28 October 2021

Ms Anna Collyer
Chair
Australian Energy Market Commission
GPO Box 2603
SYDNEY NSW 2000

Dear Ms Collyer

Directions Paper: Review of the Regulatory Framework for Metering Services (EMO0040)

Energy Queensland Limited (Energy Queensland) welcomes the opportunity to provide comment to the Australian Energy Market Commission in response to the *Review of the Regulatory Framework for Metering Services* directions paper.

The attached submission is provided by Energy Queensland, on behalf of its related entities, including:

- Distribution network service providers, Energex Limited and Ergon Energy Corporation Limited;
- Regional service delivery retailer, Ergon Energy Queensland Pty Ltd; and
- Contestable metering business, Metering Dynamics Pty Ltd trading as Yurika Metering (registered as Metering Coordinator and accredited to provide Metering Provider and Metering Data Provider services to business and residential customers in the National Electricity Market).

Should you require additional information or wish to discuss any aspect of this submission, please do not hesitate to contact me or Charmain Martin on 0438 021 254.

Yours sincerely

Sarah Williamson

Sarah Williamson
Acting Manager Regulation

Telephone: 0409 239 883
Email: sarah.williamson@energyq.com.au

Energy Queensland

Submission to the Australian Energy Market Commission

Directions Paper - Review of the Regulatory Framework for Metering Services

Energy Queensland Limited

28 October 2021

About Energy Queensland

Energy Queensland Limited (Energy Queensland) is a Queensland Government Owned Corporation that operates businesses providing energy services across Queensland, including:

- Distribution Network Service Providers, Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy Network);
- a regional service delivery retailer, Ergon Energy Queensland Pty Ltd (Ergon Energy Retail); and
- Affiliated contestable business, Yurika Pty Ltd and its subsidiaries, including Yurika Metering.

Energy Queensland's purpose is to 'safely deliver secure, affordable and sustainable energy solutions with our communities and customers' and is focused on working across its portfolio of activities to deliver customers lower, more predictable power bills while maintaining a safe and reliable supply and a great customer experience.

Our distribution businesses, Energex and Ergon Energy Network, cover 1.7 million km^2 and supply 34,000GWh of energy to 2.25 million homes and businesses each year.

Ergon Energy Retail sells electricity to 738,000 customers in regional Queensland.

Energy Queensland also includes Yurika, an energy services business creating innovative solutions to deliver customers greater choice and control over their energy needs and access to new solutions and technologies. Metering Dynamics, which is a part of Yurika, is a registered Metering Coordinator, Metering Provider, Metering Data Provider and Embedded Network Manager. Yurika is a key pillar to ensuring that Energy Queensland is able to meet and adapt to changes and developments in the rapidly evolving energy market.

Contact details

Energy Queensland Limited
Sarah Williamson
Phone: 0409 239 883

Email: sarah.williamson@energyq.com.au

PO Box 1090, Townsville QLD 4810
Level 6, 420 Flinders Street, Townsville QLD 4810
www.energyq.com.au

Energy Queensland Limited ABN 96 612 535 583 © Energy Queensland Limited 2021

This work is copyright. Material contained in this document may be reproduced for personal, in-house or non-commercial use, without formal permission or charge, provided there is due acknowledgement of Energy Queensland Limited as the source. Requests and enquiries concerning reproduction and rights for a purpose other than personal, in-house or non-commercial use, should be addressed to the General Counsel, Energy Queensland, PO Box 1090, Townsville QLD 4810.

1 Introduction

On 16 September 2021 the Australian Energy Market Commission (AEMC) published the *Review of the Regulatory Framework for Metering Services Directions Paper* (directions paper). The directions paper follows an initial consultation paper seeking feedback on the *Expanding competition in metering and related services* rule (*Competition in metering* reforms) that commenced operation in the National Electricity Market (NEM) on 1 December 2017. It sets out:

- the key issues and challenges that are preventing a higher penetration of smart meters under the current framework;
- the AEMC's preliminary positions on changes to the regulatory framework for metering services; and
- additional options and areas of focus.

The AEMC has requested feedback on the issues raised in the directions paper by 28 October 2021. Energy Queensland's comments are provided in sections 2 and 3 of this submission.

2 Specific comments

Energy Queensland welcomes the opportunity to provide feedback in response to the AEMC's directions paper on the regulatory framework for metering services. This submission is provided by Energy Queensland on behalf of its related entities, including:

- distribution Network Service Providers (DNSPs), Energex and Ergon Energy Network;
- regional service delivery retailer, Ergon Energy Retail; and
- contestable metering business, Yurika Metering (registered as a metering coordinator and accredited to provide metering provider and metering data provider services to business and residential customers in the NEM).

Energy Queensland's distribution, retail and metering services businesses seek to energise Queensland communities by safely delivering secure, affordable and sustainable energy solutions with our communities and customers.

Energy Queensland remains supportive of the AEMC's review of the *Competition in metering* reforms and agrees with the AEMC's assessment that "smart meters are a key enabler to unlocking benefits to consumers as part of the energy sector transition".[1] Energy Queensland also acknowledges the AEMC's conclusion that the rate of deployment and realisation of the potential benefits of smart meters is not being achieved under current arrangements.[2]

As highlighted in Energy Queensland's submission in response to the AEMC's consultation paper, there are a range of issues inhibiting large-scale, market-led deployment of smart meters, including:

- a market structure that has resulted in a split incentive scenario where the benefits of smart meter deployment accrues to parties who do not share in the costs;
- inability to provide the full range of smart meter services, including remote disconnection and reconnection;
- inability to realise the full potential benefits of smart meters without high penetrations of smart meters and integrated data systems;

[1] AEMC, Directions Paper, *Review of the Regulatory Framework for Metering Services,* 16 September 2021, p.i.
[2] AEMC, *Directions Paper*, p.i.

- difficulties for networks to negotiate consistent, secure and cost-effective access to asset and engineering data that will lead to network efficiencies and cost-savings;
- uncertainty regarding ownership of asset and engineering data;
- increased retail costs to provide smart meter services, including the high costs to establish end-to-end processes to deliver for the customer;
- high costs to set up information systems to support high volumes of smart meter data which is sourced by multiple providers and provided in multiple formats;
- physical barriers to installing smart meters, including onerous opt-out provisions, shared fusing in multi-tenancy premises, access difficulties, the need for existing customer switchboards to be upgraded and coordination issues between multiple parties;
- continued communication issues which remain unresolved in regional Queensland (although it is acknowledged that the roll out of 5G may assist in resolving this issue);
- lack of customer understanding of and interest in adopting new technologies, products and services enabled by smart meters, together with customers' unwillingness to pay smart meter costs; and
- limited interest in taking up cost-reflective pricing by customers.[3]

Energy Queensland appreciates the AEMC's extensive consultation on these issues and the ability to participate in the Metering Services Reference Group.

Energy Queensland has considered the preliminary positions and options put forward by the AEMC in its directions paper and supports:

- improving incentives for a market-led roll out of smart meters by removing inefficiencies in the installation process, improving cost sharing and aligning incentives;
- implementing a data access and exchange framework based on a combination of a minimum content requirement and an exchange architecture to guarantee DNSPs consistent and low-cost access to essential power quality data required for safety and network operation and planning purposes;

[3] Energy Queensland, *Submission to the AEMC: Consultation Paper – Review of the Regulatory Framework for Metering Services*, 11 February 2021, pp.11-12.

- amendment to the minimum service specification descriptions to ensure that power quality data can be provided to DNSPs on a regular and ongoing basis;
- measures to improve the customer experience, including a “one-in-all-in” approach to replacing meters in multi-occupancy premises and reducing the number of notices for retailer-led roll out programs; and
- measures to support the efficient deployment of smart meters, including changes that will reduce installation delays and simplify customer communications.

While it is acknowledged that the roll out of smart meters to date has been slower than anticipated by some stakeholders, Energy Queensland considers that the pace of deployment should accelerate once all necessary changes to the framework have been made, including improving installation processes and access to data, aligning incentives and removing impediments to the realisation of actual benefits.

Notwithstanding, Energy Queensland is supportive of setting reasonable targets to accelerate the pace of deployment if it will lead to a more economically efficient outcome for electricity consumers in the long-term. However, such an approach must be informed by robust analysis and take into consideration the dispersed nature of electricity customers spread across regional Queensland and efficiencies that can be achieved by focussing on geographical areas. Consequently, in our view, a geographical approach to setting targets (i.e. targets for the replacement of a percentage of meters in geographical areas within predetermined dates) would allow parties to take a coordinated approach to deployment, leading to the most efficient and cost-effective outcome for all stakeholders.

Further detailed comments on these issues are provided in response to the AEMC’s questions in section 3. Energy Queensland is available to discuss this submission or provide further detail regarding the issues raised.

3 Detailed comments

AEMC Question	Energy Queensland Comment
Question 1: Benefits which can be enabled by smart meters	
a) Are there other benefits which can be enabled by smart meters that are important to include in developing policy under the Review?	Energy Queensland agrees that the key benefits of smart meters are as outlined by the AEMC in the directions paper and that the full range of those potential benefits have not yet been realised under the current framework. However, we note that the competitive metering framework has only been in place for a relatively short period and that it is reasonable to expect additional benefits may emerge once the shortcomings of the current framework have been addressed and a critical mass of smart meters has been deployed. It is therefore important that any amendments to the metering services framework should remove barriers to enable: • the future development of innovative products and services that will deliver benefits to individual customers; and • a broad range of other stakeholders to take advantage of opportunities to maximise benefits for all electricity consumers. For example, in Energy Queensland's view, the framework should effectively support the future potential for DNSPs to interrogate meter data in real time to maximise operational efficiencies and lower electricity prices for all consumers of electricity.
b) What are stakeholders' views on alternative devices enabling benefits? What are the pros and cons of these alternative devices?	Energy Queensland acknowledges that since the *Competition in metering* reforms were implemented in 2017, technology has evolved significantly, the cost of remotely enabled devices has reduced and communication with those devices has become simpler, cheaper and more reliable. These developments have undoubtedly created new opportunities for the delivery of services which could also be enabled by smart meters and customers may already be deriving benefits from alternative devices purchased to control their energy use. However, the market has no visibility of these devices and the benefits do not flow across the NEM.

AEMC Question	Energy Queensland Comment
	Energy Queensland remains of the view that it is important for DNSPs to continue to have the ability to install network devices at customers' premises to allow them to monitor, operate or control their networks where it is efficient to do so. It is, however, critical that the regulatory framework for metering services provides appropriate incentives to minimise the need for deployment of alternative devices, thereby ensuring the collective benefits of smart meters can be maximised.
Question 2: Penetration of smart meters required to realise benefits	
a) Do stakeholders agree that a higher penetration of smart meters is likely required to more fully realise the benefits of smart meters? If so, why? If no, why not?	Energy Queensland agrees that a higher penetration of smart meters is required to realise the full potential benefits of smart meters across the NEM. For instance, it is expected that a higher penetration of smart meters will: • allow for greater installation efficiencies, reduced capital and maintenance costs and lower back office costs for metering coordinator businesses (i.e. as volumes increase, the fixed cost per unit will decline, which will enable metering coordinators to pass these savings on to retailers and thereby better facilitate retailer-led roll out programs); • enable retailers to realise a range of efficiencies and benefits and to offer new products and services to customers (although the realisation of actual benefits will be impacted by customer uptake of alternative tariffs and complementary services); and • allow networks to access detailed power quality data to better manage and plan their networks, improve safety outcomes and lower network costs for the overall benefit of electricity consumers.
b) Do stakeholders have any feedback on the level of smart meters penetration required for specific benefits? Or to optimise all benefits?	In Energy Queensland's view, there does not appear to be any strong evidence to demonstrate a specific level of minimum penetration required to support the achievement of potential smart meter benefits. For instance, the Queensland Competition Authority's *Ministerial advice on the Benefits of advanced digital metering* published in 2019, assumed benefits relating to outage detection in

AEMC Question	Energy Queensland Comment
	electricity networks would accrue at a critical mass of 60 per cent deployment (based on a 2016 report by the United Kingdom Department for Business, Energy and Industrial Strategy).[4] Similarly, media reports in the United Kingdom suggest deployment of 10 million smart meters out of a total population of 28 million is close to a critical mass.[5] The directions paper estimates that some benefits (in particular network benefits) will require in excess of 50 per cent penetration, while other benefits will require significantly less penetration (between 20-50 per cent).[6] While it is evident that a specific level of smart meter penetration will be required to enable the realisation of certain benefits by some stakeholders, Energy Queensland agrees that the optimal level will vary depending on the stakeholder, the nature of the expected benefit and other relevant factors. For example: • networks will require a significant minimum penetration to derive benefits from efficient tariffs and network power quality data to enable greater penetration of rooftop solar and energy storage systems, while dynamic operating envelopes for distributed energy resources can be implemented with smart meter installations at individual connections; • realisation of retailer and customer benefits will require a very high penetration of smart meters, but the mere existence of a smart meter at a customer's premises will not be sufficient to achieve actual benefits without the enablement of complementary services and greater customer engagement and changes in behaviour; and

[4] https://www.qca.org.au/wp-content/uploads/2019/08/ministerial-advice-benefits-of-advanced-digital-metering.pdf
[5] https://www.smartenergygb.org/resource-centre/press-centre/industry-insights/10-million-smart-meters-on-britain-s-secure-network-help-us-fight-climate-change.
[6] AEMC, *Directions Paper*, p. 18.

AEMC Question	Energy Queensland Comment
	• higher levels of penetration (and therefore a larger asset base) will significantly benefit metering coordinator businesses by enhancing their ability to effectively manage metering installation, maintenance and back-office costs. Notwithstanding stakeholders' desire for an accelerated roll out to achieve greater benefits from smart meters, it is Energy Queensland's view that additional analysis is required to support the need for interventions, such as targets, to accelerate the deployment of smart meters. It is important that targets are not set arbitrarily without taking into consideration the ability for actual benefits to be realised and the financial costs that will be incurred by market participants to meet those targets.
Question 3: To reach a critical mass in a timely manner, options to accelerate the roll out should be considered	
a) Do you consider that the roll out of smart meters should be accelerated? Please provide details of why or why not?	Energy Queensland notes that the *Competition in metering* reforms implemented in 2017 were not intended to result in a rapid deployment of smart meters in the short-term but that a market-led approach would result in customers gradually taking up new products and services over time. The AEMC's rationale for taking a market-led approach to deployment was to ensure "a more economically efficient outcome in the longer term".[7] While it is acknowledged that the roll out of smart meters to date has been slower than anticipated by some stakeholders, Energy Queensland considers that the pace of deployment will accelerate once all necessary changes to the framework have been made to improve incentives and remove existing impediments to the realisation of actual benefits. Notwithstanding, Energy Queensland is supportive of setting reasonable targets to accelerate the pace of

[7] AEMC, *Rule Determination: National Electricity Amendment (Expanding competition in metering and related services) Rule 2015, National Energy Retail Amendment (Expanding competition in metering and related services) Rule 2015*, 26 November 2015, p. 36.

AEMC Question	Energy Queensland Comment
	deployment if it will lead to a more economically efficient outcome for electricity consumers in the long-term. In our view, a geographical approach to setting targets (i.e. targets for the replacement of a percentage of meters by geographical areas within predetermined dates) would allow parties to take a coordinated approach to deployment, leading to the most efficient and cost-effective outcome for all stakeholders. Other factors that should be taken into consideration include: • existing jurisdictional targets for the roll out of smart meters, e.g. Energy Queensland's retailer, Ergon Energy Retail, already has a Queensland Government mandated target to roll out smart meters and is concerned that implementing a more onerous target as part of a retailer-led program would have significant cost implications for the business, particularly as it is unable to recover the costs of smart meters from customers (as part of regulated retail electricity prices in regional Queensland); • additional challenges that impede the ability to efficiently and cost-effectively roll out smart meters in regional Queensland, including lack of reliable communications, geographical issues and limited customer interest in smart meters; • participants' ability to achieve accelerated targets, including the availability of suitably trained installers in regional areas and financial constraints; and • the continued preference of the majority of small customers to limit their electricity cost risk and remain on flat rate tariffs, voiding the need for smart meters. Any accelerated roll out strategy would require a planned and coordinated approach to ensure smart meters can be installed efficiently and cost-effectively. Further detailed assessment of the costs and benefits in consultation with stakeholders should be undertaken if setting targets is to be explored further.

AEMC Question	Energy Queensland Comment
b) What are the merits, costs and benefits of each option? Is there a particular option which would be most appropriate in providing a timely, cost effective, safe and equitable roll out of smart meters?	While all options identified have the potential to accelerate the roll out of smart meters, options that allow retailers, metering coordinators and other parties (such as DNSPs) to effectively plan and coordinate deployment will likely result in the most efficient and cost-effective approach. As noted above, Energy Queensland supports improving incentives to rolling out smart meters by removing inefficiencies in the installation processes, improving cost sharing and aligning incentives. This option aligns with the market-led approach implemented by the AEMC's *Competition in metering* reforms and the efforts of market participants to develop under the framework to date. It also allows flexibility to take into consideration resource and financial constraints and smart meter equipment availability. Notwithstanding, Energy Queensland is supportive of setting reasonable limits or targets and a geographically based approach to smart meter deployment. In our view, an age-based replacement program will not facilitate an efficient or cost-effective outcome for stakeholders.
c) How would each of these options for rolling out smart meters impact the cost profiles of smart meters?	Any accelerated roll out program with a cost sharing arrangement would need to be subject to a cost-benefit analysis to ensure the outcome is fair and equitable. While Energy Queensland has not undertaken any detailed analysis of the options, experience suggests that setting targets to accelerate deployment will increase the existing negative cost-benefit differential in regional Queensland where vast geographical distances result in higher costs of deployment than in urban areas. However, we do acknowledge that increased penetration of smart meters would likely also have a positive impact due to economies of scale. An increased meter penetration would reduce the fixed cost per unit and ultimately enable a reduction in roll out costs, thereby reducing charges passed through to customers.

AEMC Question	Energy Queensland Comment
d) Are there other options that you consider would better provide a timely, cost effective, safe and equitable roll out of smart meters?	Energy Queensland suggests the following may also be worthy of consideration: • a coordinated approach to rolling out smart meters by DNSPs and metering coordinators, such as bundling smart meter roll outs in geographical areas, potentially resulting in operational efficiencies and cost-savings; and • the ability for DNSPs to install meter isolation links at existing installations to allow metering providers the ability to replace meters. However, as with all options, consideration of resourcing and cost impacts will also be necessary.
Question 4: Options to assist in aligning incentives	
a) What are the costs and benefits of each option? Is there a particular option which would best align incentives for stakeholders?	Energy Queensland supports further consideration of options to better align incentives, including the potential to spread the costs associated with smart meter installation and maintenance and the provision of data to all participants who benefit from smart meters if it is considered that this approach will provide cost incentives to retailers and metering coordinators for the installation of smart meters, greater access to smart meter-enabled offerings by customers and data access by DNSPs.
b) Are there other options that you consider would better align incentives?	As noted previously, Energy Queensland considers a coordinated and targeted approach to rolling out smart meters will lead to the most efficient and cost-effective outcome. Therefore another option that should be considered is allowing DNSPs to have the ability to directly initiate meter replacements by metering coordinators in areas where the installation of smart meters will derive significant benefits, such as in network constrained areas.
Question 5: The current minimum service specifications enable the required services to be provided	
a) Do you agree with the Commission's preliminary position that the minimum service specification and	Energy Queensland notes the AEMC's preliminary position that the minimum service specification and physical requirements of the meter are sufficient, but that changes to the *description* of the minimum service

AEMC Question	Energy Queensland Comment
physical requirements of the meter are sufficient? If not, what are the specific changes required?	specification may be required.[8] Energy Queensland agrees with this assessment and, in particular, considers that amendment to the minimum service specification description is required to address issues associated with access to power quality data by DNSPs. Power quality data (i.e. voltage, current and power factor) provides DNSPs with important safety information to enable timely detection of broken neutrals, more real-time visibility of the low voltage network, the ability to manage minimum demand and integrate greater volumes of distributed energy resources. However, while power quality data is currently captured in the minimum service specification as an ad hoc *metering installation inquiry service*, there is, in Energy Queensland's view, a requirement for ongoing and timely availability of this data for DNSPs. In order to provide regular and ongoing access to power quality data from minimum service specification-compliant smart meters, Energy Queensland recommends that the service description should be amended so that this data can be provided to DNSPs as a *remote scheduled meter read service* rather than as an ad hoc *metering installation inquiry service*. Given the safety, operational and planning benefits power quality data can provide to DNSPs, Energy Queensland considers this amendment is critical to unlocking the ability for smart meters to provide better overall outcomes for electricity consumers. Energy Queensland supports the position that a standard for the provision of power quality data and appropriate charging arrangements should be developed to facilitate efficient and cost-effective provision of data.
b) Are there changes to the minimum service specifications, or elsewhere in Chapter 7 of the NER, required to enable new services and innovation?	Energy Queensland considers that further changes should not be required to the minimum service specification in Chapter 7 of the NER to enable the provision of new services and innovation. However, a review of other market procedures and jurisdictional

[8] AEMC, *Directions Paper*, p 30.

AEMC Question	Energy Queensland Comment
	legislation which enables the capture, extraction and provision of data in a consistent and equitable manner may help to better align jurisdictional differences which would assist with the delivery of new services and efficient roll out of smart meters across the NEM.
c) What is the most cost-effective way to support electrical safety outcomes, like neutrality integrity? Would enabling data access for DNSPs or requiring smart meters to physically provide the service, such as via an alarm within the meter, achieve this?	Energy Queensland considers that better utilisation of existing smart meter capabilities and improved access to power quality data by DNSPs is the most cost-effective way to support electrical safety outcomes. Access to power quality data will allow DNSPs to monitor and take action to address network safety issues, such as neutral integrity. In our view, physical alarms within the meter are not an effective preventative measure. Furthermore, smart meters can mitigate safety issues linked to physical reconnections and disconnections. Utilisation of remote reconnection and disconnection services could also be an effective mechanism to control areas of impact in communities during a disaster event. However, existing regulatory barriers to providing remote disconnection and reconnection services in Queensland would need to be removed to realise these safety benefits.
d) Do you agree smart meters provide the most effective means for DNSPs to improve the visibility of their low voltage networks? Why, or why not? What would alternatives for network monitoring be, and would any of these alternatives be more efficient?	Energy Queensland agrees that smart meter data will provide the most efficient means for DNSPs to improve visibility of their low voltage networks. However, due to difficulties experienced by networks in obtaining consistent, secure and reasonably priced access to that data under the current framework, the only viable alternative to date has been for DNSPs to install network devices. Energy Queensland therefore supports measures that will ensure DNSPs have consistent, reasonably priced access to smart meter data.
e) Can smart meters be used to provide an effective solution to emerging system issues?	Energy Queensland considers that smart meters could be used to provide an effective solution to emerging systems issues through utilising usage and power quality data as an input to network investment decisions.

AEMC Question	Energy Queensland Comment
Question 6: Enabling appropriate access to data from meters is key to unlocking benefits for consumers and end users	
a) Do you agree there is a need to develop a framework for power quality data access and exchange? Why or why not?	Energy Queensland agrees that a framework is required to allow efficient, consistent and low-cost power quality data access and exchange. A standard access and exchange framework would not only better facilitate access to power quality data by stakeholders but also lead to cost-savings in the capture and delivery of the data by metering businesses. Energy Queensland supports the sharing of costs associated with collecting, storing and providing this data under a standard framework by all participants who benefit from the data. It is our experience that relying on negotiation between participants to agree a commercial arrangement is challenging. As such, we suggest consideration should be given to a regulated charge for this data as a way of removing barriers to negotiation and agreement.
b) Beside DNSPs, which other market participants or third parties may reasonably require access to power quality data under an exchange framework? What are the use cases and benefits that access to this data can offer?	Energy Queensland believes there may be reasonable requirements for access to power quality data by energy consultants acting on behalf of customers and parties involved in the establishment and operation of embedded networks. Access to power quality data may allow these parties to better determine the best energy and / or tariff solutions for customers.
c) Do you have any views on whether the provision of power quality data should be standardised? If so, what should the Commission take into consideration?	The applications of power quality data to improve network visibility and safety are common across the networks. As such, Energy Queensland considers a standardised approach is appropriate to ensure consistent and cost-effective delivery of this data. Under the current framework, the lack of consistent data provision and reliance on negotiation has resulted in underutilisation of this capability. Accordingly, development of a standard approach, supported by input from DNSPs, will ensure that the safety and operational benefits of power quality data can be delivered consistently and at an efficient price.

AEMC Question	Energy Queensland Comment
d) Do you consider the current framework is meeting consumers' demand for energy data (billing and non-billing data), and if not, what changes would be required? Is there data that consumers would benefit from accessing that CDR will not enable?	Energy Queensland has no evidence to suggest customers are dissatisfied with the current framework for accessing energy data. While Ergon Energy Retail, Ergon Energy Network and Energex currently receive a reasonable number of customer requests for billing data each year, there are very few requests from customers for non-billing data. This would suggest the current framework is meeting consumers' current demands. The datasets for Consumer Data Right (CDR) for the energy sector are comprehensive, already designated, and intended to align with the existing provisions in the National Electricity Retail Rules relating to customers' access to information. Energy Queensland has no evidence to suggest that consumers would benefit from accessing additional data beyond the scope of the CDR, although we note that the greater variety of products and services that may evolve would benefit from the more granular data smart meters can provide.
Question 7: Feedback on the initial options for data access that the Commission has presented	
a) What are the costs and benefits of a centralised organisation providing all metering data? Is there value in exploring this option further? (e.g. high prescription of data management).	Energy Queensland considers the establishment of a centralised organisation for collection and distribution of all metering data is unnecessary and would duplicate functions in which retailers and metering businesses have already heavily invested. The risks associated with this approach would potentially include delays in metering data flowing to DNSPs, higher costs, reduced flexibility and consequent impacts to customers. Energy Queensland also considers the timeframe to implement a complex and potentially costly centralised organisation structure would be significant and potentially further delay the realisation of smart meter benefits that are in the long-term interests of electricity consumers.
b) What are the costs and benefits of minimum content requirements for contracts and agreements for data access to provide standardisation? Would	Energy Queensland supports a minimum content requirement that will guarantee provision of "basic" data (i.e. instantaneous 5-minute readings of voltage, current, real and reactive power per phase) to DNSPs at least every 24 hours regardless of customer churn between

AEMC Question	Energy Queensland Comment
such an approach address issues of negotiation, consistency, and price of data?	retailers and in a standardised data delivery format. This approach will reduce risks for all parties and result in greater utilisation of smart meter capabilities at least cost. Energy Queensland supports incentives that will lead to efficient prices for data provision to stakeholders.
c) What are the costs and benefits of developing an exchange architecture to minimise one to many interfaces and negotiations? Could B2B be utilised to serve this function? Is there value in exploring a new architecture such as an API-based hub and spoke model?	Energy Queensland supports the use of a common exchange architecture, such as the existing B2B e-hub, and considers that, in conjunction with minimum content requirements, the data delivery and interfaces can be standardised to ensure more efficient provision of data. Energy Queensland also supports a robust framework for market participants to drive the standardisation of data and also suggests that the AEMC should consider leveraging the arrangements under development for the CDR applicable to the energy sector.
d) What are the costs and benefits of a negotiate-arbitrate structure to enable data access for metering? Is there value in exploring this option further? (e.g. coverage tests or non-prescriptive pricing principles).	Energy Queensland does not support a negotiate-arbitrate framework as we do not believe it will guarantee access to basic data, address issues such as standardisation and customer churn or materially reduce the administrative burden of contractual negotiation with multiple parties. Furthermore, our experience has shown that the need to negotiate with multiple parties for access to smart meter data has been unsuccessful to date and there is unlikely to be value in exploring this option further. Energy Queensland suggests consideration should be given to a regulated charge for smart meter data as a way of removing barriers to negotiation and agreement.
e) Are there any other specific options or components the Commission should consider?	Energy Queensland does not have any other suggested options.
Question 8: A higher penetration of smart meters will enable more services to be provided more efficiently	
a) Are there other potential use cases that third parties can offer at different penetrations of smart meters? What else is required to enable these use cases?	Energy Queensland suggests there may be potential use cases that third parties can offer at different smart meter penetrations. However, where these use cases directly impact products and services offered by other stakeholders, then this information should be visible to

AEMC Question	Energy Queensland Comment
	those impacted stakeholders. For example, demand response information should be shared to avoid information asymmetry.
b) Noting recommendations in incentives and the roll out, are there other considerations for economies of scale in current and emerging service models?	While it is theoretically possible that a higher penetration of smart meters will create economies of scale and reduce the costs of deployment, the reality in regional Queensland is somewhat different where greater scale will result in increased costs and risks. Specifically, additional deployment of smart meters increases costs to retailers, and without complementary reforms to remove known inefficiencies, the drive for greater deployment numbers will exacerbate the existing situation. Furthermore, an increased penetration of smart meters will result in increasingly dispersed Type 6 meters. Reading these meters will no longer be able to be scheduled on geographically efficient terms and will result in an expensive and inefficient meter reading process. However, this issue could be addressed by bundling work and rolling out smart meter deployment across locations in a strategic manner.
Question 9: Improving customers' experience	
a) Do you have any feedback on the proposal to require retailers to provide information to their customers when a smart meter is being installed? Is the proposed information adequate, or should any changes be made?	Energy Queensland does not consider that provision of information prior to installation of a smart meter will make a material difference to customers' experience, and in some cases may even lead to disappointment where installation is not possible. However, provision of relevant information at the time of installation would assist customers to immediately take action to realise the benefits available from their new smart meter. Energy Queensland believes the success of any new framework will depend on adequate education and information being provided to customers around the benefits and management of smart meters. Furthermore, the success of any customer experience will be dependent upon driving transparency and customer education in matters such as data management.

AEMC Question	Energy Queensland Comment
b) Should an independent party provide information on smart meters for customers? If so, how should this be implemented?	Energy Queensland considers retailers are best placed to provide information on smart meters to their customers as they have access to relevant customer details, including usage information and communication channels. However, we acknowledge that there may be potential for an independent party to provide information on smart meters for customers, such as pre- and post- installation communications. But, given the nature of the operating environment in regional Queensland, any third party communications would need to take into consideration different arrangements in those areas. Energy Queensland also considers that a website like Energy Made Easy could be utilised to provide information for customers on the benefits of smart meters.
c) Should retailers be required to install a smart meter when requested by a customer, for any reason? Are there any unintended consequences which may arise from such an approach?	Energy Queensland does not support the suggestion that retailers must action customer-requested meter exchanges regardless of reason. This proposal is inconsistent with the current market-led approach which the AEMC preferred as the most economically efficient approach. While there are likely to be circumstances where a customer-requested meter exchange would have minimal consequences, there are many challenges associated with installing smart meters in certain regional and remote areas of Queensland where the cost to action the request will outweigh any benefit. These challenges include: • geographical remoteness where it is inefficient to send a crew for a single meter exchange; • lack of or low quality internet access; and • remote communities where local governments have worked with Ergon Energy Retail to determine suitable meter types (such as card operated meters). Further, there are likely to be locations at which there is little value in providing smart meter services. In these circumstances, a mandatory approach would add costs to the retailer without the corresponding opportunity to offset those costs.

AEMC Question	Energy Queensland Comment
	Energy Queensland is also concerned by the proposals to establish a 15-day timeframe for the installation of a new meter, a 60-day timeframe for the replacement of meters under a family failure and the removal of the existing exemption process. These timeframes and the removal of an exemption process ignore the realities of operating in regional Queensland and are not supported by Energy Queensland.
Question 10: Reducing delays in meter replacement	
a) Do you have any feedback on the proposed changes to the meter malfunction process?	Energy Queensland generally supports the need for changes to the meter malfunction process, including the creation of mandatory timeframes for metering providers to report the results of investigations into faulty meters. However, the proposed approach to family failures has significant potential to result in increased costs if mandatory timeframes are introduced. For example, it is estimated that a family failure of 10,000 meters would require an additional 30-40 installers to replace all meters within the 60-day timeframe. These proposed changes also do not take into consideration the unique operating conditions in regional Queensland previously highlighted. Before changes to the meter malfunction process can be progressed, further input is required from market participants to determine the most efficient and cost-effective solution. More detailed consideration of any potential flow-on impacts on other market procedures will also be required.
b) Are there any practicable mechanisms to address remediation issues that can prevent a smart meter from being installed?	Energy Queensland notes that under Queensland's *Electricity Regulation 2006* the customer is responsible for providing and maintaining the facilities for housing the meter and may be required by the metering coordinator to make changes to their electrical installation to accommodate the installation of a new meter. While the point of installation may be viewed as the opportune time to rectify defects on the customer's electrical installation, the costs to do so can be substantial and retailers should not be expected to incur these costs. As such, practical mechanisms for remediation issues to prevent a smart meter from being installed will be determined by cost allocations. Energy Queensland also does not support

AEMC Question	Energy Queensland Comment
	the suggestion that DNSPs should be responsible for facilitating any necessary remediation works behind the customer's meter.
Question 11: Measures that could support more efficient deployment of smart meters	
a) Do you have any feedback on the proposal to reduce the number of notices for retailer-led roll outs to one?	Energy Queensland supports the proposal to reduce the customer notification requirements to a single notice. We anticipate that this initiative will reduce lead times for installation as well as the costs and complexities involved in communicating with customers prior to the installation of a new smart meter.
b) What are your views on the opt-out provision for retailer-led roll outs? Should the opt-out provision be removed or retained, and why?	While Energy Queensland respects the principle of customer choice, we consider that permitting customers to refuse the installation of a smart meter is an unnecessary feature of the current framework. The opt-out provision is a barrier to conducting an efficient roll out of smart meters across the NEM. Customers were not offered a choice of meter prior to the *Competition in metering* reforms and we note that provision exists for customers to request remote communications for the smart meter to be disabled, effectively making it the equivalent of a manually read meter. Energy Queensland therefore recommends that opt-out provisions should be removed. In order to address customer concerns, communication and education should be an integral element of the smart meter roll out program.
c) Are there solutions which you consider will help to simplify and improve meter replacement in multi-occupancy premises? Should a one-in-all-in approach be considered further?	Energy Queensland supports a "one-in-all-in" approach to replacing meters in multi-occupancy premises. This approach will provide benefits by: • reducing the number of site visits required to multi-occupancy premises; • providing a better customer experience, with fewer supply interruptions for affected customers; and • improving overall meter roll out timeframes. However, Energy Queensland acknowledges that significant coordination will be required by DNSPs,

AEMC Question	Energy Queensland Comment
	retailers and metering coordinators to ensure that this approach will work efficiently in practice. Energy Queensland considers that further detailed consideration and consultation on an appropriate process will be necessary.
Question 12: Feedback on other installation issues	
a) Do you have any feedback on any of the other installation issues raised by stakeholders? Are there any other installation issues the Commission should also consider?	Energy Queensland has no further feedback on other installation issues raised.
Question 13: Improvements to roles and responsibilities	
a) Are there any other changes to roles and responsibilities that the Commission should consider under this review? If so, what are those changes, and what would be the benefit of those changes?	Energy Queensland suggests there is an opportunity to improve the efficiency of smart meter installation by allowing DSNPs to install the meter under certain circumstances. For example, when a DNSP attends a customer's premises to investigate a faulty Type 6 meter and finds the meter requires replacement, it would be more practical and result in a better customer experience if the DNSP could install a smart meter in these circumstances. Currently, DNSPs are not permitted to install a new smart meter while onsite and instead must notify the customer's retailer who will then commence a meter replacement process with their chosen metering coordinator. This process is inefficient and does not provide optimal customer outcomes.