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Mitchell Grande
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Australian Energy Market Commission

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Dear Mr Grande,

**Ausgrid response re AEMC's Draft Report on the Review of the regulatory framework for metering services**

Ausgrid welcomes the opportunity to respond to the Australian Energy Market Commission's (**AEMC**) Draft Report on the Review of the regulatory framework for metering services (**Draft Report**).[1]

Ausgrid operates a shared electricity network that powers the homes and businesses of more than 4 million Australians living and working in an area that covers over 22,000 square kilometres from the Sydney CBD to the Upper Hunter. An accelerated smart meter rollout to all customers is crucial to enable a more efficient and lower-cost energy system. It will help distribution network service providers (**DNSPs**), such as Ausgrid, support Australia's clean energy transition and have the potential to provide significant direct benefits to our customers through improved safety, information, products and services. Smart meters will enable more innovative services and tariffs for customer energy resources (**CER**), including electric vehicles (**EVs**) which will in turn drive faster uptake.

Ausgrid supports the AEMC's aim to improve the current framework via accelerating and maximising the value from smart meter deployment across the National Electricity Market (**NEM**). We outline our support for elements of the AEMC's recommendations below, and in our responses to the AEMC's consultation questions at **Attachment A**. We also identify areas where we have concerns that the recommendations will not result in the most efficient outcomes for customers and will not allow the full benefits to be enabled and captured.

We note that several of the issues raised in this submission could be alleviated through implementing alternative market arrangements that we were not considered in the Draft Report. We support the AEMC considering alternative market arrangements that preserve competition, such as DNSPs appointing metering coordinators (**MCs**) rather than retailers, particularly for vulnerable customers and multi-occupancy dwellings.

Alternative market arrangements are likely to ensure better outcomes for customers, and we urge the AEMC to remain open to exploring these options in detail, particularly where customers prefer and support these options.

**Accelerating the smart meter deployment**

Ausgrid strongly supports the AEMC's recommended target of universal smart meter adoption by 2030. A target of 2030 appears practically achievable, noting the preparation and upscaling required by a number of market participants.

We also support adopting an approach where DNSPs lead legacy meter retirement plans as the mechanism to accelerate smart meter deployment, in consultation with retailers and MCs. These plans will enable smart meter rollout to be prioritised according to customer and network need,

[1] AEMC, *Review of the regulatory framework for metering services – Draft report* (3 November 2022).

which will help put downward pressure on costs ultimately borne by customers. This is because DNSPs are better equipped to identify the most efficient long-term approach for their network.

**Reducing barriers to installing smart meters and improving industry co-ordination**

Shared fuses and the poor condition of some existing installations are the largest obstacles to successfully accelerating smart meter deployment. Shared fuses are particularly prevalent in Ausgrid's network area as around 40% of our customers live in multi-occupancy dwellings and these shared fusing arrangements were allowed in NSW until 2016.

The AEMC's recommendations, including the 'one in all in' approach, may improve some rollout issues. However, we are concerned that there will still be a significant number of installations, including sites with vulnerable customers, without smart meters in 2030 if 'on the ground' practicalities are not addressed appropriately. These on the ground practicalities were articulated in the AEMC's Directions Paper and our submission in response. We anticipate that backstop measures will be needed for all metering installations to proceed as planned.

**Improving the customer experience in metering upgrades**

We support providing customers with upfront clear, consistent and relevant information on smart meter functionality. This information should illustrate how smart meters optimise benefits for customers and work towards a social licence for an accelerated rollout. It should also contain customer-friendly information about the retail offerings potentially available to them because they have a smart meter.

For example, facilitating dynamic and cost reflective pricing options is a key benefit of smart meter deployment – as identified by the AEMC in 2015.[2] In this regard, we support the AEMC's option of strengthening the Tariff Structure Statement (**TSS**) process to consider transitional arrangements, similar arrangements that Ausgrid has already implemented.

**Opportunities to unlock further benefits for customer and participants**

Guaranteeing DNSPs to have access to smart meter data in an efficient and equitable manner is imperative to improving electricity network safety. It will also enable customers to participate in a more flexible, net-zero future. We welcome the AEMC's developing a standard 'basic' power quality data service as our experience with procuring smart meter data has ranged from parties preventing any access to data, to more collaborative arrangements.

Our experience suggests that DNSPs are price-takers for data and services, and the lack of uniform access results in ineffective benefit realisation. As such, while we support determining advanced power quality data and services on a commercial basis, we consider that retailers should provide basic power quality data for free once per day (in a similar manner to consumption data).

Should the AEMC have any questions in relation to this submission, please contact Alex Moran, Manager – Innovation & Intelligence at alex.moran@ausgrid.com.au.

Regards,

Alex McPherson
Head of Regulation

[2] AEMC, *Final rule to increase consumers' access to new services - Information Sheet* (November 2015).

**Appendix A: Responses to consultation questions**

## QUESTION 1: IMPLEMENTATION OF THE ACCELERATION TARGET

**1. Do stakeholders consider an acceleration target of universal uptake by 2030 to be appropriate?**

Yes. Ausgrid strongly supports a reasonably practicable acceleration target of universal adoption by 2030 to maximise the net benefits of smart meters for customers.

**2. Should there be an interim target(s) to reach the completion target date?**

Yes. Ausgrid supports a universal adoption target that is coupled with interim targets. This will provide certainty and visibility of smart meter rollout progress. Market bodies could also use interim targets to ensure that market participants are adhering to the approved legacy meter retirement plans, as well as allowing for minor changes to targets in future years where it improves the rollout's efficiency.

**3. What acceleration and/or interim target(s) are appropriate?**

Ausgrid recommends that the AEMC implement annual targets that are consistent with approved legacy meter retirement plans, and consider the rollout volumes by network area, retailer and metering co-ordinator. A multi-dimensional approach will provide comprehensive oversight which enables intervention where required.

**4. Should the acceleration target be set under the national or jurisdictional frameworks?**

Ausgrid supports setting the acceleration target under the national framework to drive consistency across jurisdictions.

## QUESTION 2: LEGACY METER RETIREMENT PLAN (OPTION 1)

**1. Do stakeholders consider this approach feasible and appropriate for accelerating the deployment of smart meters?**

Yes. Ausgrid considers that option 1 is feasible and appropriate for accelerating smart meter deployment as it will allow more targeted plans to be developed that meet the needs of our customers and our network.

**2. Do stakeholders consider the Commission's initial principles guiding the development of the Plan appropriate? Are there other principles or considerations that should be included?**

We consider the AEMC's proposed principles for option 1 to be appropriate. However, we note that DNSPs are not best suited to develop plans that require considering factors beyond a DNSP's knowledge and control under the current market arrangements.
Ausgrid considers that principle 2 should be adjusted to consider the long-term efficiencies that could be realised through the retirement of meters in a way which best meets customer and network needs.

Applying this principle in practice would include, for example, prioritising sites that:

- Have more expensive meter reading costs (typically type 5 meters);
- Allow retiring aged/poor condition audio frequency equipment (customer load control equipment);
- Allow vulnerable customers faster access to smart meters; and
- Would benefit from the granular information that smart meters can provide to better plan and operate the network (e.g. areas of high EV and other CER penetration).

Ausgrid would only support principles such as geographical based retirement plans under option 1 if they also align with customer and network needs.

**3. If this option is adopted, what level of detail should be included in the regulatory framework to guide its implementation?**

The regulatory framework should allow for an even split of legacy meter retirement each year so retailers and MCs know the volumes of required meter replacements across each network.

**4. Do stakeholders consider a 12-month time frame to replace retired meters appropriate? Should it be longer or shorter?**

Yes, Ausgrid considers that a 12-month timeframe to replace retired meters is appropriate as this should provide sufficient time to procure resources and meter stock and plan efficient delivery schedules.

**5. Are there aspects of this approach that need further consideration, and should any changes be made to make it more effective?**

Developing a legacy meter retirement plan will require consideration of a wide range of network and customer needs, as well as the needs of different market participants. The level of analysis undertaken and depth of consultation with other market participants will be influenced by the time provided to the DNSP to develop the plan. Given this, Ausgrid suggests that the Rules require the DNSP, in developing the plan, take into account certain factors, rather than requiring the plan to specifically reflect those factors.

In developing this plan, Ausgrid will incur additional unfunded costs, along with likely costs to administer the plan during its life. These costs are unlikely to meet the materiality thresholds for cost pass through events under the National Electricity Rules (NERs) and therefore specific cost recovery provisions would need to be included in any rule change that also places the legacy meter retirement plan obligation on DNSPs.

## QUESTION 3: LEGACY METER RETIREMENT THROUGH RULES OR GUIDELINES (OPTION 2)

**1. Do stakeholders consider option 2 feasible and appropriate for accelerating the deployment of smart meters? Are there aspects of option 2 that would benefit from further consideration?**

Ausgrid does not consider option 2 to be feasible and appropriate, because:

- All relevant customer and network issues cannot be considered due to the complexity of one body producing a plan to meet a large range of needs in what is likely to be a compressed timeframe;
- The complexity of processes and data transfers that would be required due to DNSPs having the bulk of information that would be required by the appointed body to develop the plans;
- This option as currently described appears to lack sufficient detail in how the Rules or Guidelines would practically and effectively prescribe and enforce a schedule at a sufficient level of detail that will give proper effect to the plan (e.g. would this be by NMI, by postcode or by suburb and how will market bodies ensure compliance?); and
- The likely increase in DNSP involvement and resources in effecting the plan. Without the detail, we assume that once a plan had been developed and approved by the appointed body, the DNSPs would likely be required to trigger the required replacement in market systems (e.g. through creation of a meter malfunction) to enable retailers to appoint an MC.

**2. Are market bodies the appropriate parties to set out the legacy meter retirement schedule?**

No – see response to Question 3.1 above.

**3. If option 2 is adopted, should the meter retirement schedule be located in the rules, or guidelines developed by the AER or AEMO?**

Ausgrid does not support option 2.

## QUESTION 4: RETAILER TARGET (OPTION 3)

**1. Do stakeholders consider option 3 is feasible and appropriate for accelerating the deployment of smart meters? Are there aspects of option 3 that need further consideration?**

Whilst Ausgrid considers that option 3 may be feasible, this approach does not take into consideration network and customer needs that are better served by option 1. It may result in perverse outcomes across network areas due to different retailer geographical penetrations. Ausgrid suggest that retailers develop a retailer-led deployment plan in conjunction with any legacy retirement plan as suits their needs, as they are currently able to under the NERs.

**2. If this option is adopted, what are stakeholders' suggestion on how retail market dynamics could be taken into consideration in both setting the uptake targets and monitoring performance?**

Ausgrid does not support option 3. If the AEMC determines to adopt it, then smart meter rollouts should be evenly applied across network areas to maximise total customer benefits.

**3. Should the rules or a guideline outline only a high-level target (universal uptake by 2030 taking into account practicality of replacements) or more granular targets or interim targets?**

Ausgrid does not support option 3.

## QUESTION 5: STAKEHOLDERS' PREFERRED MECHANISM TO ACCELERATE SMART METER DEPLOYMENT

**1. What is the preferred mechanism to accelerate smart meter deployment?**

Option 1 is Ausgrid's preferred mechanism to accelerate smart meter deployment.

**2. What are stakeholders' views on the feasibility of each of the options as a mechanism to accelerate deployment and reach the acceleration target?**

See responses to Questions 1, 2 and 3 above.

Ausgrid considers that Option 4 would not be a viable option because, as noted by the AEMC, this option 'could lead to MC's being held accountable for upgrades despite not having full control or the ability to deliver upgrades on their own'.

**3. Are there other high-level approaches to accelerating the deployment that should be considered?**

Ausgrid notes that several of the issues raised in this submission could be addressed through implementing alternative market arrangements that the Draft Report did not consider. We recommend that the AEMC consider alternative market arrangements that preserve competition,

such as DNSPs appointing MCs rather than retailers appointing MCs. This is particularly important for vulnerable customers and multi-occupancy dwellings.

Alternative market arrangements are likely to ensure better outcomes for customers, and we urge the AEMC to remain open to exploring these options in detail, particularly where customers prefer and support the alternative market arrangements.

## QUESTION 6: FEEDBACK ON NO EXPLICIT OPT-OUT PROVISION

**1. Do stakeholders have any feedback on the proposal to remove the opt-out provision for both a programmed deployment and retailer-led deployment?**

Ausgrid recommends that governments, retailers and market bodies develop broadly consistent, simple and clear communications and education plans to ensure that customers are aware of the rules and their rights if the opt-out provisions are removed.

**2. Are there any unintended consequences that may arise from such an approach?**

Ausgrid notes that removing opt-out provisions may result in retail churn if opt-out provisions are not effectively communicated to customers. For example, clear communication about mandatory legacy meter replacement must be published and well-communicated to customers at the government, retailer, ombudsmen and market body levels.

## QUESTION 7: REMOVAL OF THE OPTION TO DISABLE REMOTE ACCESS

**1. Do stakeholders consider it appropriate to remove the option to disable remote meter access under acceleration?**

Ausgrid considers that developing and using remote services are a key smart meter feature that provides significant benefits to all parties including customers. It follows that we recommend customers should not be able to opt-out of these remote functions and that the rules should encourage retailers to use these services.

Type 4A meters should only be used where no remote connection is practically available and the MC should monitor type 4A meters on an ongoing basis.

## QUESTION 8: PROCESS TO ENCOURAGE CUSTOMERS TO REMEDIATE SITE DEFECTS AND TRACK SITES THAT NEED REMEDIATION

**1. Do you consider the proposed arrangements for notifying customers and record keeping of site defects would enable better management of site defects?** \

Yes, Ausgrid considers that the proposed arrangements would allow for reporting and analysis of sites which could be used by jurisdictions to develop funding or defect rectification plans. These arrangements and associated rules should be robust enough to ensure that:

- Defects recorded are legitimate site issues, rather than a backstop used to deal with customers who do not wish to have a smart meter installed; and
- Customers are not discriminated against by retailers due to defects being present at the customer's site.

## QUESTION 9: IMPLEMENTATION OF THE 'ONE-IN-ALL-IN' APPROACH

**1. Would the proposed 'one-in-all-in' approach improve coordination among market participants and the installation process in multi-occupancy sites?**

Yes, the proposed process should improve co-ordination, however in practice it will be difficult to manage in circumstances where a retailer's metering provider (**MP**) does not attend the site at the required time. Ausgrid suggests a suitable alternative would be to allow the initiating MC to install a smart meter on NMIs where a retailer's MP does not attend as required. This would remove the need for further customer outages and assist with the accelerated rollout.

**2. Are the time frames placed on each market participant appropriate for a successful installation process of smart meters?**

Yes, Ausgrid considers that the timeframes placed on each market participant are appropriate. However, consideration should be given to the maximum number of outages that may be arranged for particular regions on particular days, as well as the time taken to complete the outage due to resource constraints. We note that some large customers (e.g. healthcare facilities) and commercial customers may request specific outage dates to suit their operating conditions (e.g., during Christmas shutdown period). Such arrangements should be excluded from timeframe obligations.

**3. Are there any unforeseen circumstances or issues in the proposed installation process flow and time frames?**

Older switchboards often have limited physical dimensions and more generally, multi-occupancies tend to lack alternative options for switchboard and meter board placement. This means that relevant parties need to carefully plan and consider the individual site to successfully deploy smart meters in these situations. Additionally, large, shared fuse outages will require quite significant DNSP effort and coordination when negotiating an outage with all impacted customers, especially for commercial customers. If the MC's initial site assessment is not adequately completed, then customer goodwill and social license for the rollout will be negatively impacted.

For example, Ausgrid regularly sees this issue occur where:

- An MC visits a site and determines that it is a shared fuse;
- The MC then requests that the retailer raises a shared fuse outage from the DNSP; and
- On the day of the outage, the MP then states they cannot do the job due to space limitations.

Ausgrid recommends that the AEMC's determination provides for an instrument (such as an AEMO procedure) that industry develops and agrees to with MCs which sets the minimum requirements for installing meters. For example, minimum requirements for acceptable switchboard and associated wiring condition, and minimum space requirements for metering protective devices (**MPDs**) and meters. This spacing requirement must be the absolute minimum spacing requirement for the meters and MPDs. It should not include any additional functionality which increases the footprint area of the meter or MPDs. This will allow the initial MC to make an assessment on whether the job can go ahead or if the site gets flagged as requiring remediation. This assessment by the initial MC is critical for the success of accelerated smart meter rollout and a successful shared fuse outage to prevent the need for further customer outages.

**4. How should DNSPs recover costs of temporary isolation of group supply from all retailers?**

DNSPs should recover costs of temporary isolation of group supply via the AEMO B2B service order process which applies a regulated fee. This is the current process. However unlike today, this fee may have to be split amongst retailers depending on the individual site factors which will help to reducing overall costs from outages for the smart meter rollout.

**5. Can the proposed role of the DNSP in the one-in-all-in approach be accommodated by the existing temporary isolation network ancillary services?**

Yes, the current service definition is appropriate and can be accommodated by the existing temporary isolation network ancillary services. However process and systems changes will be significant to allow for DNSPs to notify retailers to confirm the outage date and potentially split the cost recovery amongst multiple retailers.

**6. Which party should be responsible for sending the PIN in the context of the one-in-all-in approach?**

We recommend that the DNSP send the PIN to the retailer confirming the date. The retailer must then send a business-to business (**B2B**) service order (**SO**) to the DNSP so the DNSP has confirmation from the retailer and can apply an appropriate fee at the completion of the works. This is consistent with current practice.

## QUESTION 10: STRENGTHENING INFORMATION PROVISION TO CUSTOMERS

**1. Do you have any feedback on the minimum content requirements of the information notices that are to be provided by Retailers prior to customers prior to a meter deployment?**

Ausgrid supports communication and education materials that ensure that customers are aware of the benefits of smart meters and what their rights and obligations are.

**2. Are there any unintended consequences which may arise from such an approach?**

To ensure and maintain a social licence for smart meter rollout, Ausgrid recommends that government, market body and ombudsmen websites and information resources consistently complement retailer information notices.

**3. Which party is best positioned to develop and maintain the smart energy website?**

The smart energy website should have a different name because that name is currently being used by a solar panel installation company. Ausgrid recommends that the AEMC expand energymadeeasy.gov.au as the one-stop-shop for small customer information on energy, including smart meters. This is already an established and trusted source of energy information within Australia and would increase chances of website hits from customers, instead of expecting customers to know to go to a new website. It would also support customers considering their tariff options when they are seeking information about smart meters. There are opportunities to integrate smart meter information with the tariffs that retailers are currently offering.

Additionally customer energy bills, retailer and ombudsmen call centres, retailer, ombudsmen and government websites already point customers to energymadeeasy.gov.au. Consideration could be given to amending the AER's Better Bills Guideline requirements for energy bills to include 'compare plans from other retailers at Energy Made Easy www.energymadeeasy.gov.au' to 'compare plans from other retailers and find out more about your meter at Energy Made Easy www.energymadeeasy.gov.au.'

## QUESTION 11: SUPPORTING METERING UPGRADES ON CUSTOMER REQUEST

**1. Do stakeholders support the proposed approach to enabling customers to receive smart meter upgrades on request?**

Yes, Ausgrid supports the proposed approach to enabling customers to receive smart meter upgrades on request and notes that this is permitted under the current rules. We consider that retailers should be required to provide a smart meter at a customer's request in a timely fashion, similar to other requirements such as when a customer requests upgrades to their connection.

## QUESTION 12: TARIFF ASSIGNMENT POLICY UNDER AN ACCELERATED SMART METER DEPLOYMENT

**1. Which of the following options best promotes the NEO:**

**a. Option 1: Strengthen the customer impact principles to explicitly identify this risk to customers.**

**b. Option 2: Prescribe a transitional arrangement so customers have more time before they are assigned to a cost-reflective network tariff.**

**c. No change: Maintain the current framework and allow the AER to apply its discretion based on the circumstances at the time.**

Ausgrid supports strengthening the customer impact principles under the TSS framework to consider the need for additional transitional measures to account for the accelerated deployment of smart meters. We note that Ausgrid's approved TSS[3] for the (current) 2019-24 period contains transitional arrangements for small customers moving to cost reflective tariffs upon installation of a smart meter. Specifically, small customers are initially assigned to an introductory tariff for 12 months if they did not elect to have the meter upgrade. Customers can also opt out to other tariff structures, should they choose to do so. Our proposed TSS for the 2024-29 period seeks to continue these arrangements.

**2. Under options 1 or 2, should the tariff assignment policy apply to:**

**a. all meter exchanges – for example, should the policy distinguish between customers with and without CER?**

**b. the network and/or the retail tariffs?**

Ausgrid supports a tariff reassignment policy that includes all small customers who have smart meter upgrades. This assignment policy does not distinguish between customers with or without CER. This is because Ausgrid's analysis demonstrates that customers with and without CER can benefit from cost reflective network tariffs through lower prices.

The tariff assignment policy for customers with smart meter upgrades can apply to both network and retail tariffs. For network tariffs, Ausgrid's TSS for the 2024-29 proposes to continue its assignment policy for smart meter upgrades in the next regulatory period. This involves assigning small customers to cost reflective tariffs (after an applicable introductory period) and allowing customers to opt out to other tariffs, should they choose to do so.

**3. What other complementary measures (in addition to those discussed above) could be applied to strengthen the current framework?**

[3] Ausgrid, *Attachment 10.01 – Tariff Structure Statement* (April 2019).

## QUESTION 13: MINIMUM CONTENTS REQUIREMENT FOR THE 'BASIC' PQD SERVICE

**3. Should the Commission pursue a data convention to raise the veracity of 'basic' PQD?**

Ausgrid agrees that a 'basic' PQD service that delivers voltage, current and phase angle would enable significant network benefits. We consider this to be the minimum dataset that would be able to provide this. Further standardisation may be required in order to align the metadata associated with variables (e.g., interval timing). We recommend that the NERs are the best suited vehicle to capture these requirements.

Ausgrid considers that the 'meter enquiry service' parameters should extend beyond voltage, current and phase angle so that they can deliver the most benefit to customers. Additional relevant parameters include the relay contactor status, which would confirm – in near real-time – whether a customer has been remotely disconnected. Relying solely on MSATS, which is only updated daily, may result in wasted field visits for a DNSP and delays for customers when responding to customer outages, including those which were undertaken by the customer's retailer. This in turn could result in longer customer outages increasing costs to customers and the network.

## QUESTION 14: UTILISING THE RIGHT EXCHANGE ARCHITECTURE FOR THE 'BASIC' PQD SERVICE

**3. If so, should the Commission prescribe this in the rules, or could this be by agreement between parties?**

Ausgrid recommends that the NER should prescribe the shared market protocol, except where parties have agreed to exchange data via alternative mechanisms, as this will provide a consistent backstop for parties unable to develop alternative mechanisms.

## QUESTION 15: PRICES FOR POWER QUALITY DATA SERVICES

**2. Are alternative pricing models, e.g., principles-based or prescribing zero-cost access, more likely to contribute to the long term interest of consumers?**

Guaranteed DNSP access to smart meter data in an efficient and fair manner is imperative to improving the safe operation and management of electricity networks, as well as enabling customers to participate in a more flexible, net-zero future.

Ausgrid welcomes and supports the AEMC developing a standard 'basic' power quality data service. However, Ausgrid is concerned that if the price for this service is to be determined commercially, then it will result in additional costs being passed on to customers. Our experience to date with procuring smart meter data and services at trial scale has been mixed – ranging from parties preventing any access to data, to more collaborative and agile arrangements. Our experience suggests that DNSPs are price-takers where services are available, and the lack of uniform access to data results in inefficient and ineffective use of smart meter functionality. Unfortunately, customers will fund these market inefficiencies.

Although Ausgrid supports advanced power quality data and services being determined on a commercial basis, we recommend that 'basic' power quality data be provided to DNSPs free of charge at a minimum once per day, in a similar manner to consumption data. This would allow for a significant improvement in customer and network safety through the ongoing monitoring of neutral connection integrity at the customer's premises and ongoing optimisation of CER connected to the electricity grid. Our trials to date of these applications have proven successful and the outcomes represent a key benefit of smart meters for DNSPs to be enabled.

For example, in our current smart meter data trial we have proactively identified a number of customer and network earthing issues that may have led to electric shock incidents if not rectified by analysing power quality data over time. This includes multiple instances where Ausgrid was able to identify both customer and network faults thanks to the smart meter power quality data. In once incident that occurred at the time of drafting this submission, the customer advised us

during our call investigating the matter that they had been experiencing electric tingles from their household taps, which indicates a deterioration in the earthing efficacy. Effective earthing is essential in electrical installations to ensure safety and avoid serious consequences to people and equipment. Using power quality data obtained from smart meters provides a novel and efficient way for networks to identify potential safety risks before incidents occur.

The more costly that broad access to power quality data becomes, the more attractive alternative options, such as DNSP installation of network devices, becomes from an economic perspective. We feel that such an outcome would not be in the long-term interests of customers, who likely expect the full benefits of smart metering to be realised.

### QUESTION 16: REGULATORY MEASURES TO ENABLE INNOVATION IN REMOTE ACCESS TO NEAR-REAL-TIME DATA SOONER

**1. Do stakeholders support the Commission pursuing enabling regulatory measures for remote access to near real-time data? If so, would it be suitable to:**

- **a. Option 1: require retailers to provide near real-time data accessible by the consumer in specific use cases (while allowing them to opt-out).**
- **b. Option 2: allow customers to opt-in to a near real-time service via their retailer for any reason.**
- **c. Option 3: promote cooperation and partnerships between Retailers and new entrants for near real-time data services, e.g., in a regulatory sandbox.**

Ausgrid supports customers being able to easily access their energy data in a digestible format that enables them to better understand their energy usage. We also consider that customer access to near-real-time data may support implementing innovative and flexible services such as virtual power plants (**VPPs**) and flexible pricing arrangements, for the long-term benefit of customers.

Ausgrid notes that these options are not mutually exclusive and is supportive of all three. We recommend that the AEMC consult on developing measures that incorporate elements of all three options presented.

**1. If so, could the Commission adapt the current metering data provision procedures?**

Yes, Ausgrid considers that the current metering data provision procedures could be adapted to suit the above options. However, for smart meters, we note that retailers would be best placed to provide this information rather than DNSPs.

**2. Are there any standards the Commission would need to consider for remote access? E.g., IEEE2030.5, CSIP-AUS, SunSpec Modbus, or other standards that enable 'bring your own device' access.**

Ausgrid considers that smart meters could be further developed for operational CER communications (i.e. communication of dynamic pricing and dynamic operating envelopes). Using smart meters may present an alternative to an additional Home Energy Management System (**HEMS**) installed on customer premises, or CER vendor communications, that results in an overall lower cost to customers.

If this were to occur, then we recommend that the AEMC use Australian Standard IEEE 2030.5/CSIP-Aus and this could occur in conjunction with the outcome of the Energy Security Board's Interoperability Policy Consultation Paper (October 2022).

## QUESTION 17: REGULATORY MEASURES TO ENABLE INNOVATION IN LOCAL ACCESS TO NEAR-REAL-TIME DATA SOONER

**1. Do stakeholders support the Commission considering regulatory measures for local access to near real-time data? If so, would it be suitable to:**

**a. Define a customer's right in access the smart meter locally for specific purposes?**

**b. Outline a minimum local access specification, including read-only formatting and unidirectional communications? Are there existing standards that MCs can utilise, for example, IEEE2030.5, CSIP-AUS, or SunSpec Modbus?**

**c. Codify a process for activating, deactivating, and consenting to a local real-time stream? If so, could the Commission adapt the current metering data provision procedures?**

**2. Are there any other material barriers that the Commission should be aware of?**

Ausgrid considers that smart meters could be further developed for operational CER communications (i.e. communication of dynamic pricing and dynamic operating envelopes). Using smart meters may present an alternative to an additional HEMS installed on customer premises, or CER vendor communications, that results in an overall lower cost to customers.

If this were to occur, the standards used between the meter and CER do not need to be mandated. We believe solution providers will naturally use the commonly available protocols (Modbus, OCPP) to communicate with CER.

## QUESTION 18: ADDRESSING SHORT TERM COST IMPACTS AND ENSURING PASS THROUGH OF BENEFITS

**3. What are the implications for AER revenue determinations for the upcoming New South Wales, Australian Capital Territory and Tasmania DNSP regulatory control periods? Is there a risk that network cost savings as a result of the accelerated smart meter deployment will not be fully passed through to consumers under the regulatory framework?**

It is unlikely that material network cost savings from accelerated smart meter deployment would be realised within Ausgrid's 2024-29 regulatory control period as the accelerated deployment would still be underway. Material savings would likely be realised from 2030, at which point we would have sufficient smart penetration within our network.