AEMC

RULE

Australian Energy Market Commission

DRAFT RULE DETERMINATION

NATIONAL ELECTRICITY AMENDMENT (INTRODUCTION OF METERING COORDINATOR PLANNED INTERRUPTIONS) RULE 2020

NATIONAL ENERGY RETAIL AMENDMENT (INTRODUCTION OF METERING COORDINATOR PLANNED INTERRUPTIONS) RULE 2020

PROPONENT

Chair of Competitive Metering Industry Group

19 DECEMBER 2019

INQUIRIES

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

E aemc@aemc.gov.au
T (02) 8296 7800
F (02) 8296 7899

Reference: ERC0275

CITATION

AEMC, Introduction of metering coordinator planned interruptions, Draft rule determination, 19 December 2019

ABOUT THE AEMC

The AEMC reports to the Council of Australian Governments (COAG) through the COAG Energy Council. We have two functions. We make and amend the national electricity, gas and energy retail rules and conduct independent reviews for the COAG Energy Council.

SUMMARY

1 The Australian Energy Market Commission (Commission) has made a more preferable draft rule (draft rule) that amends the National Electricity Rules (NER) and National Energy Retail Rules (NERR) to provide customers with shared fusing at their premises with greater certainty on when their electricity meter will be installed.

2 The draft rule introduces a 30 business day installation timeframe requirement on the retailer where the installation of a meter requires an interruption to other customers. Similarly, the draft rule introduces a 30 business day installation timeframe requirement on the metering coordinator (MC) to rectify metering malfunctions where the rectification could not be completed without interrupting supply to other customers, unless an exemption (from the timeframe obligation) was sought from and granted by the Australian Energy Market Operator (AEMO).

3 Where a retailer has requested a distribution network service provider (DNSP) to carry out a distributor planned interruption to enable a retailer or an MC to effect a new meter installation or replacement, the draft rule requires the DNSP to carry out the interruption within 25 business days and coordinate with the retailer, MC and other relevant parties in order to allow the retailer or MC (as applicable) to meet their timeframe requirements.

4 The draft rule also contains minor changes to make it clear that a retailer is able to interrupt supply to any of its own customers for the purpose of installing, maintaining, repairing or replacing metering equipment, not just the customer receiving the new meter.

5 The draft rule in addition amends the requirements to be covered within the AEMO's metrology procedure to require DNSPs to record shared fusing information as soon as practicable after becoming aware of the shared fuse arrangements. To facilitate the collation of shared fusing information, retailers and metering parties would be required to notify the DNSP as soon as practicable of any shared fusing they have identified. It is not expected that this information would be required to be audited. The draft rule includes a transitional rule for AEMO to update its metrology procedures accordingly. This change (if incorporated in a final rule) will progressively provide more information to MCs and retailers indicating potential shared fusing prior to attending sites to carry out planned meter installations, potentially reducing the number of site visits required with associated cost and time savings for customers.

6 Finally, changes to two information provision requirements are also included in the draft rule. The first of these changes would provide information on shared fusing, where available, to retailers when DNSPs are required to send out meter malfunction notifications (for type 5/6 meters). The second of these changes would require the retailer to indicate in its planned interruption notification whether the interruption is for the purpose of installing, maintaining, repairing or replacing the notified customer's meter, or another customer's meter.

Context

Metering timeframes

7 Under the NER, retailers are responsible for arranging metering services for small customers.[1] Retailers must appoint an MC for each of their small customers' connection points[2] and obtain a national metering identifier (NMI) for each meter.[3] In general, the retailer provides instructions to the MC for any metering work needed by the customer.

8 The MC has overall responsibility for all issues related to the metering installations for which it has been appointed. The MC appoints a metering provider for each connection point[4] to provide, install and maintain the meter installation.

9 There are timeframes in the NER under which an MC must arrange for a small customer's faulty meter to be repaired or replaced, as well as metering installation timeframes for retailers to install meters for new connections and meter exchanges. For customer initiated meter replacements there are currently a number of exceptions from meeting the metering installation timeframes. One of these exceptions relates to where the installation of a new meter cannot occur without interrupting the supply to another customer. Therefore, there are currently no timeframes for customers with shared fusing.

Planned interruption requirements

10 In order for the MC to carry out a meter replacement, a planned interruption to the electricity supply must occur. Under the NERR there are retailer planned interruptions and distributor planned interruptions. Retailers are able to arrange for an interruption to their customer's electricity supply without the involvement of the distributor (a 'retailer planned interruption') where the interruption:

- is for the purposes of installing, maintaining, repairing or replacing an electricity meter; and
- does not involve either the distributor effecting the supply interruption or interrupting the supply of electricity to a customer that is not the customer of the retailer arranging the interruption.

11 In other circumstances a distributor planned interruption must be arranged.

The rule change request and proposed rule

12 The Chair of the Competitive Metering Industry Group (CMIG) submitted a rule change request to the Commission seeking to reduce delays in meter installation for customers where the customer's supply cannot be interrupted without interrupting the supply of another customer.

---

1 This is part of their responsibility as the financially responsible market participant (FRMP).

2 A large customer may appoint its own MC.

3 This involves applying to the distribution network service provider (DNSP) for a NMI and providing it to the MC within five business days of receiving it.

4 Other than for a connection point with a type 7 meter installed which are used for unmetered connections, for example, street lights.

13 The Chair of CMIG sought to resolve the issues by proposing a rule (proposed rule) to amend the NER and the NERR to allow for a new category of supply interruptions, *Metering Coordinator planned interruptions*. The proponent considers that MCs should be allowed to carry out supply interruptions for the purposes of installing, maintaining, repairing or replacing an electricity meter.

14 Under the proposed rule, MCs would be able to interrupt supply of the customer who has requested metering work, as well as interrupting supply to any other electricity customers as required to enable the planned metering work to be completed, without the need to utilise either a retailer planned interruption or a distributor planned interruption. Under the proposed solution, the MC's ability to interrupt supply would be made subject to the MC obtaining the affected customers' consent or providing four business days' notice of the interruption. The proponent considered that if their rule change solution is adopted it will, where possible, give the MC via the metering provider, the ability to obtain consent from other customers on the shared service while the meter installation is taking place.

15 The same obligations relating to planned interruption notifications which currently apply to retailers were proposed under the proponent's rule change request to apply to MC planned interruptions, including a recommendation that similar penalties should apply to the MC for non-compliance with the proposed obligations.

16 The Commission considers that the rule proposed by the CMIG introduces a number of risks for customers, particular in the area of consumer protections. Additionally, the Commission considers that the rule proposed by the CMIG only partially solves the issue.

Consumer protection issues

17 One of the key issues is the lack of any contractual relationship between the MC and both the customer whose meter is being installed and other customers whose supply will be interrupted. Customers therefore have inadequate consumer protections and limited recourse if supply is not restored within timeframes or if planned interruption notification requirements are not followed. This includes a lack of access to energy ombudsman schemes should they not be able to resolve an issue directly with the MC. The Commission considers access to independent dispute resolution to be a key consumer protection.

18 As customers do not have a direct relationship with MCs, customers will generally not be aware of the MC. This increases the risk that customers may ignore, or be confused by, planned interruption notices from MCs and may therefore not be prepared for the planned supply interruption.

19 Some MCs are likely to have less access to customers' data and life support information than retailers or DNSPs. Life support information is maintained by retailers and DNSPs, with MCs needing to access life support information via either the customer's retailer or DNSP.

The proposed rule only provides partial resolution of the issue

20 The Commission considers that the proposed rule would only provide partial resolution for delays in meter installation where there is shared fusing. MCs would still generally not know

about shared fusing until the site visit to attempt the meter installation as the proposed rule does not require information on shared fusing to be collected and shared with other market participants. Further, site visits and the associated costs once shared fusing is discovered would only be saved if the adjacent affected customers are home at the time of the installation attempt, and are willing to consent to the supply interruption on-the-spot, which is unlikely in many cases.

21 Lastly, there are a number of other isolation issues, for example, in some jurisdictions the metering provider does not have the authority to operate certain isolation devices, that the proposed rule would not solve.

Benefits of the draft rule

22 The Commission is of the view that the draft rule meets the National Electricity Objective (NEO) and the National Energy Retail Object (NERO) and satisfies the consumer protections test. Issues relating to contractual relationships with the impacted customers are addressed by the draft rule, and recourse is available to customers should the retailer or distributor not comply with its obligations in the NER and NERR. Further, the draft rule minimises risks to customers using life support equipment.

23 The draft rule provides certainty of installation timeframes for customers with shared fusing. Further, installation delays should be reduced with the introduction of a requirement for retailers to carry out meter installation where there is shared fusing within a specified time. Retailers' timeframe obligations are supported by a new obligation on DNSPs to carry out a planned interruption, where requested, within a specific timeframe to facilitate the installation of the meter. This should allow customers who have requested a new meter to access new services to manage their use and cost in a more efficient timeframe than under the current rules.

24 The draft rule also seeks to improve consumer outcomes over time by requiring AEMO to include in its metrology procedures obligations on DNSPs to, as soon as practical after receiving the information, record information regarding the location of shared fuses identified and notified to them by retailers, MCs and other relevant parties, or as identified as a result of their own work

25 The Commission acknowledges in some circumstances it may be more cost and time efficient for MCs to carry out planned interruptions. However, on balance after assessing the benefits and risks of the more preferable draft rule compared to the proposed rule, the Commission considered that the more preferable draft rule better satisfies the NEO, NERO and the consumer protection test.

Consultation on draft determination

26 The Commission invites submissions on this draft more preferable rule and draft rule determination by **13 February 2020**.

CONTENTS

APPENDICES

TABLES

FIGURES

1 THE PROPONENT'S RULE CHANGE REQUEST

1.1 The rule change request

On 20 May 2019, the Chair of the Competitive Metering Industry Group (CMIG) submitted a rule change request to the Australian Energy Market Commission (AEMC or Commission) seeking to reduce delays in meter installation for customers where the customer's supply cannot be interrupted without interrupting the supply of another customer. The rule change request seeks to reduce these delays by introducing an ability for metering coordinators (MC) to arrange planned interruptions for any electricity customer, regardless of the customer's retailer, for the purposes of installing, maintaining, repairing or replacing an electricity meter.

1.2 Current arrangements

1.2.1 Metering roles and responsibilities

Retailer

Under the NER, retailers are responsible for arranging metering services for small customers.[5] Retailers must appoint an MC for each of their small customers' connection points[6] and obtain a national metering identifier (NMI) for each meter.[7] In general, the retailer provides instructions to the MC for any metering work needed by the customer.

Metering coordinator, metering provider and metering data provider

The MC has overall responsibility for all issues related to the metering installations for which it has been appointed. The MC appoints a metering provider for each connection point[8] to provide, install and maintain the meter installation.[9] The MC also appoints a metering data provider who is responsible for the collection and processing of metering data.

Any person can perform one or more of these three metering roles provided that they are registered and accredited by the Australian Energy Market Operator (AEMO). In practice, most MC businesses are also registered and accredited as metering providers and metering data providers.

Distribution network service provider (DNSP)

DNSPs are no longer responsible for providing new or replacement meters for small customers. However, as a transitional arrangement, the DNSP is the metering coordinator (and metering provider and meter data provider) for existing manually read meter installations, until the meter is replaced and the retailer appoints a new MC.[10]

---

5 This is part of their responsibility as the financially responsible market participant (FRMP).

6 Clause 7.2.1(a) of the NER. Under clause 7.6.2(a)(3), a large customer may appoint its own MC.

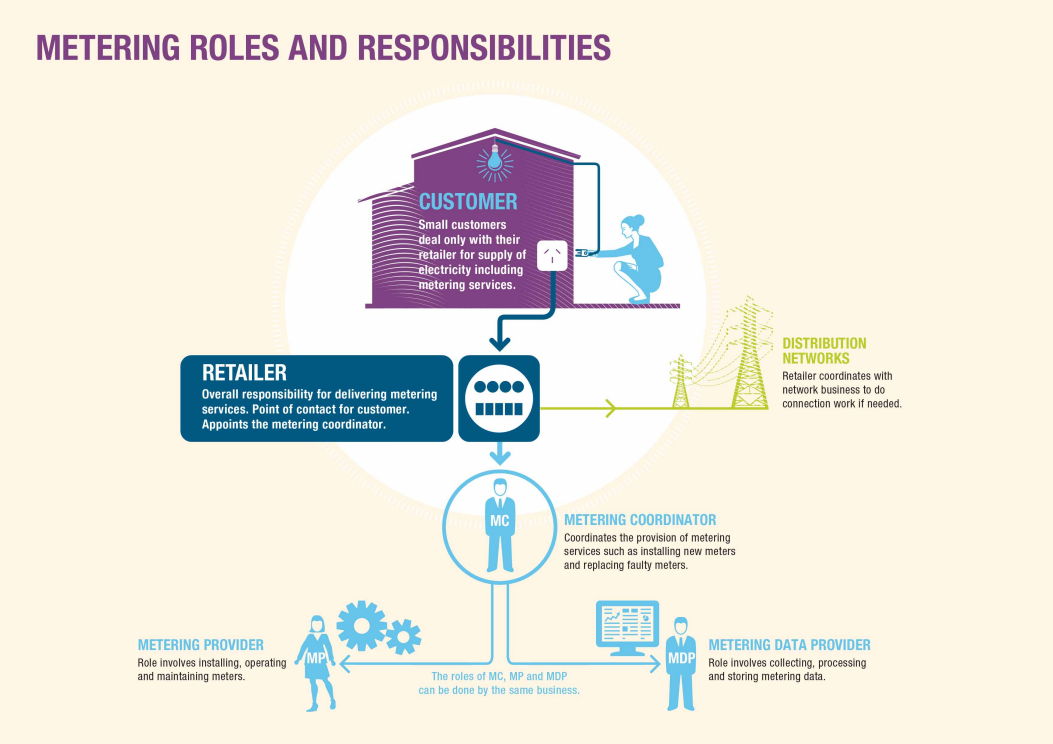
7 Clause 7.8.2(c) of the NER. This involves applying to the distribution network service provider (DNSP) for a NMI and providing it to the MC within five business days of receiving it.

8 Other than for a connection point with a type 7 meter installed which are used for unmetered connections, for example, street lights.

9 Clauses 7.3.2(a) and 7.8.1(c) of the NER.

10 Clause 11.86.7 of the NER.

Figure 1.1: Metering roles and responsibilities



1.2.2 Installing or replacing electricity meters

The different scenarios for installing or replacing a meter can be broadly categorised as:

1. **Customer-initiated installations:** These include meter installations for new connections, as well as exchanging an existing meter. Some meter exchanges require an upgrade to the customer's connection,[11] while others do not.
2. **Replacement of malfunctioning meters**: These include:
   - repairing a single meter due to one-off conditions such as weather damage or a fault, or
   - 'family failures' that result from a type of meter showing an unacceptably high failure rate during meter testing, leading to replacement of the whole fleet of meters.
3. **Retailer-led installations:** Under the National Electricity Rules (NER), retailers can choose to deploy a fleet of new meters (a 'new meter deployment') to its customers, in order to benefit from the functions provided by the technology, such as remote meter reading. Customers can opt-out of these retailer-led installations.

11 For example, where a customer installs a power-intensive device such as a large air conditioner and requires a three-phase electricity connection.

To carry out meter installation, under jurisdictional legislation, supply is generally required to be isolated prior to any electrical works being carried out.[12]

Timeframes for meter installation, replacement or repair

The NER specifies that the MC must arrange for a small customer's faulty meter to be repaired or replaced as soon as practicable, but no later than 15 business days after the MC has been notified of the malfunction.[13]

The NER also specifies timeframes to install meters for new connections and meter exchanges. Retailers are required to provide a meter installation for a new connection or a simple meter exchange by a date agreed with the customer. If no timing can be agreed, then the retailer needs to install the meter within six business days at a new connection, or within 15 business days if the customer has requested a simple meter exchange.[14]

Where a connection alteration is required to be completed by a DNSP at the time of the meter exchange, the retailer is required to install the meter by a date agreed with the customer and the DNSP.[15] If no timing is agreed, the retailer is required to install the meter within 15 business days. The DNSP must coordinate with the retailer in order to allow the retailer to meet its timeframe obligations.[16]

Business-to-business (B2B) e-hub

AEMO's B2B e-hub supports and facilitates communications between different parties involved in providing metering services. AEMO, DNSPs, retailers, market customers, metering providers and metering data providers are required to comply with B2B procedures.

The most recent reform of the B2B framework was designed to commence in alignment with the *Competition in metering* rule and provides an agreed set of communications to facilitate the provision of metering services for small customers.[17] It also allows parties to agree to use an alternative communication method. It is the Commission's understanding that most metering parties have chosen to utilise B2B communication to facilitate meter installations.

1.2.3 Planned interruptions roles and responsibilities

The National Energy Retail Rules (NERR) includes a number of consumer protections. These protections include requiring retailers and DNSPs to provide prior notice to customers before they conduct a planned interruption to their electricity supply.

---

12 For example, in NSW clause 207 of the *Occupational Health and Safety Regulation 2001,* specifies that no work can be carried out if the circuits and apparatus of the part of the installation that is being worked on is energised. Clause 207(5) of that Regulation provides that this prohibition does not apply to electrical work carried out by a network operator under a plan that is required to be lodged under the *Electricity Supply (Safety and Network Management) Regulation 2002* (NSW). Similar provisions exist in other jurisdictions.

13 Clause 7.8.10(aa)(1) of the NER.

14 Clauses 7.8.10A(a) and 7.8.10B(a) of the NER.

15 Where the connection services for a site are provided by a party acting as an agent of the customer, such as an accredited service provider in New South Wales, the DNSP is not subject to an obligation to coordinate as it is not the party providing the connection service.

16 Clause 7.8.10C of the NER.

17 AEMC, *Updating the electricity B2B framework Rule Determination*, 2016, pp. 144.

Retailer planned interruptions

Under the NERR, retailers are able to arrange for an interruption to their customer's electricity supply without the involvement of the distributor (a 'retailer planned interruption') where the interruption:[18]

- is for the purposes of installing, maintaining, repairing or replacing an electricity meter; and
- does not involve either the distributor effecting the supply interruption[19] or interrupting the supply of electricity to a customer that is not the customer of the retailer arranging the interruption.

Distributor planned interruptions

DNSPs are able to arrange for an interruption to a customer's electricity supply under rule 90 of the NERR (a 'distributor planned interruption') for:

- the planned maintenance, repair or augmentation of the transmission system
- the planned maintenance, repair or augmentation of the distribution system, including planned or routine maintenance of metering equipment (excluding a retailer planned interruption); or
- the installation of a new connection or a connection alteration.[20]

Planned interruption notices for large and small customers

The NERR specifies that a retailer or DNSP may only arrange a planned interruption of a customer's electricity supply once they have provided four business days' prior notice to the customer of the interruption or obtained the affected customer's explicit consent to the interruption occurring.

Retailers and DNSPs, with the explicit consent of the customer, can arrange for an interruption on any day within a date range of 5 business days, or on a specific date. If a date or date range is not agreed with a customer, a notice must be provided at least four business days before the date of the interruption.[21]

Life support customers

For life support customers, the customer can only agree to a specific date, not a date range. If a date cannot be agreed with the customer, four business days' notice is to be provided in writing and must be counted from, but not include, the date of receipt of the notice.[22]

Requirement to inform the other party

Under the NERR, a retailer must notify the relevant DNSP on the same day it obtains a customer's explicit consent to a retailer planned interruption, or where consent is not

18 Rule 59B of the NERR.
19 Under Rule 89 of the NERR.
20 Per the definition of a distributor planned interruption set-out in Rule 88 of the NERR.
21 Rules 59C and 90 of the NERR.
22 Subrules 59C(1)(c) and 124B(1) of the NERR.

obtained for the interruption to occur on a specific date or date range, at least four business days before the retailer planned interruption.[23] This is an additional consumer protection so that the distributor can address any customer queries if contacted by the customer during a planned outage.

A similar requirement exists for DNSPs to notify the relevant retailer of a distributor planned interruption.[24]

1.3 Rationale for the rule change request

In the rule change request, the Chair of CMIG sought to reduce delays in meter installation for customers in multiple-occupancies, or who otherwise share an isolation fuse. The Chair of CMIG considers that these customers currently face delays as a retailer planned interruption cannot be carried out if supply for the retailer's customer cannot be interrupted without supply being interrupted to another customer or customers.[25]

The proponent noted that shared isolation fuses are often not identified until the metering provider attends a site to interrupt supply for the retail customer's meter installation. This results in multiple site visits by the metering provider as well as an additional site visit by the DNSP being required, and delays the customer receiving the new meter.

Currently, only DNSPs can interrupt supply to multiple customers of different retailers. While the DNSP can be required to arrange for a supply interruption for the metering provider to carry out the metering work in cases where there is a single supply servicing multiple customers (and often with only a single point of isolation), the proponent considers the long lead times and high costs associated with this approach to be inefficient and expensive.[26]

The proponent considers that its proposed rule change would result in less site visits, and lower costs, by allowing the MC to obtain consent for and arrange a supply interruption with other impacted customers, potentially on the first visit.[27]

In addition to more site visits being required, the proponent noted in its proposal that meter installation for customers in multiple occupancy sites with shared supply services or fusing have been exempted from metering installation timeframes in the NERR. Overall, the Chair of CMIG considers that customers in multiple occupancy with shared fusing arrangements are experiencing reduced service levels compared with other customers.

1.4 Solution proposed in the rule change request

The Chair of CMIG sought to resolve the issues discussed above by proposing a rule (proposed rule) to amend the NER and the NERR to allow for a new category of supply interruptions, *Metering Coordinator planned interruptions*. The proponent considers that MC

23 Subrule 99A(1)(b) of the NERR.
24 Subrule 99(1)(b) of the NERR.
25 Rule change request, p. 2.
26 Rule change request, p. 2.
27 Rule change request, p. 5.

should be allowed to carry out supply interruptions for the purposes of installing, maintaining, repairing or replacing an electricity meter.[28]

Under the proponent's proposed rule, MCs would be able to interrupt supply of the customer who has requested metering work, as well as interrupting supply to any other electricity customers as required to enable the planned metering work to be completed, without the need to utilise either a retailer planned interruption or a distributor planned interruption. Under the proponents proposed solution the MC's ability to interrupt supply would be made subject to the MC obtaining the affected customers' consent or providing four business days' notice of the interruption. The proponent considered that if their rule change solution is adopted it will, where possible, give the MC via the metering provider, the ability to obtain consent from other customers on the shared service while the meter installation is taking place.[29]

The proposed rule does not place restrictions on the number of electricity customers to which supply can be interrupted.[30]

The same obligations relating to planned interruption notifications which currently apply to retailers are proposed under the proponent's rule change request to apply to MC planned interruptions, including a recommendation that similar penalties should apply to the MC for non-compliance with the proposed obligations.[31]

Additionally, the Chair of the CMIG has proposed requiring participants to use AEMO's B2B eHub to notify retailers and distributors of planned interruptions, unless an alternative method of notification is agreed.[32]

1.5 Relevant background

1.5.1 Competition in metering

The *Expanding competition in metering and related services* (*Competition in metering*) final rule made extensive amendments to the metering-related provisions of the NER and NERR, including transferring the metering related roles and responsibilities from the DNSP to the newly created role of the MC.[33] These rules commenced in December 2017.

In making the *Competition in metering* rule, the Commission considered that the metering services can be more effectively provided by entities that are operating competitively with each other. The rule ended the effective monopoly of distributors over the provision of metering services for small customers by allowing any party that meets certain registration requirements to provide those metering services.

28 Rule change request, p. 5.

29 Ibid.

30 Ibid, p. 3

31 Ibid. It should be noted that the Commission cannot create new civil penalty provisions. However, it may (jointly with the AER) recommend to the COAG Energy Council that new or existing provisions of the NER or NERR be classified as civil penalty provisions.

32 Ibid.

33 AEMC, *Expanding competition in metering and related services*, Final Determination, 26 November 2015.

DNSPs continue to be responsible for maintaining existing accumulation (type 6) and interval (type 5) meters, however, any new or replacement meters must be an advanced (type 4) meter[34], with the retailer responsible for arranging the metering services for its small customers by engaging a MC.

The Victorian government has made significant derogations from the metering provisions in the NER, with the result that key changes that were made in the *Competition in metering* rule do not apply in Victoria and metering services continue to be provided by DNSPs as a regulated monopoly service. In addition, the NERR do not apply in Victoria.

1.5.2 Metering installation timeframes

In 2018, the *Metering installation timeframes* final rule saw changes made to the NER and NERR to provide customers with greater control and confidence over when their electricity meter will be installed. The rule imposed obligations on retailers to install meters within specified timeframes, and provided more flexibility for both retailers and DNSPs in arranging for planned interruptions.[35]

The final rule imposed obligations on retailers to provide a meter installation by a date agreed with the customer, or if no timing could be agreed, under prescribed timing. The final rule also specified that the DNSP must coordinate with the retailer in cases where complex meter exchanges[36] are required in order to allow the retailer to meet its timeframe obligations.

Additionally, the final rule included a range of measures to assist in reducing meter installation delays and increase consumer confidence. These measures included providing more flexible notification requirements for retailer and distributor planned interruptions.[37]

The Commission noted in the final determination that there are some circumstances under which it is more difficult for retailers and metering parties to install a meter than others and the maximum timeframe cannot be met. Where the retailer encounters these limited situations, including where the installation of a new meter cannot occur without interrupting the supply to another customer, the final rule provided an exemption to the meter installation timeframe.[38]

---

34 Clause 7.8.3(a) of the NER. Retailers are not required to comply with this obligation in limited circumstances set out in clause 7.8.4 of the NER (where there is no existing telecommunications network or a small customer refuses the installation or continued use of an installed type 4 meter) in which case the retailer may only install a type 4A meter. A type 4A meter is a type 4 meter without activated remote communications.

35 AEMC, *Metering installation timeframes*, Final determination, 6 December 2018. The final rule commenced on 1 February 2019.

36 The *Metering installation timeframes* final determination defined complex installation as meter exchange that requires connection alteration.

37 See section 2.4.2 for more detail.

38 See clauses 7.8.10A(b) 7.8.10B(b) and 7.8.10C(b) of the NER. For example, the meter may be at a multi-occupancy site (where an interruption to the power supply would affect other retail customers) or connection services to a premises may not be complete.

1.5.3 Metering deployment with isolation issues workshop

On 7 December 2018, an industry workshop on electricity metering deployment with supply isolation issues was jointly held by the AEMC, the AEMO and the Australian Energy Regulator (AER). Key issues discussed included:

- lack of upfront site information on shared fusing, locked meter boxes and access issues
- impediments to installing meters within the required timeframes
- options for the efficient roll-out of smart meters in multiple-occupancy dwellings where the isolation of supply to individual customers is not possible.

An action from the industry workshop was that the CMIG and the Australian Energy Council (AEC) were to consider drafting a rule change request to change the current arrangements on retailer planned interruptions.

1.6 The rule making process

On 29 August 2019, the Commission published a notice advising of its commencement of the rule making process and consultation in respect of the rule change request.[39] A consultation paper identifying specific issues for consultation was also published. Submissions closed on 10 October 2019.

The Commission received twenty-two submissions as part of the first round of consultation. The Commission has considered all issues raised by stakeholders in submissions. Issues raised in submissions are discussed and responded to throughout this draft rule determination. Issues that are not addressed in the body of this document are set out and addressed in Appendix A.

1.7 Consultation on draft rule determination

The Commission invites submissions on this draft rule determination, including a more preferable draft rule, by 13 February 2020.

Any person or body may request that the Commission hold a hearing in relation to the draft rule determination. Any request for a hearing must be made in writing and must be received by the Commission no later than 9 January 2020.

Submissions and requests for a hearing should quote project number ERC0275 and may be lodged online at www.aemc.gov.au.

39 This notice was published under s.95 of the National Electricity Law (NEL) and s.251 of the National Energy Retail Law (NERL).

2 DRAFT RULE DETERMINATION

2.1 The Commission's draft rule determination

The Commission's draft rule determination is to make a more preferable draft rule (the draft rule). The draft rule clarifies the rights and obligations of retailers, DNSPs and MCs in arranging for a planned interruption for the purpose of installing, maintaining, repairing or replacing a meter. The draft rule also imposes timeframes on retailers and DNSPs in situations where the installation of meters could not occur without interrupting supply to another customer(s). The draft rule does not provide an MC with the authority to arrange for an MC planned interruption.

The key features of the draft rule are:

- the introduction of a 30 business day installation timeframe requirement on the retailer where the installation of a meter requires an interruption to other customers, and no other exceptions apply
- the introduction of a 30 business day installation timeframe requirement for MCs to rectify metering malfunctions where the rectification could not be completed without interrupting supply to other customers, unless an exemption is sought from and granted by AEMO
- where a retailer has requested a DNSP to carry out a distributor planned interruption to enable a retailer or an MC to effect a new meter installation or replacement, the DNSP must carry out the interruption within 25 business days, and it must coordinate the interruption with the retailer and other relevant parties in order to allow the retailer or MC (as applicable) to meet the relevant timeframe obligation
- clarification in the NERR on a retailer's right to interrupt supply to one or more of its customers and information to be provided to their customers when they receive a planned interruption notice
- introducing an obligation on DNSPs to record shared fusing information as soon as practicable after the shared fusing has been notified to the DNSP by the retailer or MC, or the DNSP has discovered shared fusing via its own work, - to be effected through a change in AEMO procedures
- where a DNSP is required to give the retailer notice of a faulty type 5 or 6 metering installation to include relevant information in that notice if it is aware that repairing the meter requires interrupting supply to another retail customer.

The Commission's reasons for making this draft determination are set out in section 2.4

This chapter outlines:

- the rule making test for changes to the NER and NERR
- the more preferable rule test
- the assessment framework for considering the rule change request
- the Commission's consideration of the more preferable draft rule against the national electricity objective and national energy retail objective.

Further information on the legal requirements for making this draft rule determination is set out in Appendix B.

2.2 Rule making test

2.2.1 Achieving the national electricity objective and national energy retail objective

Under the National Electricity Law (NEL) the Commission may only make a rule if it is satisfied that the rule will, or is likely to, contribute to the achievement of the national electricity objective (NEO).[40]

The NEO is:[41]

> to promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to:
>
> (a) price, quality, safety, reliability and security of supply of electricity; and
>
> (b) the reliability, safety and security of the national electricity system.

The Commission may only make a rule if it is satisfied that the rule will, or is likely to, contribute to the achievement of the national energy retail objective (NERO).[42]

The NERO is:[43]

> to promote efficient investment in, and efficient operation and use of, energy services for the long term interests of consumers of energy with respect to price, quality, safety, reliability and security of supply of energy.

The Commission must also, where relevant, satisfy itself that the rule is "compatible with the development and application of consumer protections for small customers, including (but not limited to) protections relating to hardship customers" (the "consumer protections test").[44]

Where the consumer protections test is relevant in the making of a rule, the Commission must be satisfied that both the NERO test and the consumer protections test have been met.[45] If the Commission is satisfied that one test, but not the other, has been met, the rule cannot be made.

There may be some overlap in the application of the two tests. For example, a rule that provides a new protection for small customers may also, but will not necessarily, promote the NERO.

40 Section 88 of the NEL.
41 Section 7 of NEL.
42 Section 236(1)of the NERL.
43 Section 13 of the NERL.
44 Section 236(2)(b) of the NERL.
45 That is, the legal tests set out in s. 236(1)and (2)(b) of the NERL.

2.2.2 Making a more preferable rule

Under s. 91A of the NEL and s. 244 of NERL, the Commission may make a rule that is different (including materially different) to a proposed rule (a more preferable rule) if it is satisfied that, having regard to the issue or issues raised in the rule change request, the more preferable rule will or is likely to better contribute to the achievement of the NEO and NERO, respectively.

In this instance, the Commission has made a more preferable rule. The reasons are summarised below.

2.3 Assessment framework

In assessing the rule change request against the NEO and NERO the Commission has considered the following principles:

- **Efficient use of energy:** customers who cannot get timely installation of an advanced meter may miss out on benefits from new services that can help them manage their energy use and cost. The Commission has considered whether the proposal put forward by the rule proponent may help improve the roll-out of advanced meters.
- **Consumer protection:** delays in the installation of meters can have an impact on small customers, either through imposing financial hardship, leaving them without electricity supply or making it difficult to access new products and services. However, it is also important that consumers, particularly those with life support equipment, have appropriate protections in relation to interruptions to their electricity supply, and effective remedies if those protections are not complied with. The degree to which the proposed rule change may improve, or at least not interfere with, consumer protections has been considered. The Commission has also considered whether the proposed new rules are compatible with the development and application of relevant consumer protections under energy laws and regulations of Victoria.[46]
- **Efficient provision of electricity services:** the degree to which the proposed rule change may reduce the likelihood that retailers undertake inefficient processes leading to consumers bearing higher costs. The Commission has also considered how delays in the installation of advanced meters may adversely affect the development of the energy services market.
- **Regulatory and administrative burden:** the benefits of the proposed rule change against the implementation costs that would likely pass through to consumers in a workably competitive market.

2.4 Summary of reasons

A number of issues were raised by stakeholders, and considered by the Commission when assessing the proposed rule. Many of the issues centred on consumer protections for

46 The AEMC is not required to take into account the consumer protections specific to non-NECF jurisdictions (that is, Victoria), as the proposed changes to the NERR would only apply in those jurisdictions that have implemented the NECF. However, Victorian consumer protections may have some relevance insofar as they indicate potential directions for the development of consumer protections in NECF jurisdictions.

impacted customers. The Commission considers the more preferable draft rule minimises consumer protection risks by maintaining a direct contractual relationship with the impacted customers and the party interrupting supply and preserving access to effective remedies for consumers if consumer protections are not complied with, while reducing meter installation delays for impacted customers.

2.4.1 Reasons for not making the proposed rule

The Commission considers that the rule proposed by the CMIG introduces a number of risks for customers, particular in the area of consumer protections. Additionally, the Commission considers that the rule proposed by the CMIG only partially solves the issue.

Consumer protection risks

One of the key issues is the lack of any contractual relationship between the MC and both the customer whose meter is being installed and other customers whose supply will be interrupted. Customers therefore have inadequate consumer protections and recourse and limited recourse if supply is not restored within timeframes or if planned interruption notification requirements are not followed. This includes a lack of access to energy ombudsman schemes.

As customers do not have a direct relationship with MCs, customers will generally not be aware of the MC. This increases the risk that customers may ignore, or be confused by, planned interruption notices from MCs and may therefore not be prepared for the planned supply interruption.

Some MCs are likely to have less access to customers' data and life support information than retailers or DNSPs. Life support information is maintained by retailers and DNSPs, with MCs needing to access life support information via either the customer's retailer or the DNSP.

The proposed rule only provides partial resolution of the issue

The Commission considers that the proposed rule would only provide partial resolution for delays in meter installation where there is shared fusing. MCs will still generally not know about shared fusing until the site visit to attempt the meter installation as the proposed rule does not require information on shared fusing to be collected and shared with other market participants. Further, site visits and the associated costs once shared fusing is discovered would only be saved if the adjacent affected customers are home at the time of the installation attempt, and the authorised person is willing to consent to the supply interruption on-the-spot.

For larger sites, the proposed rule could cause customers to experience multiple interruptions if meters are installed one-at-a-time, with multiple MC planned interruptions carried out.

Lastly, there are a number of other isolation issues, for example in some jurisdictions the metering provider does not have the authority to operate certain isolation devices, that the proponent's proposed rule solution would not solve.

More details on the Commission's and stakeholders' views on the risks of the proposed rule are provided in Chapter 3.

2.4.2 Benefits of the more preferable rule

The Commission is of the view that the draft rule meets the NEO an NERO and satisfies the consumer protections test. Issues relating to contractual relationships with the impacted customers are addressed by the draft rule, and recourse is available to customers should the retailer or distributor not comply with its obligations in the NER and NERR. Further, the draft rule minimises risks to customers using life support equipment.

The draft rule provides certainty of installation timeframes for customers with shared fusing. Further, installation delays should be reduced with the introduction of a requirement for retailers to carry out meter installation where there is shared fusing within a specified time. Retailers' timeframe obligations are further supported by a new obligation on DNSPs to carry out a planned interruption, where requested, within a specific timeframe to facilitate the installation of the meter. This should allow customers who have requested a new meter to access new services to manage their use and cost in a more efficient timeframe than under the current rules.

The draft rule also seeks to improve consumer outcomes over time by requiring AEMO to include in its metrology procedures obligations on DNSPs to record information that they become aware of regarding the location of shared fuses as a result of retailers, MCs and other relevant parties informing the DNSP of shared fusing, or as identified as a result of their own work.

The Commission acknowledges in some circumstances it may be more cost and time efficient for MCs to carry out planned interruptions. However, on balance after assessing the benefits and risks of the more preferable draft rule compared to the proposed rule, the Commission considered that the more preferable draft rule better satisfies the NEO, NERO (including the consumer protections test).

3 ANALYSIS OF THE PROPOSED RULE

This chapter outlines the:

- underlying issue the proposed rule is attempting to address
- rule proponent's view of the most appropriate solution to the underlying issue
- stakeholder views on the materiality of the issues, the benefits and risks of the proponent's proposed rule, and practical considerations for the application of the proposed solution such as communication methods and access to customer data
- Commission's analysis of the underlying issue and the proposed rule
- Commission's conclusions on the proposed rule.

3.1 Meter installation delays due to shared fusing

The underlying issue the rule change request is attempting to address is delays in installing new or replacement meters for customers where the installation could not proceed without interrupting the supply of other customers. Under the NER there are metering installation timeframes for customer initiated meter replacements, and meter replacements due to meter malfunction. Currently, where a meter cannot be installed without interrupting the supply of another customer, there is an exception to the meter installation timeframes for customer initiated meters.[47]

The exception to the meter installation timeframe no longer applies once the underlying reason has been resolved. However, in situations where a number of customers share the same isolation fuse, a retailer may not be able to resolve the issue unless it arranges a distributor planned interruption to allow for either the installation of a separate isolation fuse or the new electricity meter. There is currently no timeframe imposed on DNSPs for carrying out this supply interruption.

3.2 CMIG's view

In the rule proponent's view, the most appropriate solution for resolving meter installation delays for customers who share fusing or supply with other customers is to allow MCs to independently carry out planned supply interruptions of *any* customer for the purpose of installing, repairing, maintaining or replacing an electricity meter.[48]

CMIG considered that if MCs are allowed to carry out planned interruptions of any customers, they would be able to install the customer's meter in a more timely manner, and at less cost than if distributor planned interruptions are required. CMIG considered that MC planned interruptions would be of most benefit in situations where only one or two other customers were impacted by the shared fusing.[49] In particular, CMIG suggested that site visits (and

47 NER, cl. 7.8.10A-7.8.10C.

48 CMIG, rule change request, p. 3.

49 The rule proponent alleged that many sites where shared fusing was an issue were sites with only one or two other impacted customers. See page 5 of the rule change request.

therefore time and money) could be reduced if the MC (via the MP) was able to obtain customer consent for the supply interruption on the spot.[50]

For larger, more complex sites, CMIG was of the view that distributor planned interruptions would likely be the most effective solution. Nevertheless, it contends that the rule should not restrict MC planned interruptions to a certain number of customers.

3.3 Stakeholder views

Most stakeholders were in agreement that steps should be taken to reduce delays for customers where their meter installation could not be completed without interrupting the supply to another customer or customers. However, stakeholder views on the proposed rule as the most appropriate means to resolve the issue were mixed.

The rule proponent, Vector, and EnergyAustralia were strongly supportive of the rule proposal in its current form.[51] PIAC and NECA did not support the rule proposal.[52] Other stakeholders views ranged from supporting the concept, but with concerns about specific areas, to supporting the principle, but not necessarily the proposed approach. Energy Queensland expressed concern that the costs may outweigh the benefits.[53]

More detailed stakeholder views on the magnitude of the issue, the benefits and risks of the proposed rule, and considerations relating to the practical application of the rule are provided below. Stakeholder views on alternative solutions, either instead of, or in conjunction with MC planned interruptions are detailed in section 4.1.

3.3.1 Magnitude of the issue

The Commission requested information on the magnitude of the issue in the consultation paper.[54] A number of stakeholders provided data on the number of meter installations where a single connection point supplies multiple customers or on the number of metering delays attributed to shared fusing, this is included in the table below.

Table 3.1: **Magnitude of the issue**

STAKEHOLDER	INFORMATION PROVIDED
CMIG	Estimated around 5% of all meter installation attempts are delayed due to shared fusing, equating to 10,000 per annum.
Vector	From approximately 55,000 metering installation attempts over 2,000 were deferred due to shared fusing issues. This equated to approximately 5% of meter installation attempts in NSW and South

50 CMIG, rule change request, p. 3.
51 Submissions to the consultation paper: CMIG, p. 1; Vector, p. 1; EnergyAustralia, p. 2.
52 Submissions to the consultation paper: PIAC, p. 1; NECA, p. 1.
53 Energy Queensland, submission to the consultation paper, p. 5.
54 AEMC, *Introduction of metering coordinator planned interruptions, Consultation paper,* 29 August 2019, p. 15

STAKEHOLDER	INFORMATION PROVIDED
	Australia and 1.5% of meter installation attempts in Queensland. At least 50% of shared fusing scenarios impact only one other customer.
SA Power Networks	Less than 5% of meter installs are to premises where a single connection point supplies multiple customers.
Endeavour Energy	Received 400 valid request for group supply interruption since 1 December 2017, representing 0.46% of sites where interval meters were installed
Energy Queensland	Energy Queensland's Metering Dynamics reported 2% of metering delays were due to shared fusing. Energex and Ergon received 264 and 613 temporary isolation requests respectively from retailers in the past 12 months.
Powershop/Meridian	Around 50-60% of meter installation jobs raised by Powershop/Meridian are not completed due to isolation issues.
AGL	The bulk of meter exchange work was DNSP initiated, further, AGL noted that the main reason for not being able to complete a meter installation was due to access to the site.
Origin	Considered it was difficult to assess the magnitude of the issue, particularly in NSW where MPs are unable to operate isolation devices.
EWON	Does not receive many complaints relating to the issue the rule change is seeking to address. EWON noted that this does not mean the impact is negligible as the length of the delay is critical.
EWOSA	Received 10 metering cases involving interruption of supply to multiple-occupancy premises.
PIAC	Did not consider the magnitude of the issue to be significant. In its view the delays impact a small minority of customers, who in most instances will continue to have a connection and receive supply. Further PIAC does not consider that the proposal will result in material financial improvements to customers.

Source: Submissions to the consultation paper: SA Power Networks, p. 1; EWON, p. 1; EWOSA, p. 2; Powershop/Meridian p. 2; Origin, p. 2; AGL, p. 2; CMIG, p. 2; Vector, pp. 2,7; Endeavour Energy, p. 2; Energy Queensland, p. 7; PIAC, pp. 1-2.

3.3.2 Benefits of the rule proposal

Stakeholders generally agreed that the benefits of the rule proposal would include more timely installation of meters, and a better customer experience for the customer who has requested the new meter.[55] Some stakeholders considered that allowing MC planned

55 Submissions to the consultation paper: EnergyAustralia, p. 1; AGL, p. 2; EWOQ, p. 1; Energy Queensland, pp. 1, 6; TasNetworks, p. 3; Momentum, p. 2; Origin, p. 1; Endeavour Energy, p. 2.

interruptions may allow for meter installations where there is shared fusing to be completed on the first visit where consent is able to be obtained from the impacted customers.[56]

In addition, a number of stakeholders considered that allowing MCs to carry out supply interruptions could reduce costs associated with multiple site visits, as well as the costs associated with DNSP planned interruptions.[57]

For example, Vector considered that benefits of allowing MCs to carry out planned supply interruptions were the avoidance of delays in meter installation, costs of multiple site visits and a reduction in the reliance on scarce DNSP resources.[58] Powershop/Meridian considered that allowing MCs to carry out a planned interruption to install meters should enable customers to have meters installed on the date the customer requests.[59]

In contrast, PIAC was of the view that the potential benefits of the proposed rule had not been established.[60]

3.3.3 Risks of the proposed rule

Stakeholders identified a number of risks or issues associated with the proposed rule. These risks included:

- the lack of a contractual relationship between the MC and customers
- customer recourse is limited if supply is not restored within timeframes or if planned interruption notification requirements are not followed and customers are unable to access dispute resolution in relation to actions undertaken by MCs
- customers may ignore, or be confused by, planned interruption notices from MCs as they will not know who the MC is
- Some MCs are likely to have less access to customers' data and life support information than retailers or DNSPs
- privacy concerns with MCs accessing customer data where they do not have a relationship with the customer
- situations may arise where the MC is unable to restore the customers' supply in a timely manner
- site visits would only be saved if the other impacted customers are home at time of the installation attempt
- there are other isolation issues that the rule change would not solve.

Stakeholder views on these issues are discussed in more detail below.

56 Submission to the consultations paper: AEC, p. 1; Endeavour Energy, p. 2; SA Power Networks, p. 2; EnergyAustralia, p. 1; Momentum, p. 2; Energy Queensland, p. 6.

57 Submissions to the consultation paper: Vector, pp. 1-2; EnergyAustralia, p. 1; EQOQ, p. 1; TasNetworks, p. 3.

58 Vector, submission to the consultation paper, p. 2.

59 Powershop/Meridian, submission to the consultation paper, p. 2.

60 PIAC, submission to the consultation paper, p. 4.

Lack of contractual relationship between the metering coordinator and customers

Some stakeholders expressed concerns that there is no contractual relationship between the MC and customers, noting that such relationships exist between the customer and its retailer and the customer and the DNSP to provide the basis for obligations.[61]Further, SA Power Networks expressed concern that the proposed rule does not include the creation of such a contractual relationship between MC and customers.[62]

Access to dispute resolution

The importance of access to dispute resolution was raised by a number of stakeholders.[63] For example, EWOQ and PIAC considered that access to independent dispute resolution is a key consumer protection which must be maintained.[64]

Stakeholder views on whether the MCs should be required to register with energy ombudsmen, or whether access should remain solely via the customer's retailer was mixed. EWON, EWOSA, CMIG, Momentum, TasNetworks and Origin considered that access to independent dispute resolution should continue to be via the retailer.[65] The South Australian Department for Energy and Water, AGL, Ausgrid, Endeavour Energy, Energy Queensland and Vector supported the MC being required to become members of jurisdictional energy ombudsman schemes should MC planned interruptions be introduced.[66]

Powershop/Meridian considered that the implementation required to include MCs in energy ombudsman schemes was likely to be complicated.[67]

Notification of planned outage concerns

Concerns were expressed on the effectiveness of MC planned outage notifications in communicating outage information to impacted customers. Stakeholders considered that customers would likely have no knowledge of the MC, and could find the notifications to be confusing. A number of stakeholders expressed concern that the impacted customer may be confused or discard the planned outage notification, not recognising that their supply was to be interrupted.[68]

In addition, EnergyAustralia considered that retailer branding should not be used on any planned interruption notices for MC planned interruptions as this could confuse the customer and imply liability.[69]

---

61 Submissions to the consultation paper: SA Power Networks, p. 1; Simply Energy, p. 1; NECA, p. 1; Energy Queensland, p. 4.

62 SA Power Networks, submission to the consultation paper, p. 1.

63 Submissions to the consultation paper: TasNetworks, p. 5; Powershop/Meridian, p. 3; ALG, p. 6; Energy Queensland, p. 11; PIAC, p. 6; South Australian Department for Energy and Water, p. 2; EWON, p. 2; EWOSA, p. 2; EWOQ, p. 2, Endeavour Energy, p. 5.

64 Submission to the consultation paper: EWOQ, p. 2; PIAC, p. 6.

65 Submissions to the consultation paper: EWON, pp. 1-2; Origin, p. 4; EWOSA, p. 2; CMIG, p. 4; Momentum, p. 4; TasNetworks, p. 4.

66 Submissions to the consultation paper: South Australian Department for Energy and Water, p. 2; AGL, p. 6; Vector, p. 4; Ausgrid, p. 5; Endeavour Energy, p. 5; Energy Queensland, p. 11.

67 Powershop/Meridian, submission to the consultation paper, p. 3.

68 Submissions to the consultation paper: SA Power Networks, p. 1; EWOSA, p. 2; Red/Lumo Energy, pp. 1-2; Energy Queensland, p. 4; AEC, p. 2; PIAC, p. 2.

69 EnergyAustralia, submission to the consultation paper, p. 2.

Life support information

Concerns were raised by stakeholders in relation to access to accurate and timely data on life support equipment use. As well as privacy issues, which were raised by a number of stakeholders, some stakeholders considered that the rule would increase the risk that planned interruption notification requirements for life support customers would not be met due to the MC not being able to readily access life support information.[70]

In Red/Lumo Energy's view, the proposed rule does not adequately address risks relating to customers understanding what they are consenting to, or feeling pressure to consent on the spot. Further, Red/Lumo considered the proposed rule did not adequately address the process of obtaining life support details, and suggested that obtaining these details from a retailer or DNSP would add to the timeframe required to install a meter.[71]

PIAC was of the view that retailers and DNSPs have existing, regulated responsibilities relating to life support and it would not be appropriate for the MC to determine life support requirements.[72]

Endeavour Energy expressed concern that life support customers could be registered in the period between when the MC raises a request via B2B and when the supply interruption is carried out. In addition, Endeavour Energy considered that it would be appropriate for the same life support obligations as DNSPs and retailers in regard to life support customers (including maintaining a life support register) to be imposed on MCs if MC planned interruptions are introduced.[73]

Privacy of customer information

Privacy of general customer information, as well as life support information was raised by stakeholders in a number of submissions. Stakeholders expressed concerns that the MC would be accessing customer data and life support information for customers they have no relationship with. In addition, the MC may not have an inferred relationship with the customer via the retailer if they are able to interrupt supply to all customers.[74]

Restoration of supply

EWOSA and the South Australian Department for Energy and Water expressed concern that situations may arise where the MC is unable to restore the customers' supply in a timely manner. For example, where network equipment is damaged by a MP, the equipment has historical assets which require replacement, or where the type of connection requires the DNSP's expertise.[75]

---

70 Submissions to the consultation paper: Endeavour Energy, p. 1, ; South Australian Department for Energy and Water, p. 2; Red/Lumo Energy, p. 2; Origin, p. 2; PIAC, p. 2.

71 Red/Lumo Energy, submission to the consultation paper, p. 2.

72 PIAC, submission to the consultation paper, pp. 2, 5-6.

73 Endeavour Energy, submission to the consultation paper, p. 5.

74 Submissions to the consultation paper: EnergyAustralia, p. 2; EWOQ, p. 2; Red/Lumo Energy, p. 1; Energy Queensland, p. 4; TasNetworks, pp. 1,4; Origin, p. 3.

75 Submissions to the consultation paper: EWOSA, p. 2; South Australian Department for Energy and Water, pp. 1-2.

If MCs are allowed to interrupt supply, then Simply Energy was of the view that they should be subject to civil penalty provisions requiring the MC to use their best endeavours to restore supply as soon as possible.[76] In addition, SA Power Networks considered that if the DNSP is required to visit a site to restore supply as a result of metering work, that the DNSP should be able to recover its costs from the MC.[77]

Issues relating to more complex sites

A number of stakeholders considered that introducing MC planned interruptions would only be effective in reducing delays in limited scenarios, for example where there were only two or three customers involved.[78] For example, Simply Energy considered that the proposed rule would not be effective where more than one or two other customers shared a fuse or were otherwise unable to be isolated, and where life support customers were involved.[79]

Further, a number of stakeholders considered that the proposed rule does not provide a solution in all instances. For example, PIAC, considered that the proposed rule did not provide a solution in all shared fuse instances, or for a range of other issues which may delay meter installation at a premises. In addition, Ausgrid noted that if the meter installation requires the isolation of electrical equipment owned by the DNSP, then the isolation can only be operated by DNSP authorised persons.[80]

Other issues

Simply Energy considered that there is risk that the MC may not have the correct contact details of other customers on the shared fuse and, therefore, the risk of unplanned outages could be increased if MC planned interruptions are introduced.[81]

3.3.4 Practical implementation considerations

This section provides further detail on stakeholder views on the practical implementation of the proposed rule, including how the MC would access customer data and life support information, access to dispute resolution, and methods of communicating planned outage information with retailers and DNSPs.

Access to customer data

Many stakeholders suggested that MCs should be allowed to obtain basic customer details through NMI Discovery.[82]Although MCs currently have access to NMI Discovery for certain purposes, most stakeholders considered that further amendments to MC access would be

76 Simply Energy, submission to the consultation paper, p. 2.
77 SA PowerNetworks, submission to the consultation paper, p. 1.
78 Submissions to the consultation paper: Simply Energy, p. 2; EnergyQueensland, p. 6; AGL, p.3; Origin, p. 1; Momentum, p.p 1-2.
79 Simply Energy, submission to the consultation paper, p. 2.
80 Submissions to the consultation paper: PIAC, p. 3; Ausgrid, p. 3.
81 Simply Energy, submission to the consultation paper, p. 2.
82 NMI Discovery is a function in MSATS that allows participants who are prospective retailers or a Network Service Provider for a customer to discover the customer's NMI and checksum if it is not known, and access standing data.

required to provide them with greater access to customer information.[83] AGL was of the view that the current access available to MCs would be adequate.[84]

EnergyAustralia considered that in accessing customer information through NMI Discovery, the MC must be required to demonstrate that the information is required for the purposes of a MC planned interruption as this information could potentially be used for commercial purposes.[85]

Origin noted that AEMO's Market Settlement and Transfer Solutions (MSATS) does not use the same address structure as Australia Post, which may lead to discrepancies in addresses as found in NMI discovery.[86]

Access to life support information

Most stakeholders suggested that further customer information, such as life support information, should be obtained via a Customer Details Request (CDR), including whether there are any customers requiring life support equipment at the premises.[87] Origin submitted that retailers would currently be unlikely to provide life support information to a MC via the CDR process if the MC is not the nominated party due to privacy concerns. It was of the view that it would be more appropriate if the DNSP was to provide this information.[88]

Powershop/Meridan considered that life support information could be obtained from the retailers and shared with MCs, or otherwise via consultation with the impacted customers.[89] However, AGL submitted that if on-site consent was obtained by MCs, a specific and auditable record that the authorised customer has been asked if they have any life support requirements and have given permission for the outage would be required.

Lastly, Evoenergy considered that DNSPs should not carry residual liability under life support obligations if MCs are authorised to interrupt supply at a premises with life support equipment.[90]

Communication with the DNSP and retailer of the impacted customers

EnergyAustralia considered that the MC should be obliged to notify the DNSP and the retailer of any impacted customers of the planned interruption.[91] Further, Red/Lumo Energy and Origin considered that retailers would require advanced notice of the supply interruption, to either proactively contact their customers, or respond to enquiries from customers.[92]

---

83 Submissions to the consultation paper: Powershop/Meridian p. 3; Momentum, p. 4; EnergyAustralia, p. 2; AEC, p. 4; CMIG, p. 3; Vector, p. 4; Endeavour Energy, p. 5; Momentum, p. 4.

84 AGL, submission to the consultation paper, p. 5.

85 EnergyAustralia, submission to the consultation paper, p. 2.

86 Origin, submission to the consultation paper, p. 2.

87 Submissions to the consultation paper: EnergyAustralia, p. 2; AEC, p. 4; CMIG, p. 4; Origin, p. 4; AGL, p. 5; Vector, p. 4; TasNetworks, p. 4.

88 Origin, submission to the consultation paper, p. 4.

89 Powershop/Meridian, submission to the consultation paper, p. 3.

90 Evoenergy, submission to the consultation paper, p. 1.

91 EnergyAustralia, submission to the consultation paper, p. 2.

92 Submissions to the consultation paper: Red/Lumo Energy, p. 2; Origin, p. 3.

The existing AEMO B2B arrangements to communicate with market participants were seen as appropriate by most stakeholders who provided comment on this, with additional information such as which retailer the meter installation was for suggested by some stakeholders.[93]

Removal of current timeframe exception

In the rule proposal, the proponent suggested that the exception for the metering installation timeframes where supply to another customer would be interrupted, be removed. Vector and SA Power Networks considered that a timeframe exception would still be required where shared fusing is found at the end of the meter installation timeframe, or in cases where DNSP planned interruptions are required.[94]

3.3.5 Circumstances under which the proposed rule could be used

The majority of stakeholders considered, that should MCs planned interruptions be allowed, that no limits should be placed on the number of customers whose supply can interrupted under such an interruption.[95] Many stakeholders noted, however, that it would likely not be practical for MCs to arrange planned interruptions for larger numbers of customers. In these circumstances, distributor planned interruptions would likely be utilised.[96]

Retailer planned interruptions and MC planned interruptions

Most stakeholders who commented on this issue were of the view that retailer interruptions would still be required if MC planned interruptions were introduced.[97] However, EnergyAustralia, EWOQ, Endeavour Energy considered that if MC planned interruptions are introduced, they could replace retailer planned interruptions.[98]

TasNetworks was of the view that if MC planned interruptions were to be used, they should only occur after, or as part of a retailer planned interruption, [99] while the South Australian Department for Mining and Energy submitted that further consideration of this issue was required.[100]

3.4 Analysis

As noted in stakeholder submissions, the proposed rule could provide benefits to some customers who have requested a replacement or new meter but have shared fusing with other customers, in the form of reduced wait times to have their meter installed. It would also have the potential to reduce costs for retailers and MCs in installing meters in these

93 Submissions to the consultation paper: Powershop/Meridian, p. 3; AGL, p. 5; AEC, p. 3; CMIG, p. 3; Vector, p. 4; Ausgrid, p. 5; TasNetworks, p. 4.

94 Submissions to the consultation paper: Vector, pp. 2-3, SA Power Networks, p. 2.

95 Submissions to the consultation paper: EnergyAustralia, p. 1; TasNetworks, p. 4; Energy Queensland, p. 9; Endeavour Energy, p. 4; Vector, p. 3; CMIG, p. 3; AEC, p. 3; Powershop/Meridian, p. 3; SAPN, p. 3; Momentum p. 2.

96 Submissions to the consultation paper: EnergyAustralia, p. 1; Simply Energy, p. 2; Powershop/Merdian, p. 2; AGL, p. 3; CMIG, p. 2; Momentum, pp. 2-3; AEC, p. 2; Vector, p. 3; Energy Queensland, p. 6.

97 Submissions to the consultation paper: Powershop/Meridian, p. 3; Momentum, p. 3; Origin, p. 3; AGL, p. 5; AEC, p. 3; CMIG, p. 3; Vector, p. 3; Energy Queensland, p. 9; SAPN, p. 3.

98 Submission to the consultation paper: EnergyAustralia, p. 2; EWOQ, p. 2; Endeavour Energy, p. 4.

99 TasNetworks, submission to the consultation paper, pp. 2,4.

100 SA Department for Mining and Energy, p. 2.

circumstances, which may be passed onto customers. The Commission notes that from information provided by stakeholders shared fusing appears to delay approximately 5% of meter installations. Regardless of the magnitude of the issue, the Commission considers that steps should be taken to reduce the instances and duration for these customers, so they are able to take advantage of the benefits that could be provided by a smart meter.

The benefits of the proposed rule to consumers receiving the smart meter need to be balanced with the potential impact on customers who are affected by the interruptions. The Commission considers that there are a number of issues with the proposed rule, which could have significant impact on adjacent customers who have not requested the meter installation. While the Commission considers that in many cases there would likely be few issues arising from MC planned interruptions, the lack of consumer protections and recourse for impacted customers should obligations not be followed is of particular concern.

3.4.1 Relationship between MC and customer requesting installation

One of the key issues is the lack of any relationship between the MC and the customer whose meter is being installed. The customer relationship is through the retailer, and currently, the retailer is accountable for the supply interruption obligations and metering timeframes being met.

The customer has a direct relationship with the retailer and the retailer has obligations around complaint handling and dispute resolution and there are civil penalties that can be imposed by the AER for failure to comply with supply interruption obligations. In addition, the customer can access independent dispute resolution via the energy ombudsman should they not be able to resolve an issue directly with the retailer. Similarly, the customer has a direct relationship with the DNSP of the electricity network they are connected to.[101] The customer currently has options for recourse with the DNSP should the DNSP not comply with any obligations via the connection contract the customer has with the DNSP. Although the proposed rule has proposed civil penalties to apply to MCs for MC planned interruptions, this is not a direct customer recourse, as these civil penalties can only be applied by the AER, and the penalty is not paid to the customer.

The Commission shares jurisdictional ombudsmen's concerns that customers would have little or no recourse against MCs should they be allowed to carry out planned interruptions given MCs are not members of ombudsmen schemes. The Commission considers that access to independent dispute resolution is an important safeguard if another party is to be given the ability to interrupt supply to customers.

The Commission does not have the power to make MCs subject to ombudsmen schemes through changes to the NER or NERR. It is possible that changes could be made to jurisdictional ombudsmen schemes so that MCs could become members, as has recently occurred in relation to embedded networks in some jurisdictions, but that would require actions by ombudsmen schemes, jurisdictional governments and in some cases changes to jurisdictional legislation. While some ombudsmen indicated that it would be possible to

101 This relationship is through the deemed standard connection contract.

change their schemes to include MCs through changes to their constitutions and other relevant documents without needing changes to jurisdictional legislation, those changes would take some time to implement. Other ombudsmen indicated that including MCs would require changes to jurisdictional legislation, and would therefore likely take a considerable amount of time and require separate processes to decide whether to make those changes.

3.4.2 Relationship between MC and adjacent customers

In addition to the MC not having any relationship with the customer receiving the meter, the MC does not have a direct relationship with the adjacent customers whose supply will require interruption in order for the meter installation to proceed. This raises the same issues as for the relationship between the customer receiving the meter and the MC. That is, lack of consumer protections or recourse in the form of complaint handling and dispute resolution, and access to energy ombudsman schemes. Further, the MC may not even have an indirect relationship with the adjacent impacted customers via a relationship with the retailer(s) of those customers.

3.4.3 Life support customers

Customers who rely on life support equipment are a particularly vulnerable group of consumers. Failure to adequately notify customers who rely on life support of planned interruptions could have significant negative impacts on these customers. MCs have limited access to information relating to life support customers as this information is maintained by retailers and DNSPs and is governed by restrictions on access to data. This introduces risks that customers with life support equipment may be missed.

3.4.4 Cost savings

The Commission considers that some of the cost savings of MC planned interruptions detailed in the rule change request are not likely to be realised. Currently there is limited information available to market participants on shared fusing. Consequently, the MC is unlikely to be aware of shared fusing until attending the premises to carry out the meter installation. A reduction in site visits will therefore not occur unless the adjacent affected customers who share an isolation fuse with the customer receiving the new meter are home at the time of the site visit, are appropriately authorised and willing to provide on-the-spot consent. The Commission considers it likely that, even with the proposed rule, the MC is likely to need a minimum of two visits in most cases as not all customers will be at home or would readily consent to interruption.

There may remain some cost savings if the cost of multiple MC visits to arrange for supply interruptions are less than the cost of a distributor led planned interruption.

3.4.5 Other considerations

As noted in stakeholder submissions, even if the MC complies with notification requirements, there is a risk that customers could be confused by the notice and may disregard it as they will likely be unaware of whom the MC is. This could lead to consumers being unexpectedly without power, and generate calls to the customer's DNSP and/or retailer.

Lastly, as noted by some stakeholders it is likely that distributor planned interruptions would still be required where more than a handful of customers cannot be isolated individually, or where there are other isolation issues occurring concurrently. The proposed rule does address timeframes where distributor planned interruptions would be required.

The Commission notes that the NSW Government is currently undertaking work on digital metering in NSW, and released a consultation paper on *Digital Metering: Improving Service Delivery in NSW* in August 2019.[102] The issues considered in the consultation paper included isolation of a customer's electricity supply, and may address some of the other isolation issues raised in stakeholder submissions which are outside of the Commission's remit.

3.5 Conclusions

The Commission considers that steps should be undertaken to reduce delays for customers whose meter installation could not be completed without interrupting supply to other customers. This will allow customers to access new services to efficiently use electricity and better manage costs. However, the impact of the proposed rule on all affected customers, not just the customer requesting installation of a new meter, need to be considered, including consumer protection impacts.

The Commission is concerned that, although the proposed rule has benefits and may be effective in reducing meter installation timeframes for some customers with shared fusing, the proposed rule has inadequate consumer protections and access to recourse for impacted customers. In particular, there is a lack of any contractual relationship between the MC and customers, an inability to access ombudsman schemes and limits on access to life support data.

The Commission considers a more preferable draft rule should be made which provides access to consumer protections and access to consumer recourse by leveraging existing relationships and obligations. Alternative solutions to address the underlying issue, and details on the Commission's more preferable draft rule, are detailed in Chapter 4.

102 NSW Government, Energy Climate and Sustainability Directorate and NSW Fair Trading, *Digital Metering: Improving Service Delivery in NSW,* August 2019.

4 ALTERNATIVE SOLUTIONS AND THE DRAFT RULE

As discussed in Chapter 3, there are a number of issues with the proposed rule. These primarily relate to consumer protections, including the lack of a relationship between the MC and affected customers whose supply would require interruption to allow for the meter installation to occur and the inability of affected customers to seek recourse through ombudsmen schemes for any complaints arising from an MC interruption.

The Commission considers that the more preferable draft rule addresses the underlying issue of delays in meter installation for customers with shared fusing which the rule change is aiming to resolve, without introducing new risks to customers.

This chapter:

- details stakeholder views on alternative solutions to address delays in meter installation for customers with shared fusing
- provides the Commission's analysis of alternative solutions against the proposed rule
- provides the Commission's draft position and details the Commission's more preferable draft rule.

4.1 Stakeholder views

In response to the consultation paper, a number of stakeholders suggested alternative solutions to the CMIG's proposal to introduce MC planned interruptions as a means of reducing the timeframes for meter installations for customers with shared fusing.

Most alternatives focused on extending or clarifying existing provisions and obligations in the NER and NERR relating to distributor and/or retailer planned interruptions, and provisions requiring cooperation between market participants.

For example, PIAC recommended alternatives that leverage the existing regulatory framework to improve coordination and communication, and clarification of the existing roles and responsibilities of market participants in the NER and NERR.[103] PIAC recommended that retailers remain responsible for planned interruptions where only their own customers are impacted, and DNSPs carry out distributor planned interruptions to allow for a meter installation where both multiple customers and multiple retailers are impacted.[104]

Endeavour Energy considered that efficiency benefits would be gained by providing options to retailers to allow them to best manage shared fusing scenarios, including expansions to the allowed retail planned interruptions, and use of distributor planned interruptions.[105]

Simply Energy considered there is a strong need for industry-wide collaboration and cooperation, and requested clarification on how the current Rule 91A of the NERR, which requires DNSPs and MCs to assist and cooperate, would interact with any new rules.[106]

---

103 PIAC, submission to the consultation paper, pp. 1, 5.
104 PIAC, submission to the consultation paper, p. 5.
105 Endeavour Energy, submission to the consultation paper, p. 4.
106 Simply Energy, submission to the consultation paper, p. 3.

In contrast, CMIG was of the view that its proposed rule was the most appropriate solution, and that it was seen as the approach providing the best experience and most efficient, and low-cost outcome raised by stakeholders in workshops that it convened prior to submitting the rule change request.[107]

4.1.1 Greater use of retailer planned interruptions

A number of stakeholders suggested that retailer planned interruptions be utilised to a greater extent, or suggested expanded powers for retailers to interrupt supply to further customers than currently allowed for under the NERR.

In its submission, PIAC recommended that retailers retain responsibility for planned interruptions for the purpose of installing a meter in circumstances where only one customer's supply required interruption; or if the retailer interrupting supply was the retailer of all customers whose supply would require interruption to allow for the meter installation.[108]

Endeavour Energy and NECA were of the view that retailers should work together in a more collaborative manner where there were instances of shared fusing, for example by retailers coordinating planned interruptions with other retailers. Endeavour Energy considered this would allow for ease of compliance monitoring, reduce customer confusion, be a less costly solution and provide consistency with the current framework compared to the proposed rule. Alternatively, Endeavour Energy suggested that the circumstances under which a retailer carries out planned interruptions could be expanded to allow a retailer to interrupt supply to another retailer's customer for the purposes of installing a meter where the customer shares a supply isolation point and where on-the-spot explicit consent from all affected customers is obtainable.[109]

Vector also suggested that retailers' current planned interruption rights could be extended to allow retailers to interrupt supply to customers who are not their own. However, Vector considered that this would introduce other complexities to the process, and as the MC is a more neutral party, it would be more appropriate for the MC carry out this function.[110]

Ausgrid supported the development of a system to facilitate cooperation of works between multiple retailers.[111]

4.1.2 Use of distributor planned interruptions

Other stakeholders suggested that DNSPs be required to carry out distributor planned interruptions within specified timeframes (either in addition to, or instead of, an option to utilise retailer planned interruptions) for situations where the installation of meters could not be completed without interrupting supply to other customers. [112]

---

107 CMIG, submission to the consultation paper, p. 2.
108 PIAC, submission to the consultation paper, p. 5.
109 Submissions to the consultation paper: Endeavour Energy, pp. 2-3; NECA, p. 2.
110 Vector, submission to the consultation paper, p. 3.
111 Ausgrid, submission to the consultation paper, p. 5.
112 Submissions to the consultation paper: PIAC, p. 5; Red Energy/Lumo, p. 3; NECA, p. 3; AGL, p. 3; Simply Energy, p. 3.

There were a number of variations suggested by stakeholders. These included DNSPs being required to coordinate and arrange planned interruptions for all meter installations where shared fusing is involved, or DNSPs being required to coordinate and arrange for planned interruptions for replacements of meters relating to family failure.[113]

Support for the use of distributor planned interruptions

Red/Lumo Energy supported the use of distributor planned interruptions under a uniform process to resolve delays in meter replacement for customers with shared fusing and were of the view that this would be more effective, and cause fewer issues than introducing MC planned interruptions.[114] Further, Red/Lumo Energy suggested that MCs be able to notify DNSPs of shared fusing directly, without retailers being required to raise a service order.[115]

Similarly, PIAC recommended that DNSPs be required to carry out a distributor planned interruption in any circumstances where there are multiple customers with multiple retailers who would be impacted by a supply interruption in order to replace the meter. In addition, PIAC submitted it was its understanding that DNSPs are able carry out a planned outage to coordinate with retailers with 30 days notice.[116]

AGL suggested that for larger and more complex multiple occupancy sites, especially in cases where the meter replacement is DNSP-initiated or due to family failure, that the DNSP be required to coordinate a planned interruption within a defined period. This could be used in conjunction with retailer and MC planned interruptions for smaller sites.[117]

In its submission to the consultation paper, SA Power Networks were of the view that the benefit of distributor planned interruptions being used, instead of MC planned interruptions, was that the DNSP would be able to rectify any issues of the equipment at the connection or isolation point to restore supply should any issues occur.[118]

Red/Lumo Energy suggested imposing a 25 business day obligation on the DNSP to carry out the supply interruption in conjunction with the MC.[119]

Simply Energy and Red/Lumo Energy recommend that DNSPs be required to provide separate fuses or isolation links when supply is being interrupted. In addition, Simply Energy was of the view that DNSPs should manage meter panel replacement.[120]

Concerns with the use of distributor planned interruptions

The AEC acknowledged that distributor planned interruptions with coordination between the DNSP and MCs was an alternative solution, however, it was of the view that this may be a

113 Ibid.
114 Red/Lumo Energy, submission to the consultation paper, p. 3.
115 Red/Lumo Energy, submission to the consultation paper, p. 3.
116 PIAC, submission to the consultation paper, pp. 2, 5.
117 AGL, submission to the consultation paper, pp. 3-4.
118 SA Power Networks, submission to the consultation paper, p. 2.
119 Red/Lumo Energy, submission to the consultation paper, p. 3.
120 Submissions to the consultation paper: Simply Energy, p. 2, Red/Lumo Energy p. 3.

more complex solution.[121] The AEC was of the view that DNSPs should be required to take the lead in coordination for distributor initiated meter installations such as family failure.[122]

EnergyQueensland considered that placing further reliance on DNSPs to coordinate planned interruptions may not be the most cost effective or efficient alternative, noting it would attract an AER approved alternative control service fee.[123]

DNSP provide authority to MC to carry out a planned interruption

Lastly, a few stakeholders considered that a process should be explored whereby the DNSP could provide an authority for the MC to carry out a specific planned interruption where the MC can demonstrate it is capable of doing so in a quicker timeframe and they believe it is safe to do so.[124]

4.1.3 Recording and provision of information on shared fusing

The recording, collation and provision of information on shared fusing sites was recommended by Red/Lumo Energy. It considered that the provision of this information with the wider industry would enable MCs to be aware of pre-existing issues prior to attending the site to carry out a meter installation. Red/Lumo Energy suggested this be provided by an information request to the DNSP.[125]

Powershop/Meridian also suggested that DNSPs provide information on shared fusing/ isolation issues in notifications of any family meter failure or meter fault notifications.[126]

4.1.4 Other alternative solutions

SA Power Networks considered that the installation of a meter isolator would likely be the least cost option to resolve isolation issues where a single connection point supplies multiple customers. In South Australia, the work required for this would be beyond the connection point and could not be performed by the DNSP.[127]

In its submission, Origin noted a 2018 review by the NSW Independent Pricing and Regulatory Tribunal (IPART) which identified a number of improvements which could provide metering providers with greater ability to operate supply isolation devices. Origin considered that issue will remain with operating isolation devices in NSW unless improvements are implemented.[128]

121 AEC, submission to the consultation paper, p. 2.
122 AEC, submission to the consultation paper, p. 4.
123 Energy Queensland, submission to the consultation paper, p. 9.
124 Submissions to the consultation paper: Red/Lumo Energy, p. 3; PIAC, pp. 5-6.
125 Red/Lumo Energy, submission to the consultation paper, pp. 2-3.
126 Powershop/Meridian, submission to the consultation paper, p. 2.
127 SA Power Networks, submission to the consultation paper, p. 2.
128 Origin, submission to the consultation paper, p. 2.

4.2 The Commission's more preferable draft rule

A noted in Chapter 3, the Commission agrees with concerns raised by stakeholders that the proponent's proposed rule solution, if adopted, would leave consumers without recourse to consumer protections. The Commission considers utilising and leveraging off existing relationships and obligations between retailers and DNSPs, and metering parties is a more effective approach to address the issues raised in the rule change request.

Having regard to stakeholder submissions suggesting alternative solutions and feedback from discussions with stakeholders, the Commission is of the view that the more preferable draft rule better meets the NEO, and the NERO (including the consumer protections test).

The Commission considers the solution proposed in the draft rule is in the best interests of all customers, not just the customer receiving the new or replacement meter, and provides important consumer protections for all impacted customers. It will assist in addressing the underlying issue without creating additional risks for consumers by providing timeframes for the installation of meters for customers with shared fusing, as well as options to allow for flexibility depending on the circumstances of the site. Importantly, under the draft rule, all customers impacted by the planned interruption will have access to recourse should obligations not be complied with, including access to independent energy ombudsman schemes.

Instead of introducing MC planned interruptions, the draft rule:

- clarifies the retailers' ability to undertake retailer planned interruptions for all of its own customers, provided the existing notice or consent requirements are met
- introduces timeframe obligations on retailers and DNSPs to install or replace a new meter in shared fusing situations
- introduces obligations on DNSPs to coordinate with other parties and arrange a DNSP planned interruption within a specified period where a retailer planned interruption is not suitable
- requires AEMO to update the metrology procedure to include a requirement for DNSPs to record information (the Commission understands from AEMO this would likely be within MSATS) where they become aware that a site has a shared fuse.

Further detail of the proposed rule, along with the Commission's analysis and considerations are discussed in the following sections.

4.2.1 Changes to introduce additional meter installation timeframes on retailers, MCs and DNSPs

New installation timeframes for retailers and MCs

Under the NER, retailers are required to install a new meter by a date agreed with the customer, or if no timing could be agreed, under prescribed timing.[129]The NER also provides for a limited number of exceptions to the timeframes for circumstances it is more difficult for

129 NER, clauses 7.8.10A(a), 7.8.10B(a) and 7.8.10C(a).

retailers and metering parties to install a meter than others and the maximum timeframe cannot be met.[130]The shared fusing issue that this rule change request is seeking to resolve is one such situation. These timeframes and exceptions are retained in the draft rule.

Recognising stakeholders' concerns on delays to meter installations in shared fusing situations, the draft rule introduces an additional installation timeframe on retailers when they (or their MC, in the course of installing the meter) encounter such a situation. Under the draft rule, where the shared fusing scenario solely applies, the retailer will be required to arrange the meter installation on a date no later than 30 business days from the date the retailer becomes aware of the exception.[131]

The draft rule also applies an equivalent timeframe to the repair or replacement of malfunctioning meters.[132] Under the draft rule the MC will be required to repair (or replace) the meter within 30 business days of it becoming aware that repairing the malfunction requires interrupting supply to another retail customer.

New obligations on distributor planned interruptions for DNSPs

Rule 91A of the NERR currently requires the DNSP to carry out a distributor planned interruption and provide assistance to MCs to carry out installation, maintenance, repair or replacement of metering equipment where a retailer planned interruption cannot be undertaken (amongst other coordination and information sharing requirements). However, Rule 91A does not specify the time in which the DNSP must effect the distributor planned interruption.

The draft rule therefore introduces new obligations on DNSPs where a distributor planned interruption is needed to interrupt supply in shared fusing situations where multiple customer and multiple retailers are involved. These new obligations are:

- **Maximum timeframe to carry out interruption.** Where a retailer has requested a distributor planned interruption to enable the installation, repair or replacement of metering equipment, the DNSP must carry out the interruption within 25 business days of the request.[133]
- **Requirement to coordinate.** The DNSP must coordinate the interruption with the retailer and other relevant parties in order to allow the retailer or the MC to comply with their timeframe obligations in relation to the installation, repair or replacement of a meter.[134]

The Commission considers these obligations are necessary to support the new timeframe obligations on retailers and MCs to complete meter installations or replacements in shared fusing situations.

130 NER, clauses 7.8.10A(b), 7.8.10b(b), and 7.8.10c(b).
131 See proposed changes to the NER in clauses 7.8.10A(c)(2), 7.8.10B(c)(2) and 7.8.10C(c)(2) of the draft rule.
132 See proposed changes to the NER in cl 7.8.10(aa)(1) of the draft rule.
133 See proposed changes to the NERR, subrule 91A(c1) and 91A(d) of the draft rule.
134 See proposed changes to the NERR, subrule 91A(g) of the draft rule.

4.2.2 Introduction of a new requirement in AEMO's Metrology Procedure to require recording of shared fusing information

As discussed in Section 3.4.4, a key barrier to MCs' ability to minimise the number of site visits is the lack of information available to market participants on shared fusing. Acknowledging that the relevant parties currently have limited knowledge of this information, the Commission considers that capturing this information when parties become aware of it over time will improve consumer outcomes in the longer term.

The Commission considers that this information is best recorded in AEMO's MSATS system. Informal consultations with stakeholders indicated that DNSPs are the party who is best able to capture and record this information for a range of reasons, including the increased level of access they have to MSATS compared with retailers and MCs which will enable DNSPs to record this information in relation to all customers that are affected by a shared fuse.

DNSPs should not be expected to proactively inspect sites to gather this information for all of their customers, but should record it if they become aware of it. Retailers and MCs should be required to notify the DNSP as soon as practicable after becoming aware of shared fusing so the DNSP can record the information. Similarly DNSPs should record any shared fusing information as soon as practicable after becoming aware of shared fusing during the course of their work. This information should be used to provide an indication of where shared fusing may apply, but it is not expected that this information would be audited to determine validity due to costs and the administrative burden that auditing the data would impose.

The draft rule therefore requires AEMO to include in its metrology procedures requirements on retailers and MCs to notify DNSPs as soon as practicable after becoming aware of shared fusing. DNSPs would then be required to record the shared fuse arrangements for multiple connection points as soon as practicable after becoming aware of the shared fuse arrangements. The draft rule also requires the metrology procedure to be updated to include requirements in relation to the management and access to shared fuse arrangements information.[135]

4.2.3 Clarification of retailer planned interruptions and planned interruption notice information requirements

Some stakeholders indicated that the retailer planned interruption provisions in rule 59B of the NERR are ambiguous as to whether a retailer is permitted to carry out a planned interruption that affects other customers of that retailer.

The Commission's view is that a retailer is able to interrupt supply to any of its customers for the purpose of installing, maintaining, repairing or replacing metering equipment and that a retailer can undertake planned interruptions of all adjacent affected customers provided they are all the retailer's customers and the existing notice or consent requirements are met.

The Commission does not consider that any amendments to rule 59B are required to enable this to occur, but recognises that minor changes to other related clauses would help clarify the rules.

135 See proposed changes to the NERR, clause 7.16.3(c)(7), and the transitional rule in Schedule 3, of the draft rule.

To this end, the draft rule amends the model terms and conditions for customer contracts in the NERR to clarify that the retailer may arrange a retail planned interruption to the supply of electricity for the purpose of installation, maintenance, repair or replacement of an electricity meter.[136]

Currently, the model terms and conditions uses the term 'your electricity meter' in relation to retailer planned interruption. The draft rule amends this to 'an electricity meter' and makes it consistent with the definition of retailer planned interruption in rule 59B of the NERR.

The draft rule also amends the planned interruption notification information requirements in rule 59C of the NERR to require the planned interruption notification to specify whether the interruption is for the purpose of installing, maintaining, repairing or replacing an electricity meter for the notified customer, or for another customer.[137]

4.3 Benefits of the draft rule

4.3.1 Consumer protections

Under the draft rule, both DNSPs and retailers have the ability to carry out planned interruptions to enable a meter installation or repair to be completed, and the Commission considers this is appropriate as they have a direct contractual relationship with the customer. Therefore, the existing consumer protections provided for under the customer's standard retail contract or the deemed standard connection agreement would continue to apply. If the draft rule is made as a final rule and implemented, customers impacted by supply interruptions in the relevant circumstances will be able to access energy ombudsman schemes, as well as the internal complaints and disputes handing processes of the DNSP or the customer's retailer (as appropriate) should obligations not be complied with.

Under the draft rule it is intended that customers would receive planned interruption notices from their retailer or DNSP, with their retailer or DNSP responsible for compliance with the rules governing planned supply interruptions. Should the planned interruption requirements not be complied with, the customer would have access to recourse. This recourse would include the DNSP or retailer's internal complaint and dispute resolution process, as well as energy ombudsman schemes. The AER would also able to apply civil penalties if certain obligations are breached.

Further, the draft rule minimises the risk to life support customers as both the customer's retailer and DNSP have ready access to customer data and life support information.

Lastly, the Commission considers that customers are generally familiar with their retailer's brand, and many would likely be aware of their DNSP. Therefore, the draft rule reduces the risks that the customer would be confused or disregard planned outage notification information.

136 See proposed changes to the NERR, Schedule 1, clause 11A.1(a) and definitions in the Model terms and conditions for standard retail contracts , and Schedule 2 the definition of retailer planned interruption in the Model terms and conditions for deemed standard connection contracts of the draft rule.

137 See proposed changes to the NERR subrule 59C(4)(a) of the draft rule.

4.3.2 Costs and administrative burden

The draft rule utilises existing relationships and obligations between retailers, MCs, DNSPs and the customer, and is consistent with the existing rules obligations. Retailers and DNSPs have existing systems, processes and procedures in place to carry out planned interruptions, access to pertinent information to safely carry out the planned interruption, and monitoring systems in place.

The Commission acknowledges that relying on distributor interruptions may not reduce costs associated with interrupting the customers' supply, as the retailer will incur an AER approved cost for the DNSP to interrupt supply. However, some cost savings should result from the wider use of retailer planned interruptions to interrupt supply where a single retailer is responsible for all the customers at a shared fusing site. Additionally, if DNSPs are required to record information on shared fusing as it is discovered, there should be cost reductions in the long term in the form of reduced site visits.

As noted in Chapter 3, although the rule proponent considered there could be significant costs savings from saved site visits, the Commission considers that unless the adjacent customers who shared the shared fusing are home and provide valid consent to supply interruption on-the-spot, a reduction of the number of site visits is not likely to be realised. As the proposed rule does not include a provision requiring the collation of data on shared fusing sites, an MC would therefore have limited ability to discover shared fusing until the metering provider attends the site to attempt the meter installation. If the customer(s) who shares the fusing with the customer whose meter is to be installed is not home, or does not give on the spot consent, under the proposed rule the MC would be required to follow the same planned interruption notification requirements as DNSPs and retailers.

4.3.3 More timely installation of meters where shared fusing occurs

The proposed rule recommended removing the exception for customer initiated meter installation timeframes. However, as noted by both the rule proponent and other stakeholders, it is likely that distributor planned interruptions would still be required in certain circumstances to allow for the meter installation to proceed. Further, if the shared fusing is discovered towards the end of the current meter installation timeframe and the adjacent affected customers who share a fuse with the customer are not home or unwilling to provide consent at the time of the visit, the standard meter installation timeframes could not be met.

The draft rule retains the installation timeframes exception where the customer's supply cannot be interrupted without another customers supply being interrupted. However, under the draft rule, an additional installation timeframe will be triggered when this exception is found (and no other exceptions are present). This timeframe will require the retailer to complete the installation of the customer's meter within 30 business days of the shared fusing issue being discovered. Where the retailer requests the DNSP to carry out a distributor planned interruption in order to complete the meter installation, the draft rule introduces a requirement for the DNSP to effect the interruption within 25 business days. This provides an upper limit to the timeframes under which the customer's meter must be installed, and the

Commission considers this will assist in reducing delays in meter installation for customers with shared fusing.

The retailer will also be able to carry out planned interruptions of all affected customers of the shared fusing if the retailer is the retailer of all of those customers, as long as the existing notice or consent requirements are met. Further, the retailer could coordinate with other retailers to send planned interruption notices to their affected customers for an agreed date to allow for the meter installation to be carried out, should the other retailers be willing to do so. The Commission notes that it is possible for an MC to have commercial relationships with multiple retailers and that an MC can already coordinate retailer planned interruptions for all affected customers on behalf of those retailers, and this option would also continue to be available to MCs and retailers under the draft rule. These options, if adopted, could assist in reducing meter installation times in some shared fusing circumstances.

4.3.4 Stakeholder views on the proposed more preferable rule

On 20 November 2019 Commission staff discussed the option of a rule solution utilising the existing planned interruptions frameworks in the rules as a potential alternative to the proponent's proposed rule to: retailers, DNSPs, CMIG and metering businesses, and ombudsmen and consumer groups (who had made submissions to the consultation paper) in separate stakeholder discussions. With the exception of CMIG and metering businesses, most stakeholders generally considered that the option as discussed at a high level may be a suitable alternative to the proposed rule and may address many of the consumer protection and privacy issues identified in submissions.

4.4 Commencement of the rule

The Commission proposes a commencement date of 26 March 2020 for the changes to Chapter 7 and clause 11.86.7 of the NER, as well as for changes to subrule 59C and 91A of the NERR and provisions relating to changes to the retail model terms and conditions for standard retail contracts and deemed standard connection contracts (Schedules 1 and 2 of the NERR). These provisions relate to metering installation timeframes, the provision of metering malfunction information to the MC, and the information provision requirements and timeframes for planned interruptions. This is the expected date of the publication of the final rule and determination.

Changes required by the draft rule to retailer's and DNSP's customer contracts required by changes to the model terms and conditions in the NERR and the NER amendments to the requirements of the metrology procedure and MSATS procedures are proposed to commence on 26 June 2020.

The Commission is cognisant that the required amendments to customer contracts (if the draft rule is made as a final rule) may take time for each retailer to put in effect.[138] The changes under the draft rule relating to the metrology procedure will likely necessitate both

138 The Commission is aware that changes to customer contracts will also be required on 19 March 2020 under the *Reducing customers' switching times* rule change.

changes to AEMO's metrology procedure, and AEMO's systems and processes. The Commission has sought to balance these changes against the costs of delaying implementation in providing a three-month period to implement changes required to comply with these obligations.

ABBREVIATIONS

AEC	Australian Energy Council
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
CMIG	Competitive Metering Industry Group
Commission	See AEMC
CDR	Customer details request
DNSP	Distribution network service provider
MC	Metering coordinator
MCE	Ministerial Council on Energy
MSATS	Market Settlement and Transfer Solutions
NECA	National Electrical and Communications Association
NEL	National Electricity Law
NEO	National electricity objective
NER	National Electricity Rules
NERL	National Energy Retail Law
NERO	National energy retail objective
NERR	National Energy Retail Rules
NMI	National meter identifier
PIAC	Public Interest Advocacy Centre

A SUMMARY OF OTHER ISSUES RAISED IN SUBMISSIONS

This appendix sets out the issues raised in the first round of consultation on this rule change request and the AEMC's response to each issue. If an issue raised in a submission has been discussed in the main body of this document, it has not been included in this table.

Table A.1: Summary of other issues raised in submissions

STAKEHOLDER	ISSUE	AEMC RESPONSE
SA Power Networks, p. 1.	DNSPs should be permitted to recover costs associated with site visits to investigate customer outages or restore supply that result from the metering work from MCs, p. 1.	Any requests for the consideration of cost recovery for such outages should be raised with the AER.
Simply Energy, p. 2.	The cost of replacing meter panels to enable new meters to be installed is an ongoing issue as if meters are replaced one-by-one at some stage the meter board will need to be replaced. This cost allocation for this replacement is not addressed by the proposed rule.	The Commission considers that the cost allocation associated with the replacement of a meter panel is most appropriately determined by strata arrangements and is outside the scope of the rule change.
NECA, p. 2.	Although noting it was outside of the Commission's jurisdiction, NECA expressed concern that the proposed rule could lead to confusion around what constitutes Authorised Service Provider (ASP) work, and what does not. In addition, NECA expressed concern that the proposed rule could provide MCs with an unfair competitive advantage for works requiring an interruption of service.	Under the draft rule, the Commission does not propose to introduce meter coordinator planned interruptions. Further, the Commission notes that models such as the NSW ASP scheme are a matter for relevant State jurisdictions to determine.

STAKEHOLDER	ISSUE	AEMC RESPONSE
Evoenergy, p. 1.	Evoenergy considered that should metering coordinators be authorised to interrupt supply, obligations to undertake planned interruption notifications should be subject to a formal market rule change with a cost-benefit analysis undertaken.	The Commission's draft determination is to not adopt the proponent's rule change solution. Retailer and DNSP obligations in undertaking planned supply interruptions have been considered and amendments proposed by the Commission under the draft rule.

B LEGAL REQUIREMENTS UNDER THE NEL/NERL

This appendix sets out the relevant legal requirements under the NEL and NERL for the AEMC to make this draft rule determination and the more preferable draft rule.

B.1 Draft rule determination

In accordance with s.99 of the NEL and s.256 of the NERL the Commission has made this draft rule determination in relation to the rule proposed by the Chair of CMIG.

The Commission's reasons for making this draft rule determination are set out in section 2.1.

A copy of the more preferable draft rule is attached to and published with this draft rule determination. Its key features are described in section 4.2.

B.2 Power to make the rule

NEL

The Commission is satisfied that the more preferable draft rule falls within the subject matter about which the Commission may make rules under the NEL. The more preferable draft rule falls within s. 34 of the NEL, as it relates to facilitating and supporting the provision of services to retail customers (s. 34(1)(aa) of the NEL). Further, the more preferable draft rule falls within the matters set out in item 29 of Schedule 1 to the NEL because it relates to the regulation of persons providing metering services relating to the metering of electricity.

NERL

The Commission is satisfied that the more preferable draft rule falls within the subject matter about which the Commission may make rules under the NERL. The more preferable draft rule falls within s. 237 of the NERL as it relates to regulating the provision of energy services to customers, and to the activities of persons involved in the sale and supply of energy to customers (s. 237(1)(a) of the NERL).

B.3 Commission's considerations

In assessing the rule change request the Commission considered:

- powers under the NEL and NERL to make the rule
- the rule change request
- submissions received during first round consultation
- the Commission's analysis as to the ways in which the proposed rule will or is likely to, contribute to the NERO (including the consumer protection test) and NEO.

There is no relevant Ministerial Council on Energy (MCE) statement of policy principles for this rule change request.[139]

The Commission may only make a rule that has effect with respect to an adoptive jurisdiction if satisfied that the proposed rule is compatible with the proper performance of Australian Energy Market Operator (AEMO)'s declared network functions.[140] The more preferable draft rule is compatible with AEMO's declared network functions because it does not regulate AEMO's declared network functions.

B.4 Civil penalties

The Commission cannot create new civil penalty provisions. However, it may recommend to the COAG Energy Council that new or existing provisions of the NER or the NERR be classified as civil penalty provisions.

The Commission's more preferable draft rule amends:

- clauses 7.8.10(a), 7.8.10(aa), 7.8.10A(c), 7.8.10(c), 7.8.10(c) and 11.86.7(g)(3) of the NER by clarifying the mandatory timeframes and related procedures for meter installations, and repairs for malfunctioning meters, affected by shared fusing arrangements. These rules are currently classified as civil penalty provisions under Schedule 1 of the National Electricity (South Australia) Regulations and the Commission considers that these rules should continue to be retained as civil penalty provisions and therefore does not propose to recommend any change to their classification to the COAG Energy Council; and
- rule 59C(4)(a), of the NERR, to clarify that the information provided in a retailer planned interruption notification must include whether the interruption is for the purpose of installing, maintaining, repairing or replacing an electricity meter for the notified customer or for another customer. This rule is currently classified as a civil penalty provision under Schedule 1 of the National Energy Retail Regulations. The Commission considers that this rule should continue to be retained as civil penalty provision, and therefore does not propose to recommend any change to their classification to the COAG Energy Council.

The Commission does not consider any other provisions of the draft rule should be classified as civil penalty provisions.

B.5 Conduct provisions

The Commission cannot create new conduct provisions. However, it may recommend to the COAG Energy Council that new or existing provisions of the NER or the NERR be classified as conduct provisions.

139 Under s. 33 of the NEL and s. 225 of the NERL the AEMC must have regard to any relevant MCE statement of policy principles in making a rule. The MCE is referenced in the AEMC's governing legislation and is a legally enduring body comprising the Federal, State and Territory Ministers responsible for energy. On 1 July 2011, the MCE was amalgamated with the Ministerial Council on Mineral and Petroleum Resources. The amalgamated council is now called the COAG Energy Council.

140 Section 91(8) of the NEL.

The draft rule does not amend any rules that are currently classified as conduct provisions under the NEL or National Electricity (South Australia) Regulations, the NERL or the National Energy Retail Regulations. The Commission does not propose to recommend to the COAG Energy Council that any of the proposed amendments made by the draft rule be classified as conduct provisions.