

23 June 2017

Ms Audrey Zibelman
Chief Executive Officer
Australian Energy Market Operator
GPO Box 2008
Melbourne VIC 3001

**Energy Networks Australia submission to
Power of Choice - AEMO Procedure Changes (Package 3)
*Metrology Procedure Part A Clause 12.2.1***

Dear Ms Zibelman,

Energy Networks Australia welcomes the opportunity to make a submission to the Australian Energy Market Operator (AEMO) in response to proposed changes to Clause 12.2.1 of Metrology Procedures Part A dated 19th May 2017.

Energy Networks Australia is the national industry association representing the businesses operating Australia's electricity transmission and distribution and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia.

Chapter 10 of the *National Electricity Amendment Rule 2015 No.12 (NER)* clearly defines a Network Device as:

“Apparatus or equipment that:
(a) enables a Local Network Service Provider to monitor, operate or control the network for the purposes of providing network services, which may include switching devices, measurement equipment and control equipment; and
(b) is located at or adjacent to a metering installation at the connection point of a retail customer.”

Given the clarity of the definition provided in the NER, Energy Networks Australia is generally supportive of the proposed change to Clause 12.2.1 of Metrology Procedure Part A. However, some alternative wording is proposed as outlined in the Discussion and Recommendation below.

Discussion

Clause 7.8.6 (a) of NER states that:

A Local Network Service Provider:

(1) may install and maintain a network device provided that the installation and maintenance of the network device does not:

(i) adversely impact on the operation of the metering installation, including its compliance with the Rules and procedures authorised under the Rules;

- (ii) damage the metering installation; or
- (iii) prevent the metering installation being maintained or removed, as required, by or on behalf of the Metering Coordinator;

Where a Local Network Service Provider (LNSP) wishes to maintain a network device to monitor, operate or control the network for the purposes of providing network services, the ***Metering Provider will need to ensure that the device remains in place to provide the required network services*** if they are to be compliant with Clause 7.8.6 of the NER.

Furthermore, the AEMC Metering Competition Final Determination position on Victorian AMI meters is clear, (p xiv):

"As noted above, Victorian DNSPs will be able to retain and continue to use the meters they deployed under the AMI program as network devices, for example if they choose to do so as a result of being unable to reach an agreement with a new Metering Coordinator to access equivalent services through the new meter, subject to any space limitations."

Although Energy Networks Australia is supportive of the proposed rewording of Clause 12.2.1, AEMO could consider adding notes to specifically clarify that:

- i. Where the LNSP chooses to maintain a network device, the Metering Provider will need to ensure that the device remains,
- ii. Victorian LNSP provided AMI meters are considered network devices consistent with the requirements outlined in NER 7.8.6 (i) (1).

LNSP's requirement for a Network device will not only be a function of the network's requirements, but also of the capability of the new meter installed and the commercial arrangements that the LNSP has with the Metering Coordinator. It is therefore not possible for AEMO to provide definitive guidance in their procedures to allow Metering Providers to determine which devices should be deemed Network Devices. This can only be determined by consultation between the LNSP and the Metering Coordinator.

Recommendation

To address the issues detailed above, Energy Networks Australia proposes the following alternate wording for Clause 12.2.1.

AEMO does not consider there to be any circumstances where it is necessary for AEMO to deem certain devices within a metering installation to be network devices, for the purposes of clause 7.8.6 of the NER.

- I. *Where the LNSP chooses to maintain a network device, the Metering Provider will need to ensure that the device remains, subject to any space limitations, and its configuration is not impacted, such that it can continue to provide the required network services.*
- II. *It should be noted that Victorian DNSPs will be able to retain and continue to use the meters they deployed under the AMI program as network devices, subject to any space limitations*

Please do not hesitate to contact Dr Stuart Johnston, Executive Director, Assets & Network Transformation at E: sjohnston@energynetworks.com.au or 02 6272 1513, if you would like to discuss any aspect of the attached submission.

Yours sincerely,



John Bradley
Chief Executive Officer