

24 April 2020

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Australian Energy Market Commission
PO Box A2449
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Submitted electronically

Dear Commissioners

ERC0275 – Metering Coordinator Planned Interruptions

EnergyAustralia is one of Australia's largest energy companies with over 2.6 million electricity and gas accounts in NSW, Victoria, Queensland, South Australia, and the Australian Capital Territory. We also own and operate a multi-billion dollar energy generation portfolio across Australia, including coal, gas, and wind assets with control of over 4,500MW of generation in the National Electricity Market (NEM).

We understand that at this late stage in the consultation process it would be easier to progress and amend the proposal that was presented at the draft determination stage, EnergyAustralia therefore appreciates the AEMC's consideration of an additional proposal to address the issues that arise from shared fuse locations.

We encourage the AEMC to consider whether the rule change should be progressed if it does not achieve the appropriate mix of customer benefits; meters installed in a timely manner, minimal negative customer experiences, and with an emphasis on minimising the cost incurred. EnergyAustralia believes that if this mix cannot be achieved, the AEMC should delay or rescind the rule change, allowing: further consideration of any additional proposals; changes to the draft determination in line with participants feedback; or to consider alternative options to address the issue.

The workshop hosted by the AEMC on 20 April 2020 outlined issues with the draft determination and discussed alterations that would be preferable to participants. The feedback from participants during the workshop indicated to EnergyAustralia that amendments to the draft determination would still leave customers facing multiple outages and significant costs when a meter is to be installed at a shared isolation location. This suggests that the draft determination does not achieve the price element of the National Energy Retail Objective.

The AEMC's consultant reviewed whether the alternative proposal – DNSPs proactively installing isolation devices – was, or could be, possible under regulation; with the conclusion that DNSPs should not be physically installing isolation devices. EnergyAustralia accepts the consultant's assessment; however, it would be prudent for additional assessment to be conducted into how a DNSP could arrange for the installation of isolation devices to be installed, within the limitations of jurisdictional legislation, regulations, and service & installation rules.



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EnergyAustralia believes that an alternative proposal can be amended to specify that DNSPs are responsible for arranging the installation of isolation devices; physically where allowed under the rules, and via contracting through a tender process where not allowed under the rules.

The consultant highlighted that an obstacle to resolving shared isolation is that the responsibility will predominantly fall on owners/bodies corporate. The key issue for Metering Coordinators (and retailers) is that a defect notice issued to a customer is only relevant while the Metering Coordinator is responsible for the NMI. A DNSP does not face the same limitation when it issues a defect. Metering Coordinators or DNSPs do not currently have the capacity to defect shared isolation when it is identified

EnergyAustralia believes there is merit in exploring whether an alternative option to resolve the shared isolation issue, is for the applicable service and installation rules to be amended establishing that shared isolation is no longer compliant. DNSPs could then issue defect notices, and the customer, or body/owners corporation would be responsible for rectification. The cost for rectification would be shared evenly amongst the residents at a shared isolation location; a fairer distribution of costs compared to the draft determination or the alternative proposal.

EnergyAustralia's preference would be for the rule change to be deferred until AEMC's review of Metering Contestability is completed; at which point the merit of the rule change may change significantly.

Responses to the questions from the workshop presentation are below:

1. *Should allowance be made in the timeframes to provide retailers greater opportunity to utilise the supply interruption to carry out other meter replacements, such as for family failure?*

Yes, the allowance of additional timeframes would allow multiple meters to be replaced at once; with the benefit of removing some additional outages that customers would experience. Extended timeframes for Family Failures are already accommodated under the NER¹, Family Failures are considered as Malfunctioning meters.

2. *Should the rule allow DNSPs the ability to prioritise critical work (for example, supply restoration in the event of a severe weather event)? If so, how should this be done, while minimising delays in meter installation for customers with shared fusing?*

Yes, 'critical' work should be prioritised over the timeframe customers will have to wait for a meter installation. This is an accepted reality of customers for all industries and is particularly accepted throughout the energy industry.

3. *Should customer choice of meter installation date be included in the rules, consistent with the meter installation timeframes where there is single fusing? What are the complexities of customer choice with shared fusing?*

Yes, customer's choice on installation date is the obvious preferable date for installation. The rules should also consider the needs of other customers that will be impacted by the outage.

¹ [Clause 7.8.10 \(a\) \(aa\) Pg. 1016-1017](#)

4. *Should an additional requirement be placed on DNSPs to inform all affected retailers of the planned supply interruption via B2B procedures?*

a. *What are the benefits that can be gained from providing this information? Are there any impediments to being able to utilise this additional information effectively?*

EnergyAustralia believes there are efficiencies and customer benefit (reduced inconvenience and cost) that can be achieved if retailers can arrange for multiple meters to be installed during a single outage. There are limitations on the timeframe imposed for a retailer-initiated meter installation; i.e. the timeframe requirements for notice to customers.

b. *What are costs to provide this functionality? Are system updates required? What implementation timeframe would be needed if this obligation is imposed on DNSPs?*

EnergyAustralia cannot comment on how a DNSP would accommodate this notification to retailers. Receiving an amended or additional B2B notification from a distributor would most likely require system updates, which are commonly a lengthy process; predominantly due to a backlog in mandatory regulatory changes.

5. *How does a retailer currently receive information on planned interruptions of its customers?*

There are obligations for DNSPs to notify retailers of planned interruptions that will impact customers. Currently only one DNSP provides this notification direct to retailers, with all other DNSPs elect to update their websites regarding outages. Retailers have raised our concerns with this notification method, and EnergyAustralia does not believe it is suitable to use this method of notification to enable the planned interruption information for customers of shared fuse locations.

6. *What system changes or process changes are required to meet the additional meter installation timeframes where shared fusing is discovered?*

An automated process will require B2B notification and system upgrades; with a manual process being easier to implement, it is more likely to experience issues such as user error, mistakes, and delays. Either option will require staff training, which is currently impacted by the remote work arrangements imposed by the COVID-19 crisis.

7. *What system changes are required to enable the recording of shared fusing information (considerations should include time to review and consult on AEMO's guidelines, system changes etc)?*

The information should be stored in MSATS, where it can provide the most benefit to market participants. Changes to MSATS require broad consultation, followed by procedure changes and then an IT program of work for AEMO and all other business to alter existing market transactions and data repositories.

8. *Are there certain requirements under the draft rule where more time is needed?*

Any changes to existing market transactions or consideration of additional transactions will need time for review, consideration, and implementation.

9. *What other system changes and / or other situations (for example Covid-19) may impact implementation timeframes?*

Any new B2B transactions will be reliant the current IEC schedule, with the next release being November 2021. The addition of a shared fuse flag is being considered under the MSATS Standing Data review, indicative timelines for this is mid-2021 through a few tranches until 2023.

10. *What implementation timeframes would be realistic, if the draft rule (incorporating the suggested amendments) was made?*

As above, the limitations on implementation timeframes would require a date after November 2021, at a minimum.

11. *Do stakeholders have any additional comments on the requirements in the draft rule for DNSPs to record shared fusing information and for market participants to inform DNSPs whenever shared fusing is discovered?*

There is only benefit in this information being available if a retailer/Metering Coordinator has determined that they are able to complete the required work, when the DNSP conducts the outage. This is currently not the case, as a site visit is required by the Metering Coordinator to establish any limitations impacting meter exchange; such as meter board space, non-compliant meter board, etc.
See below.

12. *Are there benefits to be gained by non-verified information being recorded? Would site visits be reduced, e.g. the retailer can schedule a DNSP planned interruption from the start?*

As above.

If you would like to discuss this submission, please contact me on 03 8628 1704 or Travis.Worsteling@energyaustralia.com.au.

Regards

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Industry Regulation Leader