



**UPDATING THE REGULATORY  
FRAMEWORKS FOR EMBEDDED NETWORKS**

**PLUS ES Submission**

14 March 2019

Australian Energy Market Commission  
 PO Box A2449  
 Sydney South NSW 1235

Dear Sir/Madam,

**Call for public feedback**

**Draft proposals to protect customers in private power networks**

PLUS ES welcomes the opportunity to provide feedback to the Australian Energy Market Commission’s (AEMC) draft proposals to protect customers in private power networks.

PLUS ES supports that the current embedded network regulatory framework does not support extending competition and consumer protections to customers of embedded networks. PLUS ES also notes that the costs will be significant, revolving around complex processes.

Topic	Feedback
Embedded Network Participants	<p>Figure 2.1 – Embedded Network Participants - current and proposed framework (Draft Report) does not indicate or clearly identify which role would own the responsibility of the market interface services in the proposed framework.</p> <p>Existing embedded network participants may determine for various reasons whilst accountable they do not wish to be responsible and/or perform the market interface services.</p> <p>PLUS ES recommends:</p> <ul style="list-style-type: none"> <li>• A market interface role is included in the proposed framework responsible for performing market interface services for embedded network customers. separate from roles such as ENSP etc. The ENM role provides this functionality today.</li> <li>• A single market interface role can be used across multiple embedded network sites</li> </ul>

	<ul style="list-style-type: none"> <li>• The ability to update the market with the role prospectively or retrospectively.</li> <li>• That default roles (FRMP, ENSP, MDP, MPB, MPC, MC) are made available for the efficient update of NMIs into MSATS whilst embedded network operators are registering new participants with AEMO.</li> </ul>
<p>Registration and exemption</p>	<p>PLUS ES proposes that the definition of the classes eligible for embedded network exemption to be clearly defined to remove confusion within the industry.i.e.</p> <p><i>‘...Caravans and like accommodation on a short-term basis...’ – proposed NER Clause 2.14.2</i></p>
<p>Customised Embedded Networks</p>	<p>Embedded networks can be highly customised networks with metering offering additional functionalities; for example, pulsing channels, hot water, cold water, gas, automation of building services etc.</p> <ul style="list-style-type: none"> <li>• Additional features need to be captured against the NMI/Meter and made visible to the Market so that proposed or incoming participants are aware that additional services maybe attached to the metering</li> <li>• Protection for shared communication systems. i.e. What protection is there for the embedded network if an MC installs a compliant meter but simultaneously breaks a link in the embedded network customised set up?</li> </ul>
<p>Legacy Embedded Networks</p>	<p>PLUS ES supports an ‘all or nothing’ approach to be able to achieve the AEMC’s objective of extending competition and consumer protections to customers of embedded networks. That is, from a market visibility perspective all Child NMIs (on or off market) should be visible and discoverable.</p> <p>Criteria to be considered:</p> <ul style="list-style-type: none"> <li>• Addition of NMI details only to MSATS if metering is not compliant or cannot fit within the current MSATS structures</li> <li>• Metering: <ul style="list-style-type: none"> <li>○ Assigning default participant IDs (Exempt seller, MPBs and MDPs) against these off market NMIs</li> <li>○ Identifying metering which is non-compliant</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• No visibility to current metering – placing an obligation on the ENO to provide the information in a timely manner</li> <li>• Transition procedures – align existing off-market internal NMI to a newly created NMI?</li> <li>• Accreditations/Re-accreditations</li> <li>• Commercial Agreements</li> </ul> <p>Participants providing market interface services will incur significant costs and challenging processes to transition and operationalise the proposed new embedded network framework not including maintenance of the legacy embedded network. The impact will vary on how the roles will be represented and managed in MSATS and the type of NMI Standing information to be maintained.</p> <p>PLUS ES proposes a minimum of 12 months from go-live for embedded network participants to comply with the new regulatory framework due to the above.</p>
<p>Off-Market FRMP Obligations and Functions</p>	<p>PLUS ES supports a separate class of off-market retailer authorisation which is a subset of current FRMP obligations and functions – ‘FRMP Lite’. The subset components should not impede the obligations of the newly proposed framework. i.e. retailer authorisation should not impede the assigning and transition of the embedded network to the new framework.</p>

PLUS ES would welcome any further discussion in relation to this submission. If you have any questions or wish for further discussion, please contact Helen Vassos on 0419 322 530 or at [Helen.vassos@pluses.com.au](mailto:Helen.vassos@pluses.com.au).

Sincerely,



**Darren Ferdinands**  
Head of Metering - PLUS ES