

28 October 2021

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

Dear Ms Collyer

RE Review of the regulatory framework for metering services (EMO0040)

TasNetworks welcomes the opportunity to respond to the Australian Energy Market Commission's (**AEMC**) consultation on the Review of the Regulatory Framework for Metering Services.

TasNetworks is the Transmission Network Service Provider (**TNSP**), Distribution Network Service Provider (**DNSP**) and Jurisdictional Planner in Tasmania. The focus of these roles is to deliver safe, secure and reliable electricity network services to Tasmanian and national electricity market (**NEM**) customers at the lowest sustainable prices. TasNetworks encourages the utilisation of smart meters to allow consumers to actively participate in the NEM as well as providing the ability to improve safety outcomes to our customers.

TasNetworks has contributed to and supports Energy Networks Australia's (**ENA**) submission especially with regards to access to standardised, timely and cost-effective data and the implementation of a data access framework that combines characteristics of both a Minimum Contents Requirement access framework and an Exchange Architecture platform.

If, as is expected, DNSPs become reliant on near real time metering data to provide aspects of its services to customers, like monitoring for broken neutrals, unrestricted access to this data will be mandatory. This provides the holder of this data with monopoly powers. To expect DNSPs to negotiate a fair and reasonable cost for this data is unrealistic. To compound this issue, DNSPs will then have to justify these costs to the Australian Energy Regulator (**AER**) as part of the regulatory determination process.

This leads to the question as to what evidence will DNSPs have to provide to justify the level of expenditure to access the data. One approach could be for the AER to ascertain the next best option which would most likely be for networks to install its own network devices at connection points. To allow the cost of metering data to be driven up to that level would be

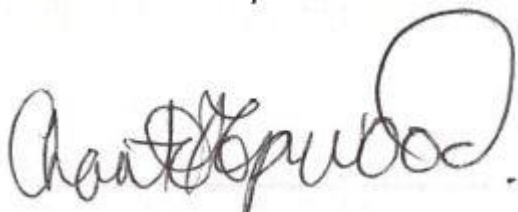
an inefficient outcome for customers. A preferable approach would be to have the AER ascertain the underlying business costs of Metering Data Providers (**MDPs**). It is not clear the AER has the powers under the National Electricity Law (**NEL**) to do this but retailers in effect do. Retailers use market forces to discover the lowest price for providing meter coordination services which include the services of meter data providers. If there is an obligation on MDPs to provide specified meter data in a set format to DNSPs then retailers will be able to uncover the lowest cost to provide the service since the MDP will have lost its monopoly provider status.

Another benefit from moving away from reliance on bilateral contracts is that, by establishing a framework that requires MDPs to provide data to DNSPs it provides certainty for both parties. One current challenge is that DNSPs are exposed to the risk that the MDP changes and the new MDP may decline a request for data or it may take some time to negotiate a new data access agreement, resulting in a break in data for some customers. This results in DNSPs being hesitant to invest in projects that will have an ongoing reliance on access to meter data which in turn reduces the value of the data. Similarly, the MDP is concerned that any investment it makes in systems to provide data may become stranded should the DNSP decide not to acquire the data from them. By requiring data transfer between both parties, both parties can make investment decisions with assurance of either ongoing revenue or guaranteed data access.

On the question of how to improve roles and responsibilities as they pertain to the advanced meter rollout, TasNetworks remains supportive of having the capability to allow a DNSP to install meters on behalf of metering providers (**MPs**). Currently when performing customer requested electrical work (for example, new connections and alterations) there are multiple parties involved with no overall accountability. This makes it difficult for customers and electrical contractors to know who to contact and when. Currently there is a six day window after a DNSP has completed its work to connect a customer, for a MP to install a meter. This causes unnecessary delays for customers, especially if the MP requires us to return to site to isolate the connection for the meter installation. Allowing the DNSP to install meters on behalf of the MP when already on site performing work such as new connections and alterations would provide a significant benefit in time and potentially cost to customers. To avoid confusion, TasNetworks is not asking to be a MP and have ongoing responsibility for the meter, just to have the ability to install a meter for MPs in circumstances where the alternative would result in a poor outcome for customers.

Should you have any questions, please contact Tim Astley, Network Reform and Regulatory Compliance Team Leader, via email (tim.astley@tasnetworks.com.au) or by phone on 6271 6151.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chantal Hopwood', with a large, stylized loop at the end.

Chantal Hopwood
Leader Regulation