

Alisa Toomey
Project Leader – Metering Coordinator Planned Interruptions
Australian Energy Market Commission
Level 6 201 Elizabeth Street
Sydney, NSW, 2000

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AEMC Rule Change Draft Determination: ERC0275 – Introduction of Metering Coordinator Planned Interruptions

The Competitive Metering Industry Group (CMIG) welcomes the opportunity to make a submission to the Australian Energy Market Commission's (AEMC) Draft Rule on the Introduction of Metering Coordinator Planned Interruptions.

The CMIG represents the accredited metering service providers currently providing competitive metering installation services in the NEM. The CMIG works to promote the development of an efficient, effective and nationally consistent competitive metering market in the NEM by representing the metering industries views on policy and regulation to governments, regulators and industry bodies while supporting the development and publication of:

- Metering equipment standards that are relevant for the Australian environment but align to international standards wherever possible.
- Technical standards for metering installations.
- Safe work guidelines and practices.
- Coordinated industry representation on appropriate committees.
- Industry coordination of securing metering installations (metering keys and sealing)

CMIG member organisations are members of Master Electricians Australia and the CMIG has been convened as a sub-branch of Master Electricians Australia.

Master Electricians Australia (MEA) is the nation's leading advocate for improved quality, safety and efficiency in the electrical contracting industry. MEA have members in every state and territory, giving it direct experience in complying with jurisdictional regulatory regimes. MEA is an experienced and trusted adviser to governments and regulators on industry issues.

In this submission CMIG suggests changes to the draft rule that will result in better outcomes on safety, customer satisfaction and efficiency in line with the National Electricity Objectives.

Response to AEMC concerns on the Rule Change Request

Customer protection risks of the proposed rule

The CMIG does not accept that customer protections could not be addressed under the originally proposed rule change.

The CMIG requests that the AEMC carry out further consultation on options for customer protections under the originally proposed rule for the following reasons:

- The National Energy Customer Framework (NECF) provides a framework for customer protections for a range of operational areas in the NEM. This framework could be used to ensure customers are adequately protected in the case of interruptions to facilitate meter installations. Arguably the NECF already covers some aspects of the proposed rule which have not been explored.
- The options for customer protections were not adequately explored during the AEMC workshop or during the consultation on the draft rule. A number of respondents to the consultation paper raised valid concerns on customer protections but it is not acceptable for the AEMC to abandon the proposed rule on the basis of customer protections without exploring with industry on how customer protections could be provided under the existing arrangements in the NEM.

The proponent's solution only addressed part of the issue

CMIG's proposed rule intentionally addressed the issues that related to the smaller and simpler sites with shared isolation where interacting directly with the energy customer directly results in an efficient and customer friendly outcome.

Information was provided to the AEMC during the consultation showing the vast majority of sites with shared isolation occurs in scenarios where only a handful of customers are typically affected.

The CMIG would have been happy to have a limit placed on the number of customers able to be interrupted as this would have solved the majority of affected sites but this option was not made available by the AEMC when developing the draft rule.

In the case of larger complex sites, the existing arrangements available in the rules to request network interruptions were considered appropriate and did not need changing.

Issues with alternative Draft Rule

The draft rule does not align with the Nation Energy Objective (NEO) and will lead to systemic inefficiencies in the NEM and increase costs to customers. These inefficiencies and costs will lead to increased frustration and complaints from energy customers for the following reasons:

- While we agreed that the opportunity exists for retailers to coordinate interruptions on multiple customers, this is available in the NEM today and has not been used to resolve shared fusing issues. The draft rule creates no new incentives for retailers to resolve shared isolations between themselves and CMIG believes the draft rule will result in network businesses being requested to carry out all interruptions for shared fusing sites.
- The introduction of timeframes on both retailers and networks in the complex or commercial multi-occupancies is likely to limit the scope for Networks to negotiate interruptions at a time that is convenient to all customers affected. While agreeing a time for the interruption on complex or

commercial sites is not required under the rules, it is common practice in many networks and will become more difficult while attempting to meet time frames.

- Metering provider and network field crews are typically exposed to a number of factors (traffic, weather, hold up on complex jobs) that can affect the exact time appointments can be made. This means appointments are typically time windows for field crews. The draft rule will require Network and metering staff to be on site at the time of the interruption for the works to be completed. This need to align field crews is expected to be difficult and costly. These costs will likely run into the hundreds of dollars per isolation/meter installation and will likely be passed on to energy customers.
- Under the draft rule, no incentives exist to resolve isolation issues across the whole site while the first interruption is occurring. The introduction of timeframes to resolve the metering for the customer requesting the meter will focus participants on resolving that customer's isolation within the regulated timeframe at the expense of other retailers' customers. This will mean each time a meter is to be installed on a building with shared isolation, multiple customers will be interrupted multiple times until the last meter is replaced in the building. Each meter install will require a coordinated network interruption with a potential cost of hundreds of dollars per customer meaning the ultimate resolution of the isolation for the whole site will be lengthy and expensive.
- The electrical workers who carry out metering works are required to carry out their activities safely and are entitled to do so without undue pressure from customers. CMIG expects electrical workers to be under more pressure from the consumers to carry out the works on the first visit (potentially requiring the worker to work live) to avoid additional delays and high costs.
- We expect that the poor customer experience will continue under the draft rule and increase complaints to retailers and jurisdictional energy ombudsman. Customers can become very frustrated if they personally seek consent from their neighbours for the works to be done only to be told another visit at an additional cost will be required to complete the meter installation.
- The requirement to advise of shared fusing and register customers on shared fuses is expected to be complex but may add some value if a simple flag is set against a NMI. Even once a customer has had individual isolation installed on their meter, they will still be affected by shared isolation if other customers in the building cannot be interrupted individually. These inter relationships mean the creation and maintenance of a register of customers affected by shared fuses will be complex and require updating by networks as isolation points are installed in a building.
- The proposed rule introduced the requirement for notifications to participants of all customers affected interruptions to be carried out using market B2B processes. This has not be addressed in the draft rule at all.

Opportunities to improve the Draft Rule

The CMIG recognises that the AEMC has chosen not to adopt the CMIG rule change proposal however the draft rule proposal has serious issues that need to be addressed. Therefore, as an alternative to the CMIG proposal we would encourage the AEMC to consider amending the draft rule in the following areas to reduce costs on energy customers and improve the overall efficiency of the NEM.

- Implement a regulatory obligation for the network businesses to use reasonable endeavours to install isolation points on all customers affected by shared isolation during the first interruption. The benefits of this obligation would be:

- Reduced likelihood of safety incidents by removing the need for multiple metering technicians to install metering equipment at the same time on the same metering board.
 - Improved customer satisfaction by reducing the likelihood of either multiple power outages or one longer outage to accommodate the coordination of multiple installations of isolation devices and / or meters.
 - Costs would be reduced for energy customers by resolving all of the isolation issues for a site during the initial network planned outage once and for all. There is effectively only one network “truck roll”.
 - Existing network regulatory cost recovery mechanisms can be used to ensure network businesses are compensated for the efficient delivery of the service to install isolation.
 - Customers affected by shared isolation would be reduced as sites are resolved holistically meaning that a process to notify by retailers and metering coordinators and record by networks would not be of limited benefit and potentially not required at all
 - The need for coordinated site visits by network and metering field crews would be eliminated at the majority of sites (more complex scenarios may still require network attendance during the meter install). Once the isolation points have been installed any further interruptions for meter installations would only affect the customer receiving the meter.
- Soften or remove the requirement to comply with time frames on retailers and networks. (maybe the use of the reasonable endeavours to comply with the timeframe)
 - The complex nature of the shared isolation environment often means negotiation is required to find a time that is convenient for all customers affected to carry out the interruption.
 - Require the use of market B2B processes to inform participants of interruptions of customers on shared isolation.
 - The existing typical network process for advising customers involves dropping a card in the customers letterbox and nominating a date and time for the interruption. Retailers are typically advised of this through updates to the network outages web page.
 - The introduction of a requirement for the network to proactively advise participants via B2B of an interruption for a customer will create the opportunity for retailers to take advantage of the interruption to have a new meter installed.

Conclusion

The CMIG believes that the draft rule can be improved to provide a better outcome for energy customers affected by shared isolation. We encourage the AEMC to consult further with industry to further refine the draft rule. Should you have any questions in relation to this submission please contact Doug Ross on 0417205395 or doug.ross@competitivemetering.com.au.

You Sincerely

For and on behalf of the Competitive Metering Industry Group

Doug Ross
Chairman