

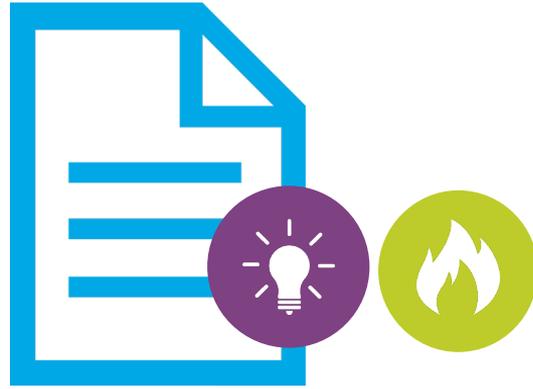
METERING COORDINATOR PLANNED INTERRUPTION RULE CHANGE STAKEHOLDER WORKSHOP

AUSTRALIAN ENERGY MARKET COMMISSION
19 SEPTEMBER 2019

AEMC

Agenda

Time	Agenda item	Presenter
10:00am	Welcome	Merryn York (AEMC)
10:10am	Introduction and background	Ed Chan (AEMC)
10:30am	Rule proponent overview of rule change proposal	Doug Ross (CMIG)
10:50am	Retailer perspective of underlying issues and potential resolution	Con Hristodulidis (AGL)
11:10am	Facilitated discussion – underlying issues	All
12:00pm	Lunch	
12:45pm	Key issues and discussion	Ed Chan and Alisa Toomey (AEMC)
1:50pm	Next steps and closing remarks	Richard Owens (AEMC)
2:00pm	Close	



We are the rule maker
for Australian electricity and
gas markets

What we do

We make and amend the:



National Electricity
Rules



National Gas
Rules



National Energy
Retail Rules



We also
provide market
development
advice to
governments

Before we start, an important notice: Compliance with Competition Law

- We must not discuss, or reach or give effect to any agreement or understanding which relates to:
 - Pricing
 - Targeting (or not targeting customers)
 - Tendering processes
 - Sharing competitively sensitive information
 - Breaching confidentiality obligations

Each entity must make an independent and unilateral decision about their commercial positions.

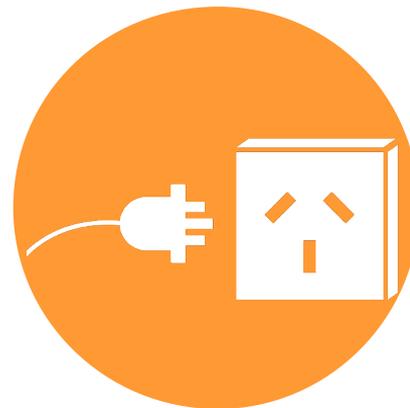
BACKGROUND

WHAT ARE THE CURRENT ARRANGEMENTS?



How did this rule change request come about?

- Metering installation timeframes rule 2018
 - Imposed minimum timeframes on customer-initiated meter exchanges
 - Multiple occupation premises with isolation issue was specifically excluded from the timeframes requirement
- Industry workshop – December 2018
 - Considered potential solutions
 - AEC and CMIG to consider drafting a rule change request to change the current arrangements on retailer planned interruptions.



Developing an industry solution to metering deployments with isolation issues

Focus for today

- Refresh our understanding of the underlying issue
- Discuss the solution proposed by CMIG
 - Introduce metering coordinator planned interruptions allowing metering coordinators to interrupt supply to ANY customer for the purpose of installing, replacing or repairing a meter.
- Does the solution resolve the issue? Does it have unintended consequences?
- Are there alternative approaches?



Our solutions must focus on the addressing the customer's best interests

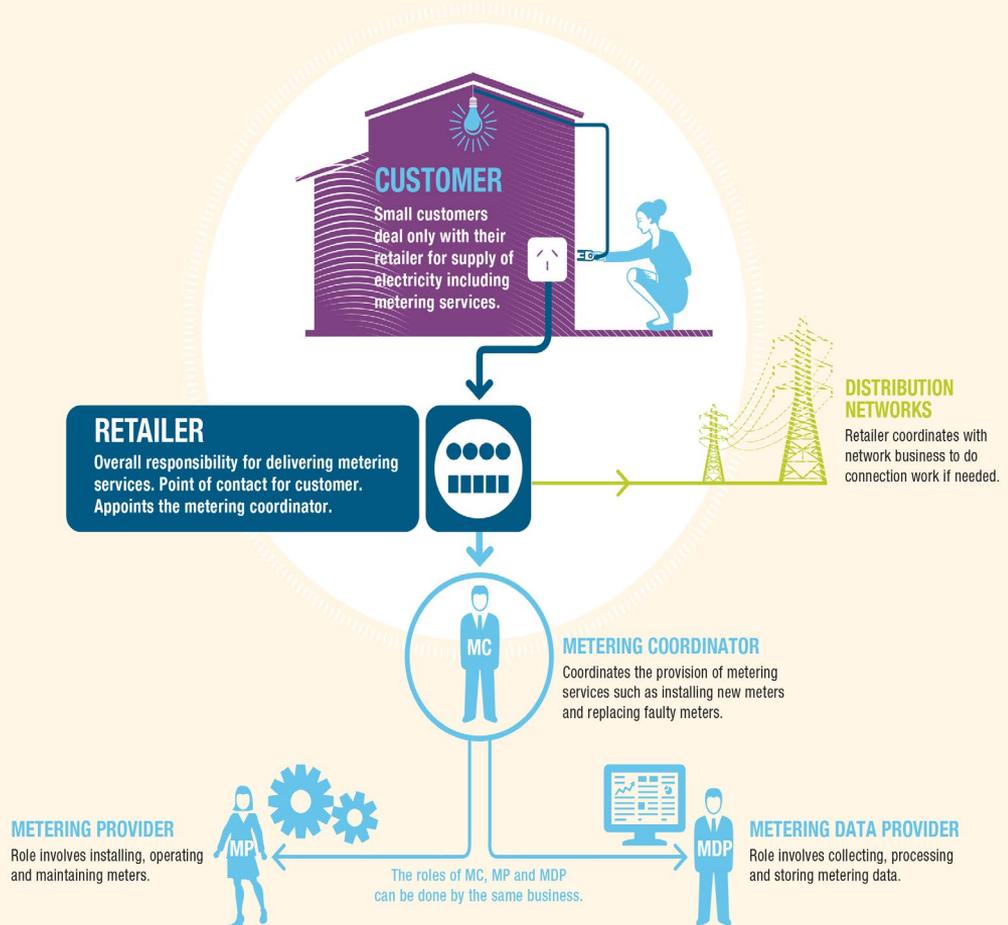
Metering roles

Currently, retailers are responsible for arranging metering services for small customers.

The retailer will contract with a metering coordinator to provide, install and maintain a meter installation.

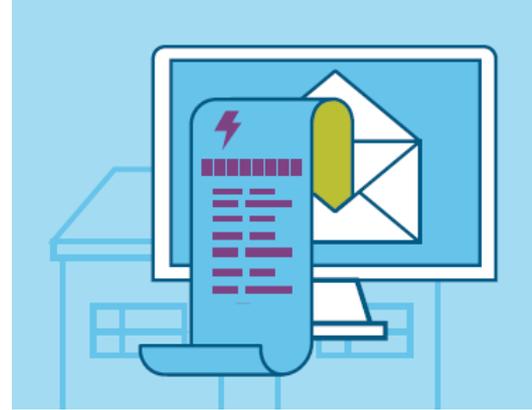
DNSPs are involved as the legacy metering coordinators for type 5 & 6 meters. They also provide connection services directly to small customers.

METERING ROLES AND RESPONSIBILITIES



Retailer obligations – planned interruptions

- Providing a planned interruption notice OR
- Obtaining the affected customer's consent – can be a specific date or date range
- Life support customers – notice for a specific date only
- Best endeavours to restore supply as soon as possible



Retailer planned interruptions are for metering works, but must not interrupt the the supply of other retailers' customers

Distributor obligations – planned interruptions

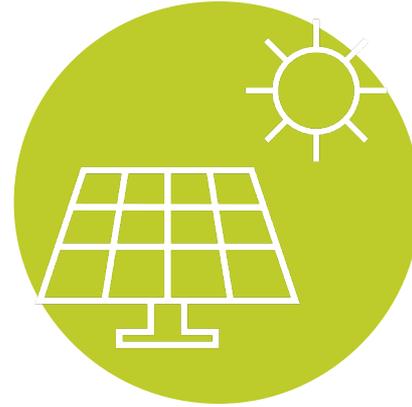
- Mirror retailer obligations
- Providing a planned interruption notice OR
- Obtaining the affected customer's consent – can be a specific date or date range
- Life support customers – notice for a specific date only
- Best endeavours to restore supply as soon as possible



Distributor planned interruptions are for maintenance, repair or augmentation of the network (including metering equipment), or for connection services

Scenario one

- Customer-initiated exchange (single meter)
- Multiple occupancy complex (duplex or apartment)
- Single point of isolation
- Meter exchange cannot occur without interrupting supply of other customers in the complex
- Retailer is able to claim exception to timeframes requirement



Simple meter exchange at a multi-occupancy dwelling

Scenario two

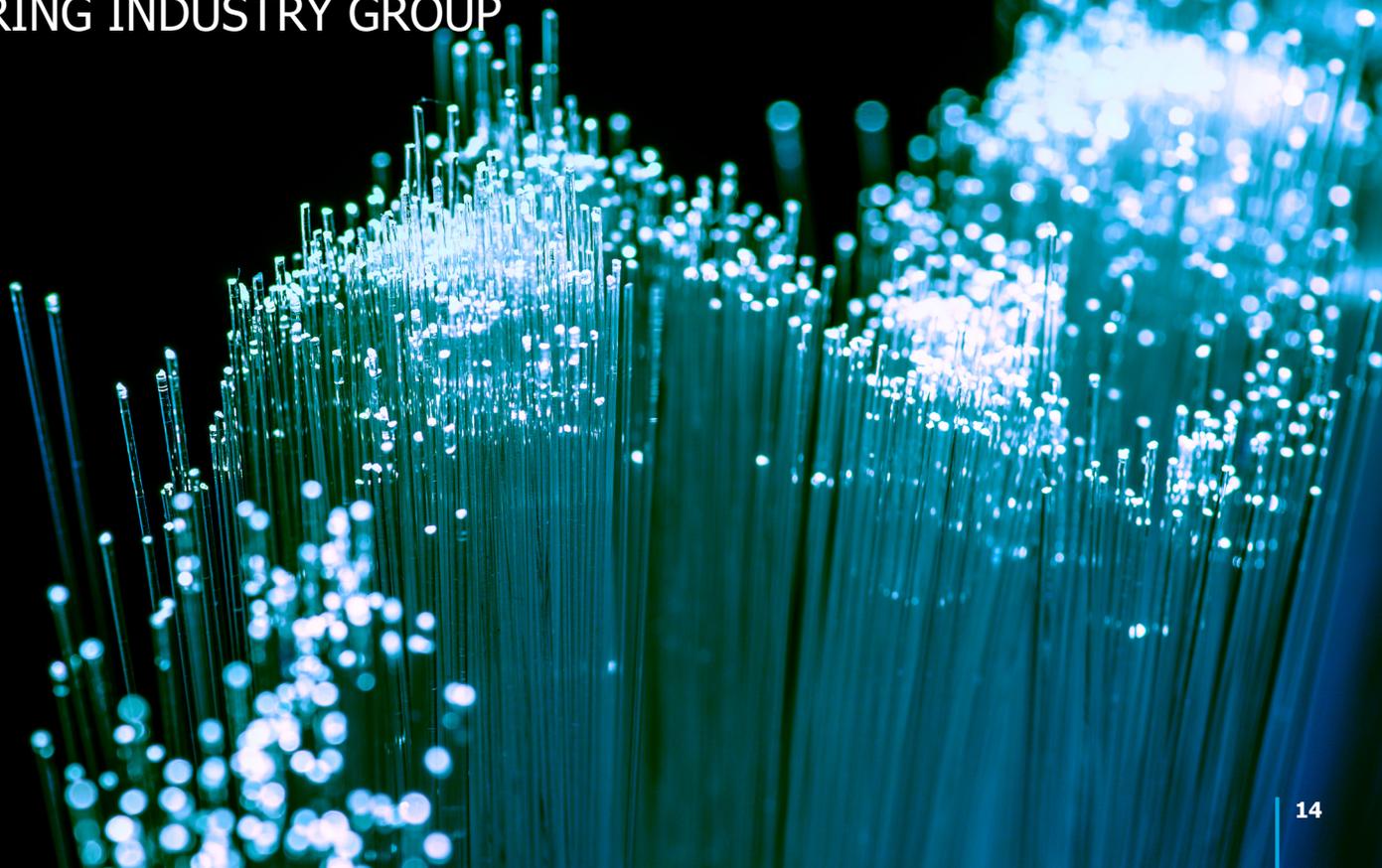
- Metering malfunction and family failures
- Potentially multiple meters
- Multiple occupancy dwelling, single isolation point
- Meter exchange cannot occur without interrupting supply of other customers in the complex
- Metering installation timeframes do not apply.



Many meter exchanges
required at a multi-
occupancy dwelling

RULE CHANGE PROPOSAL

COMPETITIVE METERING INDUSTRY GROUP





COMPETITIVE METERING
INDUSTRY GROUP

AEMC Presentation on MC Planned Interruptions

Sydney – 19th September 2019

Background

- Electrical Isolation is required to change a meter*
- Since PoC, isolation issues have frustrated efficient meter installation.
 - Summary of issues in a discussion paper published in May 2018 (<https://competitivemetering.com.au/isolation-issues-discussion-paper/>)
- Isolation Issues can be grouped into 3 area's
 1. Shared isolation Point across multiple customers
 2. Not authorised to operate (DB assistance or authorisation required)
 3. Missing or inoperable individual isolation point
- This rule change seeks to resolve the issue with multiple customers on one isolation point.

* WC or direct connected meters

The Scale of the Shared Isolation Issue

- Sample of 60,000 meter installations completed recently

	Ausgrid	Endeavour	Essential	Energy QLD	SAPN
Successful Installation	74.20%	83.61%	83.70%	95.35%	83.92%
Unsuccessful Installation	25.80%	16.39%	16.30%	4.66%	16.08%
Customer Side Defect	8.90%	9.42%	5.87%	2.33%	5.53%
Isolation Issue					
ASP/DB Isolation Required	3.40%	0.03%	3.54%	0.01%	0.00%
No Operable Isolation Point available	6.80%	2.64%	5.40%	0.78%	5.33%
Shared Fuse < 9 other meters	5.00%	3.97%	1.32%	1.23%	3.86%
Shared fuse > 9 other meters	1.80%	0.34%	0.15%	0.31%	1.37%

- Data shows that if 500,000 meters are installed PA about 10,000 (~50 per day) are delayed due to shared isolation.

The Shared Isolation Issue

- Only Retailers or Distributors can initiate a supply interruption under the current Rules
- Prior to competitive metering, distributors arranged isolations directly with customers – not an available option for the Metering Coordinators .
- Metering Providers do not have access to Distributor exceptions from components of jurisdictional electrical and safety legislation, allowing some level of live work.
- Metering Providers cannot work live and MUST isolate supply to install a meter and typically only become aware of shared isolation when the site is visited for the meter installation.
- Retailers are only permitted to interrupt their own customers
- When requesting a metering equipment change, retailers advise customers of the associated planned interruption but are only permitted under the rules to interrupt their own customers. Many customers are bewildered when the installation cannot proceed even when their neighbour consents to the interruption.
- Where shared isolation issues exist (often only determined on the first visit) the only option is for the installation to be deferred and the retailer to request the Distributor to perform a Temporary Isolation to allow the Metering Provider to install the meter. This becomes a *Distributor planned interruption* under the NERR.
- Distributors can carry out planned isolations for metering providers on any of their customers but have indicated they do not currently have resources for the volume of isolations required.

Proposed resolution

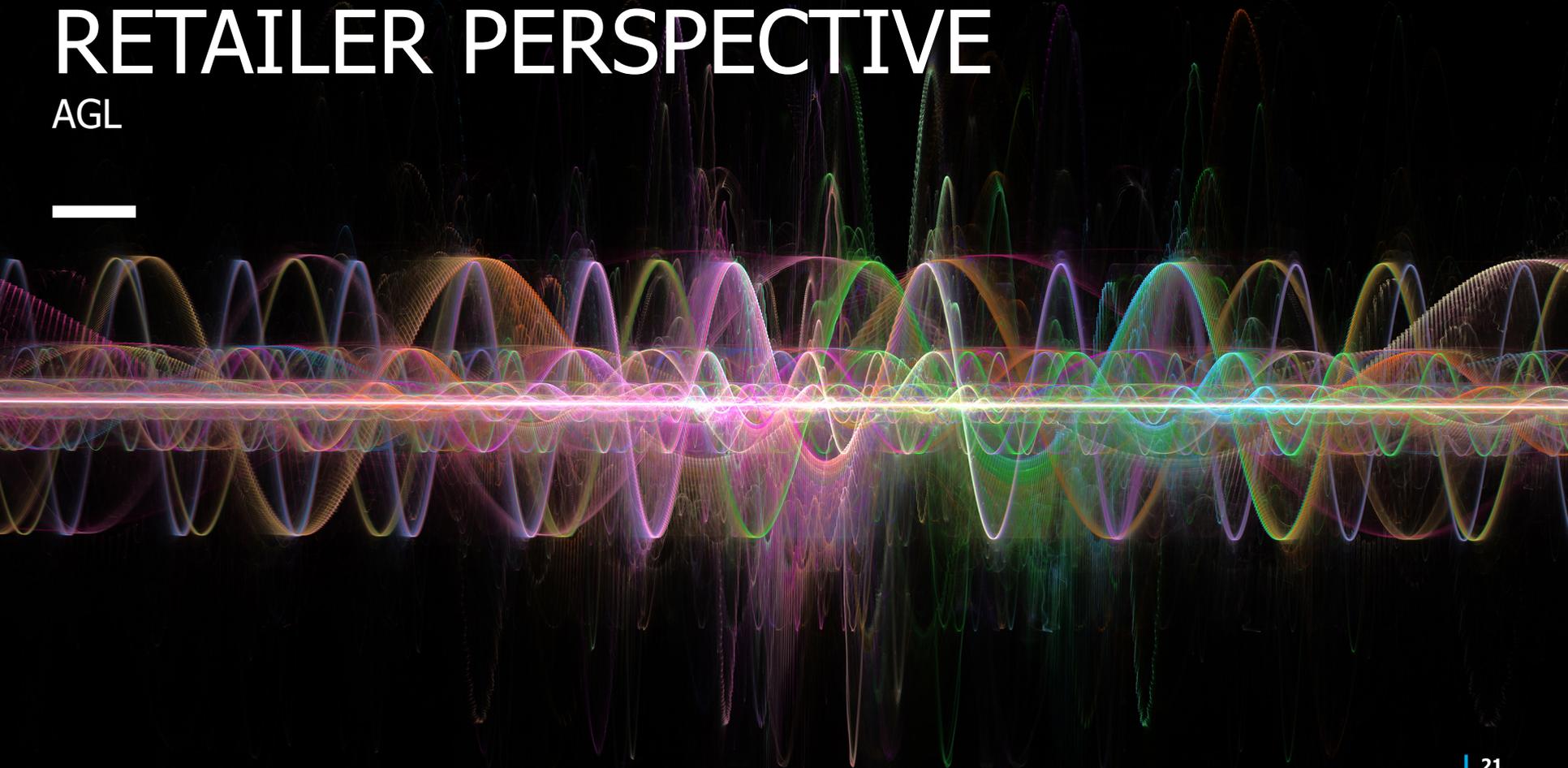
- CMIG convened Workshops with Retailers and Distributors during early 2019 to develop the rule change.
- Rule change proposed MC's be given the same rights and obligations as Distributors to initiate a planned interruption for the purpose of installing a meter.
- Most of the issues with shared isolation seem to be at smaller sites meaning often the isolation can be carried out using informed consent during the initial visit to install the meter.
- Retailer and Distributor planned interruption processes remain and can be used if MC's cannot manage the interruption (eg larger, complex sites or isolation required at Network substations)

Benefits to Energy Customers

- Higher percentage of small sites (e.g. duplexes) will be able to have the meter exchange resolved on the first visit using informed consent.
- Remaining small sites easy to resolve with notice.
- Better consumer experience by being able to respond to consumer requests.
- Reduced costs through increased efficiency.
- The opportunity will exist for MC to resolve meter installs at larger complex sites although distributors are expected to be needed to coordinate large complex sites.

RETAILER PERSPECTIVE

AGL



Introduction of metering coordinator planned interruptions: AEMC stakeholder workshop

Retailer view



What is the size of the problem?



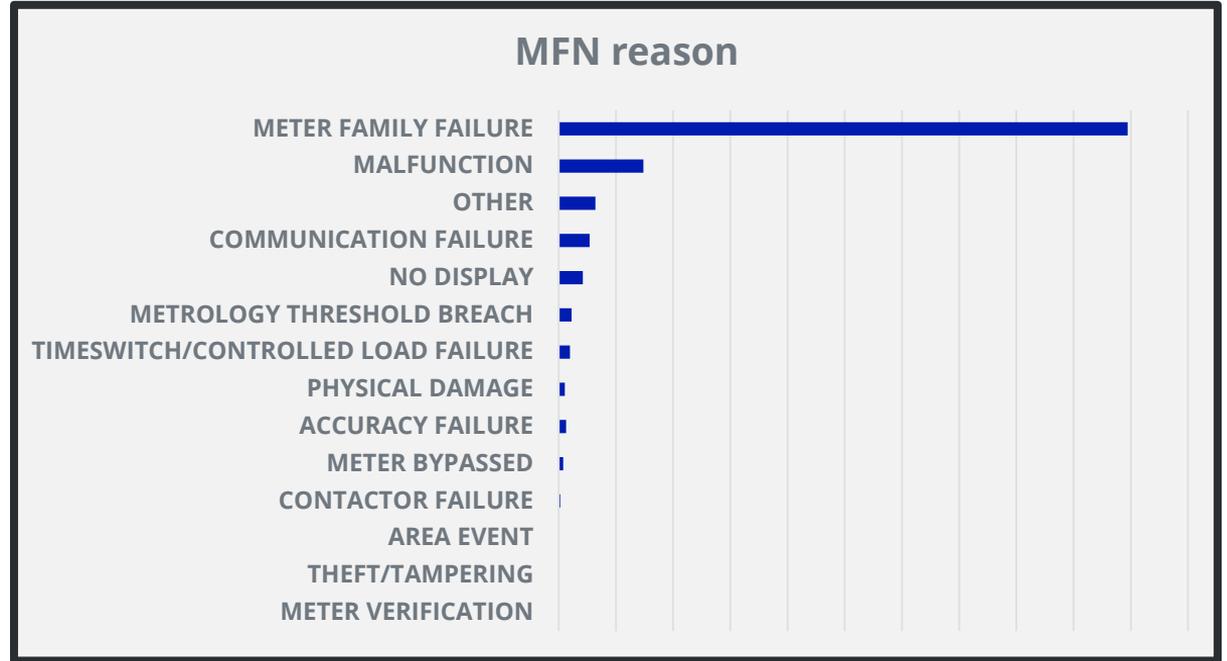
Meter failure
and aged assets



Customer led



Retailer led



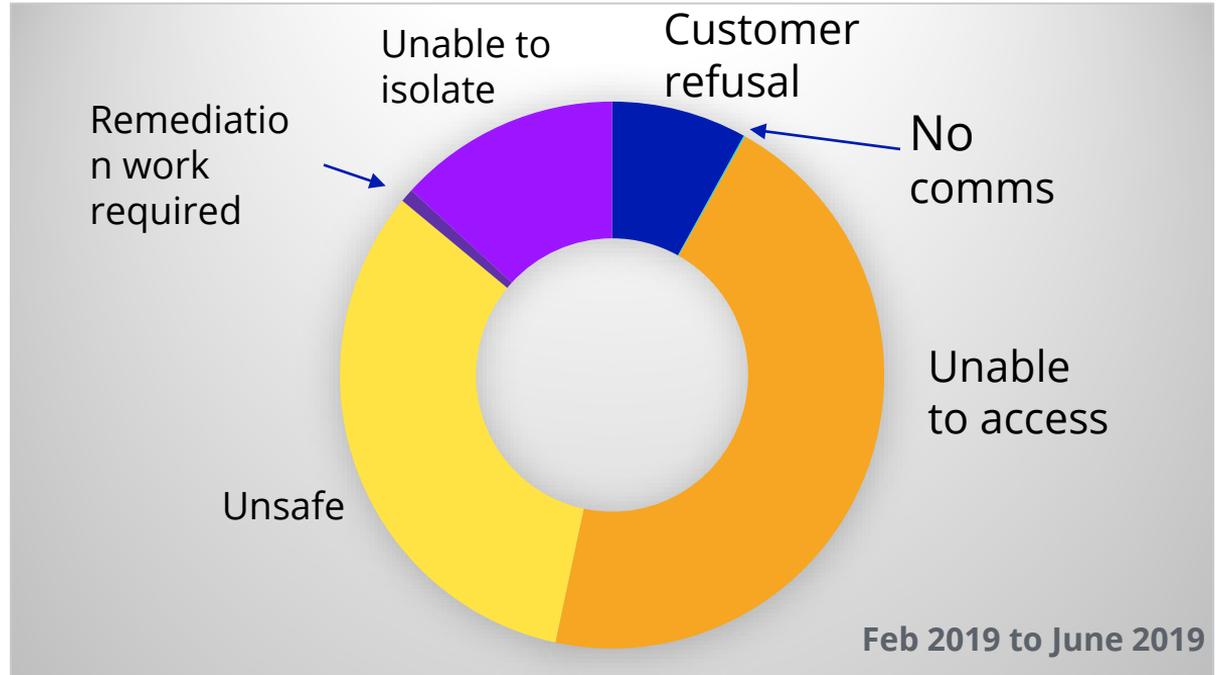
Reasons for non-completed meter exchange service orders



Multi-sites present many problems and complexities – the key is who is best placed to co-ordinate, the proposed Rule assists with improving outcomes

Key theme – co-ordination by industry participants

- Isolation requires network business support
- Network businesses have access to keys to provide access
- Remediation / unsafe



Recommendation - focusing on the customer

One size does not cater for all possible solution. The MC Rule proposal affords us the opportunity to complement and broaden

Distributor Led Replacements – DB outage responsibility

Who is responsible for coordinating meter exchange / replacement

- Distribution Business
 - Scope work / issue defect notices
 - Send market notice to retailers
 - Set a date for site visit 4-8 weeks for aged assets or family failures
 - Retailers to plan with MCs
 - Send planned interruption notice
 - Inform and work with Life Support customers
- Steady / staggered approach to family failure or aged replacements – x per month

Customer and Retailer Led Replacements – MC Outage Responsibility

Who is responsible for coordinating meter exchange / replacement

- Metering Co-Ordinator
 - Interrupt supply of the customer who has requested or accepted metering work
 - Explicit Informed Consent or planned interruption notices
 - Inform retailer(s) and distribution business through market notification
- For auditing need to be clear who needs to hold EIC for planned interruption notices

Do the minimum timeframe Rules provide a framework for this outcome or do we need to strengthen the Rules?

Customer benefits

- Having the DB coordinate outages for meter exchange on faults and aged assets leads to less outages and disruptions for customers and improved customer experience
- More likely to also have a single point of contact for planned outages
- Reduced site visits and therefore lower costs
- Likely to speed up the replacement timeframe



Thank you

DISCUSSION

SCOPE OF THE UNDERLYING ISSUE

Key issues – underlying issue of supply interruption for multiple customers

Key issues

- Meter exchange cannot occur without interrupting the supply to another customer – retailer arranges for a distributor planned interruption
- Lack of information – isolation or shared fusing is often it is not known until the metering provider attends the premises to install the meter
- What is the best way to reduce delays for customers with isolation issues?

Questions for discussion

- How often are meter installations delayed by isolation issues relating to an inability to isolate the customer's supply from other customers?
- What are the restrictions that are preventing a successful outcome where there are multiple-occupancy isolation issues?
- Are there other issues that may impact metering installation timeframes for multiple occupancies, such as isolation devices located on DNSP assets?

Lunch break

The workshop will now break for lunch.

Lunch is from 12 noon to 12:45pm.

Please mute the webinar and return for the remainder of the workshop at
12:45pm.

KEY ISSUES

STAKEHOLDER WORKSHOP



Considerations for resolving the key issues

- Coordination between the parties involved.
- Balancing the need to inform customers of an interruption to their supply with the ability to complete the job in a timely manner.
- Making sure life-support customers are notified in advance of any interruptions to supply.
- Ensuring that the meter replacement is performed in a way that does not compromise safety.

Key issues – summary

- **Costs and benefits** of allowing metering coordinators to arrange planned interruptions for any customers for the purposes of installing or replacing a meter
- **Alternative options** which would reduce the timeframes and costs of replacing or installing a customer's meter where there is shared supply services or shared isolation fuses
- Proposed solution's **interactions** with retailers, distributors and metering parties' **existing obligations** in the National Electricity Rules or National Energy Retail Rules
- **Additional considerations** to be addressed such as changes to the level and detail of customer information that metering coordinators will require access to.

Key issues – benefits and risks

Benefits

- A potential solution for those customers where their supply is unable to be isolated from other customers' supply
- Proposed solution removes timeframes exception for multiple occupancy premises – meter installation timeframes would apply if rule made
- May reduce delays and costs and reduce coordination with multiple parties

Risks to be considered

- Relationship between metering coordinator and customers whose supply would be interrupted
- Interrelationship between proposed metering coordinator planned interruptions and retailer planned interruptions is unclear
- Identifying life support customers – metering coordinators do not have access to NMI discovery
- Dispute resolution – metering coordinators are not members of ombudsmen schemes

Discussion questions – benefits and risks

1. What are the benefits and risks of allowing metering coordinators to carry out planned supply interruptions?
2. Under what circumstances do you think metering coordinator planned interruptions should be used? Should there be any restrictions on the number of customers whose supply can be interrupted?
3. How would the metering coordinator access information required to notify affected customers of planned interruptions, i.e. customer details, life support information?

Potential alternative approaches – some suggestions from AEMO

- Retailers could use planned interruption notification to issue short notices with customer's consent under current rules
 - MC could coordinate and possibly establish specific contractual arrangements with retailers operating in the region(s) that the MC is active in to interrupt supply
- Field technicians obtain approval to work on behalf of both the MC and the distributor
 - they may act on behalf of the DNSP (using their established processes) when organising de-energisation at associated connection points.

Potential alternative approaches – some suggestions from AEMO

- DNSPs be obliged to resolve issue
 - When a party identifies a shared fusing arrangement, the issue is notified to the DNSP who is obliged to resolve the issue within a defined period of time
- DNSPs develop and publish a standard process detailing how they will provide a service to perform de-energisations where shared fusing is identified, including costs where applicable
 - providing detail on connection points that are believed to be connected via a shared fuse (new capability in NMI standing data / discovery perhaps?)

Discussion questions – alternative options

1. What are your thoughts on the alternative solutions to the underlying issue which have been presented?
2. Are there other alternative solutions that could address the issue of supply interruption for multiple-occupancies with a single isolation fuse that haven't been discussed today?

Discussion questions – other issues

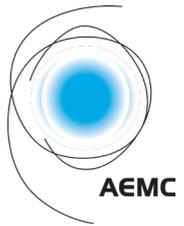
1. Are there any other issues that we have not discussed today that you would like to bring to our attention?

NEXT STEPS & CLOSING

STAKEHOLDER WORKSHOP

Next steps





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