMC agrees to drafting changes to enhance the clarity of this clause. However, The AEMC suggests substituting 'advise' for 'notify' to be more explicit.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		test.	
7.9.1(g)	SP AusNet	This clause deals with the storage/archival requirements of metering data in the metering database. Should there also be an obligation on AEMO to store/archive settlements ready data?	The AEMC agrees that there should be a requirement to retain settlements ready data.
7.9.1(i)	SP AusNet	With the changing of settlements ready data definition and its location in the metering database, SP AusNet is concerned that DNSPs may not have direct access to the settlements ready data for billing purposes in accordance with clause 6.20.1.	The AEMC considers that DNSPs may have access to metering data for network billing purposes in accordance with clause 7.14.3(a)(5). Further, clause 7.7(a) can be amended such that network service providers have access to settlements ready data. This ensures that participants have access to settlements ready data from the metering database, particularly for type 6 data.
7.9.1(i)	UED; Citipower & Powercor	Considers this clause is not required because Rule 6.20.1(e)(1) and (e)(2) provide a basis on which distribution charges may be billed.	The AEMC's view is that retaining this clause may add clarity by making obligations explicit.
7.9.1(j) (refer to AEMO's Mark up of Chapter 7 of the Rules in their Rule Change Request)	Citipower & PowerCor; UED	This power is excessive and gives AEMO unfettered power to obtain metering data directly from a metering installation and should be constrained as a last resort measure.	The AEMC's view is that there is no evidence of AEMO's abuse of process. AEMO needs this power under certain circumstances. The AEMC proposes to relocate provision to 7.11.1(e)

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.9.4	Citipower & PowerCor	Seeks clarification of paragraphs (d),(e) and (f). Suggests that the data substituted by AEMO for settlement purposes should be regarded as interim data, not substituted data.	The AEMC will re-order these paragraphs and refer to 'replacement' metering data.
7.9.4(e)	Citipower & PowerCor; SP AusNet; UED	Suggests that the use of the term 'best endeavours' is inappropriate and a barrier to service provider competition. Suggests 'reasonable endeavours'	It is important that AEMO understand what the problem is and when it is expected to be fixed. The AEMC has proposed drafting to the clause which provides further clarification.
7.9.4(f)	SP AusNet	Suggests adding further words into this clause for clarity	This clause has been amended as above.
7.9.5	SP AusNet	Suggests that the Responsible Person's role is not included in this clause and only refers to AEMO.	The AEMC takes the view that this clause does incorporate the Responsible Person through the reference to 'in accordance with Rule 7.6'.
7.9.5(c)	SP AusNet	Paragraph (c) assigns the role for substitution of data to AEMO while (d) assigns role to Metering Data Provider. How does this clause operate with paragraph (d)?	The AEMC has suggested drafting that adds clarity to the operation of these clauses.
7.9.5(d) (refer to AEMO's Mark up of Chapter 7 of the Rules in their Rule Change Request)	SP AusNet	For clarity, add the words 'in the metering data services database' at the end of the sentence.	This would no longer be an issue because the AEMC's proposed drafting will consequently delete this clause.
7.11	SP AusNet	Change heading to 'metering data service arrangements'.	The AEMC takes the view that AEMO's proposed heading is more appropriate.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.11.1	SP AusNet	Heading should be 'Interval Metering data'.	The AEMC takes the view that this clause also deals with non-interval metering data. For example 7.11.1(a). Hence AEMO's proposed heading is appropriate.
7.11.1(a)	SP AusNet	This Clause is not subject to paragraphs (b) and (c), as paragraph (a) applies irrespective of paragraphs (b) and (c).	The AEMC agrees with stakeholder concerns and has proposed drafting accordingly.
7.11.1(a)	SP AusNet	This Clause is meant to be stating that where the metering installation has interval data and is remotely read, then this interval data must be collected.	The AEMC agrees that a specific reference to AEMO is required and has suggested corresponding drafting.
7.11.1(b)	SP AusNet	Stakeholder considers that this clause could be made more precise. This clause should state that where a metering installation has interval data capability and is remotely read and AEMO requires actual metering data to meet its market obligations.	The AEMC's view is that paragraph (a) has been clarified such that paragraph (b) is sufficiently clear.
7.11.1(b)	SP AusNet	Seeks clarification as to the meaning of 'otherwise agreed between AEMO and the Responsible Person'.	The AEMC agrees that this clause may be deleted as it is not used in the market.
7.11.1(b)(3)	SP AusNet	Why are the performance standards specified in the metrology procedure not covered by this clause?	The AEMC agrees that the performance standards specified in the metrology procedure should be covered by this clause.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.11.1(c)	SP AusNet	Stakeholder considers that this clause could be made more precise. This clause should state that where a metering installation has interval data capability and is remotely read and AEMO does not require actual metering data to meet its obligations.	The AEMC view is that paragraph (a) has been clarified such that paragraph (c) is sufficiently clear.
7.11.1(b)(4); 7.11.1(c)(3); 7.11.1(d)(3)	UED	Make explicit reference to metrology procedure rather than to a Rule stating that the metrology procedure must include these requirements.	The AEMC agrees and will propose drafting making explicit reference to metrology procedure. This suggestion would enhance clarity without altering the requirements.
7.11.1(d) [New clause proposed by SP AusNet]	SP AusNet	Stakeholder considers that there should be a clause that deals with non-remotely read (that is, manually read) interval data and proposed a new draft clause.	The AEMC takes the view that drafting a new paragraph (d) to deal with non-remotely read interval data is unnecessary because this is appropriately dealt with by the current paragraph (d).
7.11.1(e) [New clause proposed by SP AusNet]	SP AusNet	This clause was paragraph (d) under AEMO's proposal. Stakeholder suggests that this clause should state that where a metering installation has interval data capability and is manually read.	The AEMC considers that this clause is necessary to address type 5 and type 6 metering installations. The AEMC retains this clause as paragraph (d) (and thus, does not accept SP AusNet's proposal to make this clause paragraph (e)).
7.11.2	SP AusNet	Change heading to 'metering data service role'.	The AEMC agrees that heading should be changed, but would suggest change to 'metering

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			data services'
7.11.2(a)(1)	SP AusNet	This clause should include a wider range of meter reading options so insert 'by manual reading or by calculation.'	The AEMC has suggested drafting such that both remote acquisition and manual reading methods are recognised in the Rules.
7.11.2(a)(6)	Citipower & PowerCor; SP AusNet	Minimum service requirements are not to merely provide 'access' to metering data services databases, but rather to deliver data. Also Metering Data Provider should only be obliged to deliver the portion of the metering register in MDS database	The AEMC has suggested drafting that enhances the clarity of the Metering Data Provider's role. Also removing references to the metering register simplifies the operation of this clause.
7.11.2(a)(6)	UED	This clause states Metering Data Provider provide access to metering data, NMI standing data and metering register information. But NMI standing data and metering register information is provided by LNSP or Metering Provider not Metering Data Provider. So Metering Data Provider should only be obliged to provide access to metering data.	The AEMC has drafted changes to this clause incorporating these concerns.
7.11.2(b)	SP AusNet	Redraft clause to be explicit about responsibilities for additional data services (similar to drafting in 7.3.1(c) and (g)) to be supplied from Responsible Person's metering installation.	The AEMC's view is that if Metering Data Provider is engaged to provide additional data services, this should not compromise its primary role of providing metering data services. Also, costs should be recovered from the party that requests

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			the additional services: either the Market Participant or LNSP.
7.11.2(b)	UED	Suggests this rule is unnecessary as it deals with commercial arrangements	The principle of giving FRMP choice to arrange additional features with a Metering Data Provider and to ensure this choice is not frustrated by other parties is a critical one. Preserving this FRMP choice would facilitate the development of commercial relationships. Accordingly, the AEMC does not support stakeholder's suggestion.
7.11.3(a)	SP AusNet	Suggest that the Metering Data Provider 'does' rather than 'ensures' (consistent with principle that service providers perform actions whereas Responsible Person ensures actions are performed).	The AEMC agrees with this proposal and will amend the clause accordingly.
7.11.3(a); 7.11.3(c)	SP AusNet	Suggests that metering data should not be stored/archived separately from metering data services database, rather should be in the metering data services database. This is based on the view that the MDS database is a single conceptual database similar to AEMO's metering database with its affiliated agency databases.	The AEMC suggests that paragraphs (a) and (c) can be combined for clarity such that (c) is consequently deleted.
7.11.3(b)	SP AusNet	Suggest that this	The AEMC agrees

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		clause should be restricted only to Metering Data Providers accredited to provide services to Type 7 metering installations.	with this suggestion and has proposed drafting to clarify the operation of this clause.
7.11.3(c) (refer to AEMO's Mark up of Chapter 7 of the Rules in their Rule Change Request)	SP AusNet	The phrase 'in the form in which it was collected' is ambiguous.	This clause has now been deleted (refer above).
7.11.3(c) (refer to AEMO's Mark up of Chapter 7 of the Rules in their Rule Change Request)	UED	This clause is confusing and should be deleted. This clause is better expressed in paragraph (a).	This clause has now been deleted (refer above).
7.11.3(d)	SP AusNet; UED	Reference should be in accordance with the metrology procedure and not the service level procedures.	The AEMC's position is that the reference to service level procedures is correct because it relates to the standards for the delivery of data.
7.11.3(f)	SP AusNet	SP AusNet suggests that 'notify' is ambiguous. What actions qualify as 'notify'?	Without any clear benefits to the contrary, the AEMC prefers continuation of the usage of terms currently understood by industry. The word 'notify' is understood by industry.
7.11.3(g)	SP AusNet	The obligation should be qualified such that AEMO may also edit metering data in accordance with 7.9.4(d).	The AEMC agrees with this proposal and will amend the clause accordingly. The AEMC also notes changing the word 'edit' to 'alter'.
7.11.3(g); 7.11.3(h)	Citipower & PowerCor	The use of the word 'edit' is unclear. Suggest using the word 'alter'.	The AEMC agrees that 'alter' is clearer and more consistent with current terminology; hence this change could be made.
7.11.3(i)	UED	The issue is whether to provide electronic	This clause focuses the responsibility of

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		access to metering data services database. UED argues that this is an onerous process. UED suggests that this clause be deleted.	the Metering Data Provider to deliver metering data to relevant Market Participants and Network Service providers rather than merely providing access to the metering data services database.
7.11.3(i)	SP AusNet	Suggest that minimum service requirements is not to provide 'access' but rather to deliver data.	Reformulation of this clause has resolved this issue.
7.11.3(i)	Citipower & PowerCor	Clause is inappropriately drafted and should refer to access to metering data, not the MDS database. Suggests that para (d) suffices.	Reformulation of this clause has resolved this issue.
7.11.3(j)	Citipower & PowerCor; SP AusNet; UED	Suggests that this clause is unnecessary as Rules and Metrology procedure sets requirements.	The AEMC would retain this clause as it helps to ensure that collection methods are fundamentally sound in delivering data to AEMO and the market with the required quality.
7.11.3(k)	Citipower & PowerCor; SP AusNet	See 7.2.5(g)(3) of AEMO's marked up changes (now clause 7.2.2(d) and 7.2.3(k) of the Draft Rule). Suggest impractical with smart metering introduction. The current practice of estimation and substitution are more efficient for mass market smart metering.	The AEMC states that clauses 7.2.2(d) and 7.2.3(k) is an obligation on the FRMP or the LNSP, respectively to arrange for the provision of data, whereas 7.11.3(k) is an obligation on the Metering Data Provider to cooperate with the relevant FRMP or LNSP for this purpose. All of these clauses should be retained.

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
7.11.5(b) (refer to AEMO's Mark-up of Chapter 7 of the Rules in their Rule Change Request)	SP AusNet	SP AusNet argues that this clause does not align with the actual process for Type 6 and 7 metering installations, particularly in light of the new definition for metering installations and a new definition of metering data.	The AEMC considers that this clause could be deleted because metering data for type 7 metering installations is calculated by the Metering Data Provider under clause 7.11.2(a)(4) and clause 7.14.1(c)(6) requires the metrology procedure to set out the methodology for the conversion of type 6 data.
7.11.5(b)(5) (refer to AEMO's Mark-up of Chapter 7 of the Rules in their Rule Change Request)	UED	Suggests that the clause refers to a 7.3AI.	This concern was clarified with stakeholder and seems no longer to be an issue.
7.12	Grid Australia	Suggested changes to use of 'metering point' rather than 'connection point'.	The AEMC's view is the correct reference is to 'connection point' rather than 'metering point'. This would be consistent with schedule 7.2.
7.12(a); 7.12(f)	Citipower & PowerCor	This provision deals with accuracy of clocks and drafting changed from 'load through the metering point' to 'load through the connection point'. Stakeholders consider this problematic for multiple metering installations served by one connection point (eg. Commercial high rise). Are the accuracy requirements for large customers to be applicable to smaller customers?	The AEMC's view is that these accuracy requirements relate to connection points, not metering points. Metering points refer to the physical connection of the meter, and does not always correspond to a NEM connection point. In the commercial high rise scenario, there will be a meter at the main connection point and sub-meters. The main meter must meet accuracy requirements through the relevant connection point. If a sub-meter is also a NEM registered connection point,

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			then it will need to meet the requirements of the NEM connection point but not the main connection point. Hence, metering installations that are not part of a connection point, do not need to comply with accuracy requirements.
7.12(a); 7.12 (e); 7.12(f)(1)	SP AusNet	Re-draft language to ensure that Metering Provider has the role not the Responsible Person.	The AEMC accepts this proposal and has proposed appropriate drafting.
7.13(g)	SP AusNet; Jemena	Change date and basis for review to include adoption of smart meters	This clause has smart metering implications and as such should be treated as out of scope for this Rule Change Request.
7.14.1(c)(4)(ii)	Citipower & PowerCor; SP AusNet; UED	Refers to the delivery of metering data from the 'metering installation', but following changes to definition of metering installation, this is no longer the case. Reference should be to MDS database.	The AEMC has suggested changes so that it is now consistent with the proposed definition of metering installation.
7.14.1A	Citipower & PowerCor; SP AusNet; UED; Jemena	Service Level Procedures seem to be already adequately covered by the metrology procedure (Rule 7.14), so this clause may be redundant.	The AEMC's view is that the Service Level Procedures deal with matters distinct from the Metrology Procedure and, for now, should be kept separate. However, the AEMC would suggest that AEMO review the documents for coherence in due course.
7.14.1A(c)(2)	Citipower & PowerCor	The Service Level Procedures should only specify output, not systems and	The AEMC takes the view that processes can be part of Service Level

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		processes. This clause should be deleted.	Procedures.
7.14.1A(c)(4)	Citipower & PowerCor	Reference to 'delivery' and 'allow access to' is unclear.	The AEMC seeks to enhance clarity of this clause and agrees that the proposed drafting should be clearer.
7.14.2(b)	SP AusNet	The Note is for actions before 1 Jan 2009 and can be deleted.	The AEMC accepts that this Note has expired which under clause 11.5.5(a) expired on 1 January 2009. This Note can be deleted.
7.14.3	SP AusNet	Heading should be 'Additional Metrology Procedure Matters.'	The AEMC agrees with this proposal.
7.14.4	SP AusNet	The change processes for the various procedures should be standardised and rationalised.	The AEMC's view is that the change procedures are stipulated in the Rules consultation procedures (in Chapter 8) or, in relation to the metrology procedure, in the Rules itself.
S7.1	Grid Australia	Change the title of the 'responsibility' box from 'Responsible Person' to 'Financially Responsible Market Participant'.	The AEMC will change this box from the 'Responsible Person' to the 'Financially Responsible Market Participant or Local Network Service Provider'.
S7.2.1(b)	SP AusNet	Clarify this provision to make it consistent with 7.3.1(c).	AEMO's view is both of these clauses are clear and serve different purposes. Clause 7.3.1(c) deals with additional features and does not address accuracy or deal with payment directly. Clause S7.2.1(b) is about increased accuracy, which will be paid for by the Registered

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
			Participant and the Responsible Person must comply with such a request.
S7.2.3 Items 3(4), 4(4) and (5)	Citipower & PowerCor	This clause previously provided for type 6 accumulated energy data to be transferred to a remote location. Why has it been deleted? Stakeholder concerned that it may still be necessary.	AEMO's view is that data may be transferred to or from a remote location without prescription in the Rules. Metering data requirements are set in Rules and metrology procedure and any delays are dealt with by estimation. It is no longer necessary to account for 'delays' in the delivery of data in the Rules.
Table S7.2.3.1	Grid Australia	Change title of second column from "Volume limit per annum per connection point" to "Volume limit per annum per metering point".	The AEMC's view is that it is more correct for the measurement to occur at the connection point, rather than the metering point. The connection point represents the point of supply between the network service provider and the retailer whereas the metering point refers to the physical connection of the meter that relates to that connection point.
S7.2.4(c); S7.2.4(f)	Grid Australia	Remove the word 'revenue' from 'revenue metering installation' .	The AEMC accepts this change as being consistent with the Rule change proposal.
S7.2.6.1(a) and (b)	Citipower & PowerCor; Grid Australia	Drafting amended from 'metering point' to 'connection point' but problematic for connection points with more than one metering installation. For example, if two metering installations (one is 990GWH and	The AEMC recognises that there are cases where a 'virtual' or 'logical' connection point has two or more metering points. In this case, the metering data for the connection point is obtained by

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		other is 10GWH), do these provisions apply to both metering installations?	summation. AEMO's approach to registration is that the accuracy of the metering installation must be consistent with the consumption through the connection point. However, flexibility is adopted in registering meters with virtual connection points. Usually, where two meters are at a connection point, each meter would be required to be of the accuracy required at the connection point.
S7.4.3(g)	UED	Suggests deleting 'procedures authorised under the Rules' and instead add 'metrology procedure' to reflect capabilities for Metering Provider's for Type 5 and 6 metering installations.	The AEMC's view is that 'procedures authorised under the Rules' should be retained. However it would be appropriate to add 'metrology procedure' in clause S7.4.4(a) because this clause deals with capabilities for type 5 and 6 metering installations, which are set out in the metrology procedure.
S7.4.4(a)	UED	Suggests deleting 'procedures authorised under the Rules' and instead add 'metrology procedure' to reflect capabilities for Metering Provider's for Type 5 and 6 metering installations.	The AEMC's view is that 'procedures authorised under the Rules' should be retained. However it would be appropriate to add 'metrology procedure' in clause S7.4.4(a) because this clause deals with capabilities for type 5 and 6 metering installations, which are set out in the metrology procedure.
Table S7.6.2	Citipower & PowerCor	Rule provides for type 5 and 6 metering installations with remote reading	Where a Metering Data Provider is collecting data from type 5 and 6

Clause(s)	Stakeholder(s)	Issue Raised by Stakeholder(s)	AEMC Policy Position
		in certain circumstances (see cl 7.3.4(f)), table should reflect this Eg. Category 5D and/or 6D for manual collection and remote acquisition.	metering installation using remote acquisition under clause 7.3.4(f), this would be accredited in category 4D.
S7.6.3(d)	Citipower & PowerCor	The key issue is access to appropriate software, not whether it is licensed. So consider deleting the word 'licensed'.	The AEMC considers that use of the word 'licensed' may be outdated and suggests that it be replaced by the word 'authorised'.
S7.6.3(f)(1); S7.6.3(g)	UED	Metering Data Providers should only be obliged to provide relevant NMI standing data.	The AEMC will place the word 'relevant' in front of the term 'NMI standing data' in paragraphs (f)(1) and (g). This appropriately sets the limits on the obligations of Metering Data Providers with respect to NMI standing data.

B.2 Technical drafting issues relating to Chapter 10 of the Rules

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Glossary Term	Stakeholder	Issue	AEMC Policy Position
Metering Data Services	Citipower & PowerCor	Remove the word "from" as it is unclear. Suggest rather than 'from the metering register' substitute ' the metering register information'.	AEMC's proposes to modify the definition by deleting references to metering register.
Metering Data Services and Metering Data Services Database	SP AusNet; UED; Integral Energy	The metering register is partially held by AEMO and the remainder by the Metering Provider and the Metering Data Provider.	AEMC proposes to modify definition so it refers only to 'relevant' NMI standing data and will delete reference to metering register.

Glossary Term	Stakeholder	Issue	AEMC Policy Position
		Similarly NMI standing data held in central repository of Market Settlement and Transfer Solution (MSATS) Procedures and by network service providers. Suggests that 'metering data services' should only make reference to 'relevant NMI standing data' and 'relevant information from the metering register'.	
Metering Data Services Database	Citipower & PowerCor	Concerned that 'metering register' is located in both metering data services database (see definition) and the metering database (cl 7.5.1).	AEMC proposes to delete reference to metering register in the definition.
Remote acquisition	Citipower & PowerCor	The Note (which refers to 7.3.4(f)) at the end of the definition is inconsistent with the first sentence of the definition.	Remote acquisition relates to interval data and clause 7.3.4(f) operates as an exception to this arrangement.
Remote acquisition	Citipower & PowerCor	The definition currently states 'interval metering data' however, the data transmitted should be 'energy' data. Consider substituting 'energy' data or just referring to it as 'data'.	The distinction between 'energy data' and 'metering data', as stated in S7.1, is that the latter is the data acquired by the metering data provider and the former is the data held in the metering installation. The AEMC does not accept the proposed change to this definition.
Settlements Ready Data	UED; Jemena	The proposed definition states that this refers to data held in the metering database. If this is the case, it will require LNPs to	The AEMC is satisfied that the definition meets the requirements for AEMO to settle the market while ensuring that

Glossary Term	Stakeholder	Issue	AEMC Policy Position
		<p>replicate the dataset in AEMO's metering database, which leads to inefficiency, particularly with the advent of smart meters.</p>	<p>participants can access metering data for network billing purposes in accordance with the metrology procedure under clause 7.14.3(a)(5).</p>
<p>Telecommunications Network</p>	<p>Citipower & PowerCor; Jemena; UED; SP AusNet</p>	<p>It is unnecessary and inappropriate for AEMO to have the obligation to approve the telecommunications network. AEMO's approval criteria is also not set out. This should be made more transparent in Ch 7. This definition should also take into account smart metering developments.</p>	<p>Remote acquisition occurs via public telecommunications network otherwise through a telecommunications system that has been approved by AEMO. The AEMC's view is that AEMO possesses this requirement to understand the reliability, security and standards of these systems so that settlements requirements are met. This Rule change proposal is not intended to account for smart metering developments.</p>