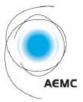
Introduction of Metering Coordinator Planned Interruptions – Stakeholder workshop 20 April 2020



Meeting notes

The AEMC held a virtual workshop on the *Introduction of Metering Coordinator Planned Interruptions* Draft Rule on 20 April 2020. The workshop was attended by around 60 stakeholders from a broad range of organisations including distribution network service providers (DNSPs), retailers, industry groups such as Energy Networks Australia (ENA) and the Competitive Metering Industry Group (CMIG), metering coordinators (MCs), consumer groups, consultants, and market bodies.

The workshop was facilitated by the AEMC project team:

- Ed Chan, Director
- Alisa Toomey, Senior Adviser
- Lily Mitchell, Senior Lawyer
- Ben Bronneberg, Lawyer
- Mitchell Grande, Graduate Adviser

This document provides a summary of the discussion at the workshop. A recording of the workshop is also available on <u>the project website</u>.

Aim and structure of the workshop

The aim of the workshop was to discuss with stakeholders the feedback the AEMC received on the draft rule and draft determination, in particular, suggested amendments that could improve the operation of the draft rule and an alternative solution proposed by some of the stakeholders.

The workshop was split into two sessions. The first centred on the suggested amendments to the draft rule, the second session focused on an alternative solution suggested by the proponent and a cohort of stakeholders.

Session 1 – the Draft Rule and potential amendments

Session overview

AEMC staff provided an overview of the draft rule, which sought to provide certainty of meter installation timeframes for customers with shared fusing without introducing consumer protection risks. Key aspects of the draft rule are:

- A requirement for retailers and MCs to install meters within 30 business days from discovery of shared fusing
- A requirement for DNSPs to carry out a planned interruption within 25 business days of being requested by the retailer to allow for meter installation
- Minor amendments to the National Energy Retail Rules (NERR) to clarify retailers' ability to interrupt supply to any of its own customers for metering purposes

• A requirement for information on sites with shared fusing to be recorded when discovered and shared with market participants.

The AEMC also clarified that the proposed rule was designed to allow retailers a 5 business day window to determine how the supply interruption would be effected: a retailer planned interruption with other retailers, or a distributor planned interruption.

Following this, workshop participants discussed a number of amendments that were suggested by stakeholders in submissions to the draft determination and draft rule. The following sections provides of summary of the discussions.

Timeframes for installation of meters

In relation to timeframes for installation of meters, the following amendments were suggested by stakeholders:

- Customers should be able to agree to an alternative installation date
- Consideration should be given to extending timeframes to allow retailers to utilise the planned interruption to replace family failure meters, or to carry out retailer-led roll out of smart meters
- The rule should allow DNSPs the ability to prioritise critical work, and if so, how should this be done.

Key areas of discussion included:

- The trade-off between one longer delay or multiple short delays in the context of retailer-led interruption on larger sites, to address multiple customers concurrently.
- Concern that complex coordination would be required if family failure meter replacement or retailer-initiated meter roll-out was to be accommodated under the provision
- Safety concerns if multiple MCs want to access the metering panel at the same time to take advantage of the interruption
- Concern that allowing retailers to agree an installation date with customers could provide a 'backdoor' to timeframes, unless it is clearly codified in the rules
- Whether timeframes could be waived by customer consent, as this could potentially facilitate retailer-led roll-out
- Whether the timeframes allow for any required work on switchboards and whether civil penalties would apply for a breach of timeframes where further work was required
- A concern that if high volumes of service orders were received, it may be difficult for parties to achieve the timeframes for carrying out a planned interruption

Additional notification to market participants for planned interruptions

A number of stakeholders proposed in their submissions to the draft determination that DNSPs be required to inform, via B2B processes, all affected retailers of a shared fusing site that planned interruptions for the purpose of installing a meter was being carried out.

Workshop participants were about the benefits of the information and the costs of the functionality to market participants. Stakeholder feedback included:

• The information provided by retailers and DNSPs to each other for planned outages are not symmetrical. The nature of retailer planned interruption means that retailers have to provide

more specific information in their notification of outages, whereas DNSPs notification is more general in nature.

- Suggestion that B2B notification may allow all affected parties to carry out work on the same site and reduce the installation backlog.
- Concern was again raised over the potential for longer outage durations than notified, possible safety issues if multiple retailers utilise the supply interruption, as well as a higher chance of remediation work being required on larger sites
- A need to differentiate between reasons for planned interruptions
- Whether an outage timeframe within the initial outage could be made to accommodate additional meter services upon notification.
- The AEMC also asked stakeholders about the potential for retailers to coordinate retailer planned interruptions. Retailers expressed caution relating to competition law and lack of ability to determine who the retailer of the other impacted customers is.

Timeframes for implementing the rule

The third proposed amendment concerned the implementation timeframes for each aspect of the draft rule.

Stakeholders provided the following feedback:

- Concerns were raised about time required to build new transactions, especially in the context of broader system changes (i.e. 2 sided markets, global settlements) that would require significant resources and current COVID-19 circumstances.
- In relation to the timeframe required to be compliant with the timeframes obligations, some participants noted there is an existing backlog of work for some DNSPs that would require around 2-3 months to resolve, impacting the ability of participants to comply from 'day 1'
- In relation to the requirement to record and share shared fusing information, stakeholders suggested that there would need to be changes to the B2B systems, and that aligning the start date would broader system changes would be pragmatic
- In relation to changes to deemed contract terms and conditions, some participants suggested a 4-6month period may be required.

Requirements to record shared fusing site information

Workshop participants discussed the usefulness of the information, and whether market participants thought it would help reduce unnecessary site visits and costs. A variety of views was put forward:

- Some stakeholders considered that it would only be useful if all of the National Meter Identifiers (NMIs) within the same premises with shared fusing were identified
- Other stakeholders questioned if this would reduce site visits or if the data may be unreliable over time as more meters were installed/replaced and more isolation devices are installed
- Overall, MSATS were seen as the best avenue for recording this information
- Some MCs stated they would find this information useful and could potentially reduce the time to install the customers meter where there is known shared fusing.

Session 2: the alternative solution

Stakeholder presentations

EnergyAustralia/CMIG, ENA and Arup (independent consultant) provided presentations. These can be found on the project webpage.

Consumer Group Viewpoint

Public Interest Advocacy Centre (PIAC) expressed concerns with the proposed alternative solution and that the original objective of the rule change should be focused on with a narrower pragmatic fix, such as the one in the AEMC's draft determination. It was suggested that the broader metering review would be appropriate to address larger issues.

AEMC staff agreed that the metering review, which is due to commence at the end 2020, would be the appropriate forum to consider the broader industry issues.

Market Bodies Viewpoint

The Australian Energy Market Operator (AEMO) expressed support for the draft rule and said considered that customers and the market more broadly value certainty.

Facilitated discussion

Discussion on the viewpoints presented, both verbally and in the chat feature, centred on the DNSPs ability to carry out the installation of separate isolation devices, as well as contestable services.

Key topics of discussion included:

- DNSPs proactively act to treat shared fusing as a defect under the service installation rules, so that customer assets (shared fusing) can be arranged for rectification by an ASP
- Whether DNSPs can install device inside the consumers' electrical installation
- Victorian DNSPs discussed how rectification of shared fusing was resolved during the Victorian smart meter roll-out, where a specific arrangement allowed certain qualified electricians to perform the work and costs were passed-through retailers
- Discussion on the location of the isolation device representatives from the metering industry group confirming it should be next to the meter on the board, as codified in the metering specifications and requirements
- Discussions of responsibility over the switchboard and assets, with all stakeholders seeking to differentiate between service mains and consumer mains in their experiences and under the services and installation rules for new services and upgrades

Close of Day

Following the end of the final facilitated discussion, AEMC staff thanked stakeholders for their time and input. Stakeholders were reminded that any written submission are due by 24 April 2020, and that bilateral discussions can be arranged to discuss any issues further.

The Final Determination will be published 21 May 2020.