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Australian Energy Market Commission
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Submission on the Introduction of Metering Coordinator Planned Interruptions

Introduction

1. This is Vector Limited's (Vector) submission on the Australian Energy Market Commission's (AEMC) consultation paper on the proposed *National Electricity Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule*, dated 29 August 2019.
2. We appreciate the AEMC's engagement with stakeholders on the proposed rule through a workshop in Sydney on 19 September 2019.
3. Vector supports the introduction of Metering Coordinator (MC) planned interruptions proposed by the Competitive Metering Industry Group (CMIG). We believe this will greatly assist our advanced metering business, Vector Metering (formerly Vector Advanced Metering Services), in installing advanced meters in a timely manner. Vector Metering is a registered MC and an accredited Metering Provider (MP) and Metering Data Provider (MDP) in the National Electricity Market (NEM).
4. We set out below our responses to the consultation questions and provide supporting information in Appendices A and B. We are submitting public and confidential versions of this submission. We are happy for the public version to be published. The confidential version contains commercially sensitive information and must not be published.
5. Vector's contact person for this submission is:

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Responses to consultation questions

1.1 What are the benefits of allowing metering coordinators to arrange and carry out planned supply interruptions?

6. The benefits of allowing MCs to arrange and carry out planned supply interruptions include more timely advanced meter installations and better customer experience.
7. Under the current National Electricity Retail Rules (NERR), a metering technician (engaged by a retailer) who attends a site to perform a meter exchange and finds a shared fuse scenario must defer the job until a Distribution Network Service Provider (DNSP) can be engaged to perform the isolation. This is likely to delay the installation of the advanced meter by 6 to 8 weeks (the lead time required by the DNSP) and require multiple visits by multiple parties to scope the work required. In many cases, permission from the affected customers could have been obtained on the day, but under the current rules, the MP (who is appointed

by the MC) is prohibited from seeking permission from affected customers to allow the job to proceed.

8. Giving the MC the right to interrupt supply to customers in a shared fusing scenario - in the course of performing metering work - will:
 - a. avoid delays in the installation of the advanced meter;
 - b. avoid the cost of multiple visits; and
 - c. reduce reliance on scarce DNSP resources.
9. A scenario where an MP is allowed to undertake a planned supply interruption is illustrated in Appendix A.

1.2 What is the magnitude of the issue that the rule change request is attempting to resolve? For example, how many meter installations are delayed due to inability to interrupt the supply of the retailer's customer without interrupting the supply of one or more other customers?

10. Vector Metering has analysed a comprehensive set of data on metering jobs that have failed due to isolation issues, particularly where there is shared fusing at the site. Our analysis of approximately 55,000 metering installation attempts shows that over 2,000 were deferred due to shared fusing issues. There is a failure rate of approximately 5% across New South Wales and South Australia, and approximately 1.5% in Queensland. More detailed information is provided in Appendix B.
11. The above dataset reveals that at least 50% of shared fuse scenarios impact only one other customer. While our dataset is incomplete due to changes in the data collection methodology, we believe this number could be as high as 60-70%.

1.3 Under what circumstances would the rule be used? Do stakeholders consider that there would be any issues if the proposed rule is made with how the rule would interact with retailers, DNSPs and metering parties' existing obligations in the NER or NERR?

12. The proposed rule introducing MC planned interruptions will be used where the metering technician attends a site and encounters a shared fuse scenario and either:
 - a. gains permission from all affected customers on the day; or
 - b. does not gain permission from all affected customers on the day, so will issue a planned interruption notice to all affected customers for a future date. This notice will have to meet the required notification obligations (including life support) under the current rules.
13. We believe introducing MC planned interruptions would complement the relevant parties' existing obligations. The proposed rule does not remove retailers' and DNSPs' current obligations but proposes to provide greater flexibility for retailers and MCs so they can operate more efficiently and deliver better outcomes for customers at sites with shared fusing. Retailers and MCs choosing not to take advantage of this increased flexibility can follow the current process of engaging the DNSP via the retailer.
14. The process described in Appendix A demonstrates how the proposed rule could work in practice.

1.4 Would additional or alternative amendments to the NER be required to address the underlying issues in the rule change request?

15. The CMIG rule change request proposes the removal of clauses 7.8.10A, 7.8.10B, and 7.8.10C from the National Electricity Rules (NER). We believe this is incorrect and these

clauses should be retained to allow for situations where the MC will still have to defer the meter installation beyond the mandated installation timeframe. This happens where consent from all affected customers cannot be obtained on the day and planned interruption notices must be issued to the customers at the site with shared fusing. Based on our experience, a rescheduled installation date is likely to occur outside of the mandated metering installation timeframe.

1.5 *Are there alternative solutions to introducing metering coordinator planned interruptions which would address the underlying issues of delays in installing or replacing meters in circumstances where there are shared fusing issues?*

16. An alternative solution is to extend retailers' current interruption rights to allow them to also interrupt a neighbour's supply. While this is expected to deliver the same outcome as an MC planned interruption, it will introduce other complexities that would need to be managed. These include situations where:
- a. retailers use the process of interrupting supply to directly contact their competitors' customers and deliver promotional and branding materials to those customers; and
 - b. retailers need the right to request customers' details from their competitors for life support discovery purposes.
17. The feasibility of extending retailers' current interruption rights was considered during the stakeholder workshop on the proposed rule on 19 September 2019. However, given the issues identified above, and the MC being a neutral party with no direct commercial relationship with the customer, attendees at the workshop expressed preference for giving the ability to interrupt supply to the MC.

1.6 *Should any restrictions be placed on the number of customers whose supply can be interrupted under a metering coordinator planned interruption?*

18. In our view, it is not necessary to impose any restrictions on the number of customers whose supply can be interrupted under an MC planned interruption. We believe that the effort required to coordinate the processes of notifying affected customers at a shared fuse site, and obtaining their consent, will provide a clear signal whether the MC can singlehandedly take on the responsibility of carrying out a planned interruption or require the DNSP to do it.
19. As mentioned above, Vector Metering's analysis shows that more than 60% of shared fuse scenarios involved only one or two other customers. Where coordination requirements become too unwieldy and costly, the MC can revert to the current process which is to get the retailer to engage the DNSP to arrange a planned interruption.

2.1 *Are retailer planned interruptions required if metering coordinator planned interruptions are introduced? Why or why not?*

20. Vector is not opposed to the AEMC exploring whether retailer planned interruptions are required if MC planned interruptions were introduced. However, we do not see a compelling case to remove retailers' ability to arrange planned interruptions and replace it with MC planned interruptions. We would expect retailers to face strong incentives to continue to control the messages they convey to their customers regarding pending metering works.

2.2 *Are additional or alternative amendments to the NERR required or appropriate to address the issues?*

21. We do not believe additional or alternative amendments to the NERR beyond what is intended in the proposed rule are required.

2.3 *Are the methods of communicating planned outages, and the information provided in the planned outage communications with other market participants adequate? Are there any further amendments which should be considered?*

22. We believe the existing B2B framework can support the notification requirements for MC planned interruptions. There are several B2B transactions that can suitably be used for communicating outages to market participants. We propose that the Information Exchange Committee undertake a review of these transactions once the final rule is made. We do not anticipate the need for any substantive changes to these transactions.

3.1 *Do metering coordinators require a specific level of access in MSATS in order to identify the customer who would receive a supply interruption? Is there an alternative method which would be more appropriate to obtain the required information? Are there any issues with providing metering coordinators with access to NMI Discovery?*

23. MCs currently have access to NMI Discovery in the Australian Energy Market Operator's (AEMO) Market Settlement and Transfer Solution Procedures (MSATS). Under the proposed rule, minor changes to the AEMO Procedures may be needed to allow an MC to use NMI Discovery to determine the relevant parties that need to be notified (the Financially Responsible Market Participant (FRMP), Local Retailer (LR) and DNSP).

3.2 *What is the most appropriate arrangement for a metering coordinator to determine whether a resident at any of the premises it intends to arrange a planned supply interruption uses life support equipment?*

24. The B2B already supports a Customer Data Request (CDR) transaction used for obtaining customer contact details. This transaction will also indicate whether a site is registered with Life Support. MCs can rely on this information once they have determined who the current FRMP is for the neighbour's premise. We recommend that current privacy provisions be reviewed to ensure that the MC has rights to this information when it is requested.

3.3 *Should customers have any access to dispute resolution or another form of recourse if a metering coordinator breaches any of the rules in relation to metering coordinator planned interruptions?*

25. Should MC planned interruptions be introduced, it is reasonable to expect that MCs would be subject to breach reporting obligations and dispute resolution processes like other market participants.

3.4 *Are there any other issues that the Commission should consider in relation to the proposed rule change?*

26. Vector does not see any other issues that the AEMC should consider in relation to the proposed rule change.

27. We note that several issues were raised by stakeholders at the 19 September workshop that are not directly relevant to this consultation. We encourage the AEMC to focus on the introduction of MC planned interruptions, as proposed, so that advanced meters can be installed, and consumer benefits delivered, in a timely manner.

28. We recognise the importance of discussing related or other metering issues at an industry-wide level. However, we believe that it is more appropriate to raise these issues during the AEMC's review of the metering market in 2020 - three years following the introduction of competitive arrangements in this market. Alternatively, some of these issues could be raised through separate rule change requests.

Concluding comment

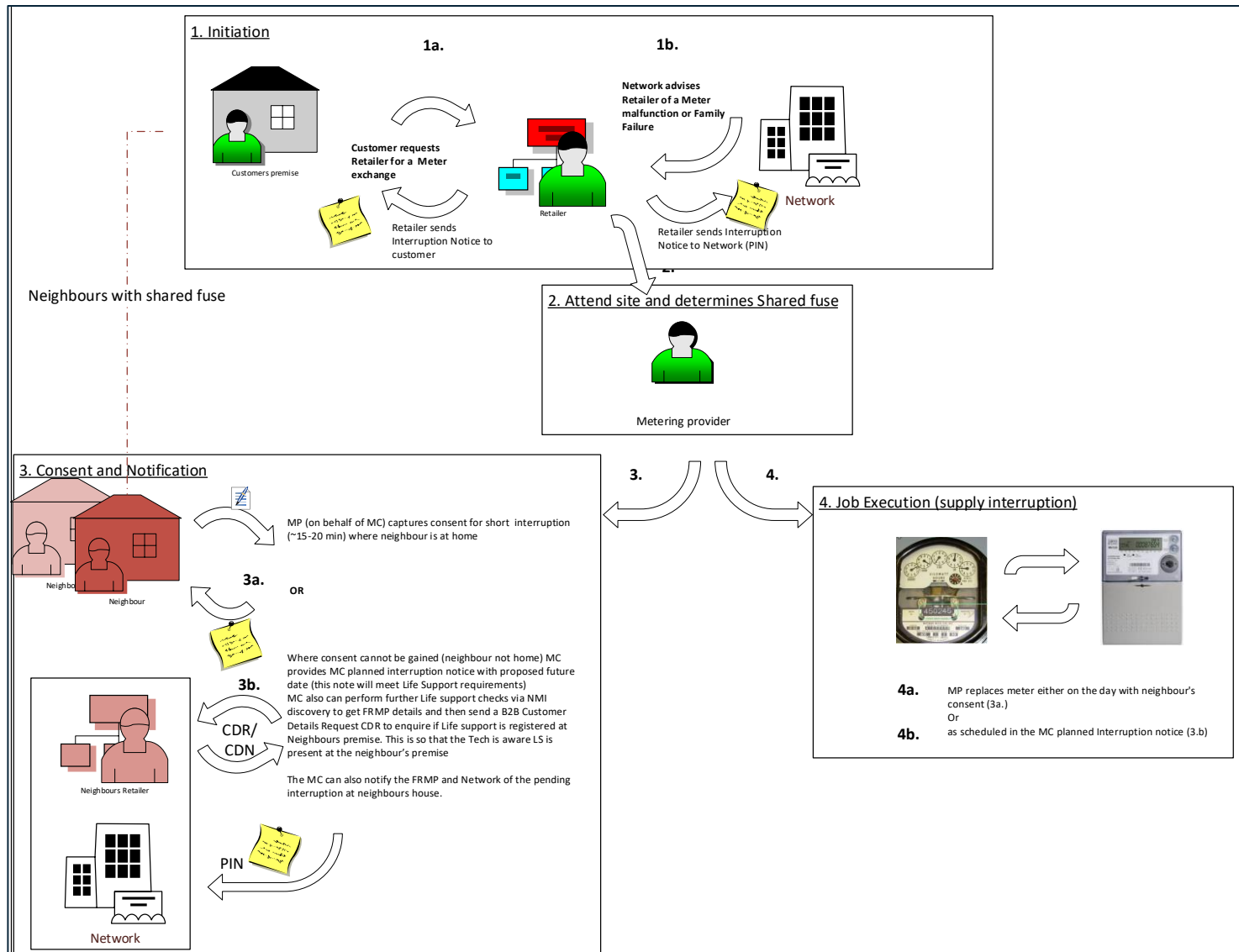
29. We are happy to discuss any aspects of this submission with the AEMC.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Mitch Webster', written in a cursive style.

Mitch Webster
Group Manager – Sales & Marketing
Vector Metering

Appendix A. Example of a meter installation process at a site with shared fusing where an MC is allowed to arrange a planned interruption



Appendix B. Unsuccessful installations at sites where isolation is required. Note: the figures for “Shared Fuse with 1 other site” are understated due to changes in collection methodology.

Confidential information has been omitted for the purposes of section 24 of the Australian Energy Market Commission Establishment Act 2004 (SA), sections 31 and 108 of the National Electricity Law and sections 223 and 268 of the National Energy Retail Law.

[The first table contains commercially sensitive information and is redacted in the public version of this submission.]

%	Column Labels ▼		
Row Labels	▼ NSW	QLD	SA
⊕ Successful Installation	78.18%	95.45%	83.92%
⊖ UnSuccessful	21.82%	4.55%	16.08%
⊕ Customer Side Defect	8.31%	2.28%	5.53%
⊖ Isolation Issue	13.51%	2.27%	10.55%
⊕ ASP/DB isolation required	2.79%	0.01%	
⊕ No operable isolation point available	5.68%	0.77%	5.33%
⊖ Shared Fuse	5.04%	1.49%	5.22%
Shared Fuse (< 9 other meters)	1.68%	0.67%	3.48%
Shared Fuse (> 9 other meters)	1.12%	0.61%	1.37%
Shared Fuse with 1 other site	2.24%	0.21%	0.38%
Grand Total	100.00%	100.00%	100.00%