

14 February 2020

Mr John Pierce
Chairman
Australian Energy Market Commission
Sydney South NSW 1235

10 Eagle Street
Brisbane QLD 4122
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By online submission

Dear Mr Pierce

Submission to Draft Rule Determination: Introduction of metering coordinator planned interruptions (ERC0275)

The Australian Energy Market Operator (AEMO) welcomes the Australian Energy Market Commission's (AEMC) draft rule determination relating to arrangements for the interruption of supply to facilitate metering installation work.

Metering installation work is often required to support new services to a customer, to rectify malfunctions, or for other maintenance to ensure accurate measurement of energy which supports energy settlement in the NEM. Interruptions of supply are required in order that meters can be replaced, and it is important for all participants to have clarity on the steps that need to be taken to facilitate interruptions where there are complex connection arrangements that involve interrupting the supply of electricity to more than one customer.

AEMO agrees with the approach taken by the AEMC in the draft rule, particularly with respect to minimising the impact on customers and the consideration of consumer protections.

AEMO proposes that the timeframe for implementation of changes to procedures and participants' systems, including AEMO's Metering Settlement and Transfer Solutions (MSATS), requires further consideration to be both compliant with other NER provisions and to meet the objectives of the draft rule. AEMO has provided alternative commencement dates for the AEMC's consideration.

We welcome the opportunity to provide further input as the AEMC consider the final determination and rule. Should you wish to discuss any of the matters raised in this submission, please contact Kevin Ly, Group Manager Regulation on kevin.ly@aemo.com.au.

Yours sincerely



Peter Geers
Chief Strategy and Markets Officer

ATTACHMENT 1:

DRAFT RULE DETERMINATION: INTRODUCTION OF METERING COORDINATOR PLANNED INTERRUPTIONS (ERC0275) – AEMO SUBMISSION

The Australian Energy Market Operator (AEMO) welcomes the Australian Energy Market Commission's (AEMC) draft rule determination relating to arrangements for the interruption of supply to facilitate metering installation work.

AEMO agrees with the approach taken by the AEMC in the draft rule, particularly with respect to minimising the impact on customers and the consideration of consumer protections; however, AEMO proposes that the AEMC give further consideration to the timeframe for implementation of the final rule.

1. Changes to introduce additional meter installation timeframes on retailers, metering coordinators and distributors

Where it is identified that the installation of a meter requires the interruption of supply to other customers:

- retailers would be required to complete the meter installation within 30 business days of discovering the issue;
- metering coordinators would be required to rectify meter malfunctions within 30 business days of discovering the issue; and
- upon request by a retailer or metering coordinator, distributors would be required to carry out a distributor-planned interruption within 25 business days in order to allow for the retailer or metering coordinator to meet their timeframes.

The draft rule leverages existing provisions on retailers and distributors in the National Energy Retail Rules (NERR) regarding notification and coordination of interruptions to supply. This approach ensures that consumer protections for all potentially impacted customers are maintained and provides clear lines of accountability for customers and participants regarding supply interruptions.

The timeframes specified for the completion of meter installation work in these circumstances are consistent with the approach taken by the AEMC in the rule change on Metering Installation Timeframes¹. AEMO notes that the AEMC has provided a 30-business day period for metering installation completion in the case of a shared fusing connection, whereas the maximum completion timeframe for metering installation work in the related rule is 15 business days.

AEMO understands that large customers are unlikely to be connected via a shared fuse and that as a result the potential impact to the accuracy of energy settlement due to a delay in replacement of a faulty meter is very low.

¹ AEMC, *Metering Installation Timeframes* – Final determination, December 2019, (ERC0236) Available at: <https://www.aemc.gov.au/rule-changes/metering-installation-timeframes>

Accordingly, the 30-business day timeframe provides a reasonable balance between meeting customers' expectations, ensuring the accurate recording of energy flows, and providing retailers, metering coordinators and distributors sufficient time to coordinate the physical work.

2. Commencement of the rule

The draft rule requires the metrology procedure to be updated to include requirements in relation to the management and access to shared fuse arrangements information².

AEMO notes that the AEMC has proposed that the National Electricity Rule (NER) amendments to the requirements of the metrology procedure and MSATS procedures are proposed to commence on 26 June 2020.

NER clause 7.16.3(b) requires a period of three months between the date upon which a change to the metrology procedure is published and the date the metrology procedure commences, unless the changes to the metrology procedure are minor or administrative in nature. As the changes required by the draft rules are unlikely to be minor or administrative, the AEMC may wish to consider revising the dates proposed for commencement of Schedule 2, currently 26 June 2020. An alternative date of 28 October 2020 would provide AEMO with sufficient time to conduct the consultation on changes to the metrology procedure (four months) and a further three-month period to accommodate the requirements of 7.16.3(b).

Where changes are required to participants' systems, including AEMO's MSATS, a period of seven to eight months is typically provided to accommodate necessary changes to systems and where necessary, testing and implementation planning. Providing that the commencement of the rule itself is not delayed, and proceeds as proposed (26 March 2020), participants will be sufficiently incentivised to obtain the earliest possible access to changes which support the identification of connection points with shared fuse arrangements and that the timeframe for system change and implementation can be left for AEMO to determine in consultation with interested parties.

AEMO welcomes the opportunity to provide further input as the Review progresses.

² Proposed changes to the NERR, clause 7.16.3(c)(7), and the transitional rule in Schedule 3, of the draft rule