AEMC Ref: ERC0275

12 February 2020

John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Attention: Alisa Toomey

Dear Mr Pierce

Metering Coordinator Planned Interruptions

I refer to the Australian Energy Market Commission's (AEMC), Introduction of metering coordinator planned interruptions, Draft rule determination, 19 December 2019 and provide the following submission.

SA Power Networks supports the AEMC Draft rule determination in not permitting retailers/metering coordinators (MC) to undertake a planned interruption where there is no contractual relationship between the retailer/MC and the customer being interrupted (particularly where the site has multiple customers (ie more than 2 customers) impacted by the outage).

However, the currently drafted rules do not provide a solution that satisfactorily addresses the initial rule change request. If the rules proceed as drafted, they will negatively impact a broader number of customers than those that will benefit from the proposed rules.

SA Power Networks recommends that the AEMC develop a solution that would enable the retailer/MC to complete an interruption where only one additional customer (in addition to the customer who's meter is being replaced) is affected by the planned outage. Based on material presented, a solution for this scenario would resolve a significant volume of delayed metering works, pose the minimum risk to other customers and provide the greatest benefit for the industry and the customers seeking an interval meter.

Sites that do not fit into the above scenario (ie have more than one additional customer impacted by the outage) are generally more complex and will require more coordination of all parties involved (particularly customers who will not benefit from the outage) to determine the most efficient method and minimise the impact on those other customers when the outage occurs. Mandating deadlines within the rules will not resolve these complexities - they will in fact increase complexity and risk increased customer dissatisfaction with the industry.

Following are SA Power Networks concerns with other aspects of the Draft rule determination.

Distributor Planned Interruptions

Summary of Concerns:

SA Power Networks understands the intent of the AEMC providing industry with mandated periods to complete metering services. However, the currently drafted rules are not achievable in all circumstances. If the changes proceed as drafted, significant additional operating cost would be incurred by Distribution Network Service Providers (DNSPs) to increase resources to ensure the mandatory timeframes are achieved in all cases. Further, they would inhibit us from accommodating specific customer requests.

If a timeframe was to be included in the rules, the DNSP needs to be provided with flexibility that exempts them from the standard timeframe. For the DNSP to plan any outage, it needs to consider and manage a range of connection infrastructure types used to isolate the customer that require specialist approaches to safely operate. The DNSP should also consider the needs of customers that will be impacted by the outage. Determining suitable timeframes for these scenarios can only be fixed following site inspection, consideration of safety aspects of the infrastructure involved and interaction with a diversity of customers. These are unlikely to fit into a standard timeframe.

Supporting Detail:

DNSPs typically use planned interruptions to:

- upgrade or maintain the distribution network; or
- connect new, or upgrade existing, customer connections.

In both these cases multiple customers benefit from the increased network capacity or because there is a lower risk of an unplanned outage. This is unlike a retailer/MC initiated planned interruption where only a single customer may benefit from the installation of an interval meter. We consider that a meter replacement planned interruption that affects other customers has a lower priority. As those other customers don't benefit from the installation of the interval meter.

In all circumstances we will organise the planned work to minimise the number and duration of interruptions to customers to perform the work.

We have examples where during a planned interruption, a Metering Provider (MP) engaged by the Metering Coordinator has left the customer's site to attend to another job or did not attend site at all to replace the meter. In these cases customers were without supply for a longer period than was necessary. MPs are more interested in their efficiencies than the inconvenience to other customers.

Except in urgent situations preventing loss of supply, SA Power Networks will avoid planned interruptions in holiday locations during peak times as these interruptions can significantly affect small business profitability during these times. We will also cancel non-urgent planned interruptions if the work is planned to occur during a heatwave or to make personnel ready to respond to a significant storm. We would consider a planned interruption to install an interval meter for a single customer as a lower priority to the events listed above.

In addition, we replan work when responding to severe weather events where the network is significantly damaged or as more recently occurred when responding to damage resulting from bushfires. Consequently, if a mandatory timeframe is specified in the Rules, then that timeframe needs to ensure that it can be achieved in all circumstances. SA Power Networks would normally be able to meet the AEMC's proposed 25 business day window but would not always meet this timeframe in situations described above and for other unforeseen circumstances.

For SA Power Networks to comply with the Draft rule determination, mandatory timeframes would require a significant increase in our workforce to ensure compliance during peak workloads. This risks personnel being idle during non-peak workload times. For us to provide this service at the most efficient cost would require an increase in the mandatory timeframes, to two months (ie 40 business days).

SA Power Networks considers that the Final rule determination should indicate a typical timeframe to complete the work, like 25 business days, but include that obligation as 'best endeavours' to complete within that timeframe. This provides some tolerance in infrequent circumstances. The alternative would be to significantly increase the mandatory timeframe to 40 business days to, for example, complete the planned interruption as soon as practical but, in any case, within 40 business days.

DNSPs are well aware of their customers' interests and when to arrange a planned interruption to minimise the impact on customers. Therefore, the distributor should specify the time and date of the planned interruption unless agreed otherwise with the MC. The distributor also should provide the MC with a minimum of 5 business days' notice unless otherwise agreed with the MC. The interruption duration should be as short as possible to minimise the impact on other customers but long enough for the MC to complete the meter change over safely and to allow for unexpected complications. If the MC does not complete the meter change within the specified time,[1] then either the planned interruption would cease, or additional costs would be incurred to extend the interruption. If the work was not completed, then an additional planned interruption would be required.

Collection of Information about 'Shared Fuse' Sites

Summary of Concerns:

SA Power Networks is concerned that the AEMC has not fully considered all the flow on impacts and industry procedural/process changes required to comply with the proposed information sharing obligations. We estimate that the electricity industry would need a minimum of 18 months from the commencement of any new rule obligation to determine, consult, develop and implement efficient information sharing processes.

SA Power Networks requests the AEMC to remove the proposed obligation related to shared fuse sites information sharing and undertake further analysis to determine the full costs and customer benefits of proceeding with any initiative in this area. Without completing this work, we believe that significant cost would be imposed on industry and customers without confirming the supporting benefits.

[1] A distributor in accordance with the National Energy Retail Rules rule 90 must specify the date, time and duration of a planned interruption.

Supporting Detail:

The AEMC has proposed that DNSPs record information provided from MCs/MPs about which customers are supplied from a shared fuse/connection point/isolation point. We support this proposal provided this information is accurate and can be relied upon to notify affected customers of a distributor planned interruption. If it can't be relied on, then DNSPs would still be required to do a site visit to ensure that all customers are notified of the planned interruption prior to issuing the written notice.

The MC can only provide the details about one customer at the site, they cannot access other details (both technically whilst on site or through Market Settlements and Transfer System). If third parties were to rely on the data provided by DNSPs sourced from the MC/MP information, who is liable if those third parties incur additional costs because of those errors?

The collection and recording of this data is not as simple as portrayed by the AEMC in its documentation. Our interpretation of what is required will have significant impact on industry procedures, systems and processes.

Significant costs would be incurred to establish accurate information, time needed to collect and validate the information. No industry procedures, systems and processes are in place to efficiently handle the information. Any obligation would need to provide industry with enough time to determine, consult and develop capabilities to store and handle this information. We expect there would be impacts to B2B transactions, making information visible in MSATS and agreeing on a standardised format.

The industry is currently focused on the key 5 Minute Settlement and Global Settlement changes required to go live in July 2021/February 2022. If the AEMC was to overlay these additional shared fuse requirements it risks the successful implementation of these current key initiatives.

Coordination of shared fuse sites

Where there is a type failure of all meters at a shared fuse site DNSPs cannot be expected to coordinate all retailers/MCs to ensure that a shared fuse site is fully changed over to interval meters.

SA Power Networks understands the perceived benefit of this coordinated activity, however, the complexity that this scenario creates has not been fully considered or understood.

Historically, this bulk changeover of multiple meters during a single visit was always completed by a single business and most likely by a single metering technician. In the new contestable metering environment, there will always be multiple parties (representing different responsible businesses) involved in the changeover of metering. When considering the logistical, technical and safe workspace requirements of individuals involved, it quickly becomes impractical, but more importantly, creates the real risk of an unsafe work environment for this work to be completed during a single visit.

To successfully coordinate this scenario would significantly increase DNSP costs and time to undertake the work and ensure that all MCs are on site on the same day and the same time.

If you have any questions or queries about our submission, please contact Mr Grant Cox Grant.Cox@sapowernetworks.com.au or telephone 08 8404 5012.

Yours sincerely

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