TELSTRA LIMITED

Submission in response to the Review of the Regulatory Framework for Metering Services, Draft Report

February 2023

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Summary

- Telstra supports the accelerated uptake of smart metering across Australia.
- Today the Rules and practices in the market mean that customers with accumulation meters and single rate network tariffs are forced onto time-based network tariffs the moment they get a smart meter, even though they have no idea what times they use energy.
- This discourages smart meter uptake, because a Retailer must either absorb unknown costs (which they will avoid if possible), or force the customer onto a retail tariff that has an unknown cost to the customer (because even with unchanged usage there is no way to apportion usage into peak, off peak, shoulder, etc).
- Telstra encourages dismantling any potential barriers to customers' uptake of smart meters. In this regard, customers should have the choice of retaining their current network tariff after their smart meter is installed. We believe this is also in the best interests of customers.
- Telstra has undertaken customer research that shows that customers generally, but particularly those who did not already have an interest in smart metering or solar, do not want to be forced onto time of use tariffs in order to get a smart meter (whether or not the meter is "free" to them). Nevertheless, Distributors' TSS, approved by the AER, all permit and involve customers being forced onto cost reflective tariffs upon smart meter uptake. This approach slows smart meter uptake – people only get smart meters when they're forced to get them or when they have already decided they want a cost reflective tariff.
- Some of the proposals in the Draft Report appear unworkable unless a customer's Retailer never changes. However, the Retailer for a connection point changes from time to time, unlike the DNSP for a connection point.

Background:

- Telstra provides connectivity to millions of Australian metering installations today, and works with most leading metering businesses to provide connectivity solutions.
- As a significant energy consumer, Telstra is one of the largest non-Retailer customers for smart metering services, by number of meters installed.
- Telstra has recently become an Energy Retailer, and would like to make smart meters a focus of our energy product offerings, but cannot currently do so.

Telstra's response to the questions in the Draft Report:

1. Implementation of the Acceleration Target

The Draft Report asked stakeholders:

- *Do stakeholders consider an acceleration target of universal uptake by 2030 to be appropriate?*
- *Should there be an interim target(s) to reach the completion target date?*
- *What acceleration and/or interim target(s) are appropriate?*
- *Should the acceleration target be set under the national or jurisdictional frameworks?*

Telstra considers that the 2030 target could be appropriate, subject to the approach (in particular, please see our response to Question 12). We do not believe interim targets would be necessary, but see no harm in adopting them if stakeholder consensus is in favour. We have no view on where the acceleration target should be enshrined.

2. Legacy Meter Retirement Plan (Option 1)

The Draft Report asked stakeholders:

- *Do stakeholders consider this approach feasible and appropriate for accelerating the deployment of smart meters?*
- *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?*
- *If this option is adopted, what level of detail should be included in the regulatory framework to guide its implementation?*
- *Do stakeholders consider a 12-month time frame to replace retired meters appropriate?*
- *Should it be longer or shorter?*
- *Are there aspects of this approach that need further consideration, and should any changes be made to make it more effective?*

Telstra does not consider Option 1 to be feasible or appropriate.

3. Legacy Meter Retirement Through Rules or Guidelines (Option 2)

The Draft Report asked stakeholders:

- *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?*

- *Are market bodies the appropriate parties to set out the legacy meter retirement schedule?*
- *If option 2 is adopted, should the meter retirement schedule be located in the rules, or guidelines developed by the AER or AEMO?*

Telstra considers Option 2 to be much more feasible and appropriate than Options 1, 3 and 4. A DNSP driven Plan, as contemplated by Option 1, is anachronistic in the context of meter contestability. DNSPs play a legacy role in metering, and an acceleration of smart meter uptake needn't be hampered or delayed by DNSPs developing Plans – given that they won't be involved in the deployment or reading of the new smart meters.

Some items to consider in relation to Option 2 include the following:

- As noted in the Draft Report in the discussion around Option 3, but equally relevant to Option 2, NMIs will move from Retailer to Retailer during the mandated timeframes:
    - A Retailer acquiring a customer in the lead up to the deadline for a new smart meter should be allowed sufficient time to arrange a meter installation. For example – if a given NMI is meant to have a smart meter by a given date, and a new Retailer becomes FRMP for that NMI the day before that date, and the previous Retailer has not arranged a smart meter installation, then the new Retailer should have at least another 6 to 12 months to achieve installation.
    - Retailers should only have to report on the NMIs for which they are FRMP as at the deadline date.
    - The reporting requirements contemplated may drive significant cost for Retailers, because there are no current regulatory reporting requirements that rely upon the same data. Any reporting requirements should not commence until Retailers have been afforded sufficient time to develop reporting, and in parallel sufficient cost allowance within the DMO to fund the necessary IT build.
- Any schedules developed must account for market deployment capacity *locally* taking into account all other schedules being developed. For example, the market may be capable of installing 100,000 meters per month in a given metropolitan area, but only 10,000 in a regional area with a similar number of NMIs. In addition, the market may only be able to install 1,000 meters per month in that regional area if the regional areas surrounding it are also meant to have 1,000 meters per month installed. This may lend weight to the schedule being developed by AEMO or the AER as a guideline, so that sufficient consultation with Retailers and MCs can occur.
- The AER or AEMO (whichever establishes the guideline including the schedule), or the AEMC if the schedules are set out in the Rules, must communicate to customers regarding the fact that their area has become the subject of a smart meter rollout schedule. This could take the form of a multi-step mailout – eg: "your property is now in a rollout schedule and must have a smart meter by X date"

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followed a few months later by "a reminder that there are only X months left before a smart meter needs to be installed at your property" etc. This way, when a customer's Retailer contacts them to arrange an installation, they will understand why. Retailers will otherwise become the villains in the eyes of customers who do not want smart meters, even though Retailers are simply complying with the schedule.

4. Retailer Target (Option 3)

The Draft Report asked stakeholders:

- *Do stakeholders consider option 3 is feasible and appropriate for accelerating the deployment of smart meters? Are there aspects of option 2 that need further consideration?*
- *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?*
- *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?*

Telstra does not consider Option 3 to be feasible and appropriate without significant amendment. As noted in the Draft Report, NMIs will move from Retailer to Retailer during the mandated timeframes. A Retailer's ability to meet the penetration levels depends on the behaviour the Retailers who were previously FRMP for given NMIs. That being said, Option 3 is far more feasible and appropriate than Options 1 and 4.

Any move to adopt Option 3 would need to be accompanied by communications to customers that come from the body that sets the obligation for Retailers, such as the kind of mailout we referred to in our response to Question 3.

5. Stakeholders' Preferred Mechanism to Accelerate Smart Meter Deployment

The Draft Report asked stakeholders:

- *What is the preferred mechanism to accelerate smart meter deployment?*
- *What are stakeholders' views on the feasibility of each of the options as a mechanism to accelerate deployment and reach the acceleration target?*
- *Are there other high-level approaches to accelerating the deployment that should be considered?*

Of the options presented, Telstra prefers Option 2.

Telstra does not consider Option 1 to be feasible or appropriate.

Telstra does not consider Option 3 to be feasible and appropriate without significant amendment.

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Telstra does not consider Option 4 to be feasible or appropriate.

6. Feedback on no Explicit Opt-Out Provision

The Draft Report asked stakeholders:

- *Do stakeholders have any feedback on the proposal to remove the opt-out provision for both a programmed deployment and retailer-led deployment?*
- *Are there any unintended consequences that may arise from such an approach?*

Telstra strongly supports the removal of the opt-out provision, ensuring that smart meters can be deployed to customers on SRC as well as MRC, but this should be coupled with communications directly to customers from the body that sets the obligation for Retailers, such as the kind of mailout we referred to in our response to Question 3.

While there were no questions posed on the subject in the Draft Report, at B.2 the Draft Report discusses notice streamlining. Telstra is strongly supportive of streamlining notice requirements for Retailers, but believes that customers should receive notice from the AER, AEMO or AEMC (whichever is the body setting obligations for Retailers to meet a schedule) to advise them that their property must have a smart meter deployed. In reality the kind of accelerated rollout contemplated by the Draft Report is not "Retailer led" regardless of the option pursued – it is just Retailer facilitated. Once Retailers are installing meters to meet a mandatory target, it should not be left to Retailers alone to explain to customers that they must accept a smart meter.

7. Removal of the Option to Disable Remote Access

The Draft Report asked stakeholders:

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

Telstra strongly supports the removal of this option, as smart meters are otherwise scarcely more useful or cost effective than manually-read accumulation meters.

8. Process to Encourage Customers to Remediate Site Defects and Track Sites that Need Remediation

The Draft Report asked stakeholders:

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

Telstra does not consider the proposed arrangements for notifying customers and record keeping of site defects to be feasible or appropriate.

As noted in the Draft Report in discussion of Option 3, NMIs will move from Retailer to Retailer during the mandated timeframes. The key problem with the proposed notification

process around site defects is that it assumes that one Retailer holds the customer throughout a lengthy time period.

While not a perfect solution, this may be an instance where the DNSP's legacy role in metering plays a part. Keeping in mind that the defects in question are in relation to the legacy metering installation, perhaps the MCs should be notifying the DNSPs of the defect, and DNSPs should be pushing to have rectification undertaken. The DNSP for a metering installation doesn't change from time to time, and therefore they can undertake a notification campaign that lasts several months.

Telstra does agree with the notion that centrally held records of site defects would be valuable, as this would help to avoid wasted site visits. There should ideally be a requirement for photographs and a minimum level of detail to be stored, as different MCs may have different opinions about site defects (ie: while better than nothing, it would not be particularly helpful to simply have a "site defect" flag in MSATS without further detail on whether it is a big or small defect, of what nature, etc).

Generally speaking, Telstra has strong views regarding the remediation of site defects:

- Customers in many cases cannot afford to remediate site defects, and any acceleration plan should not place a burden on customers to fund such remediation in line with an accelerated schedule.
- At some point the "universality" of a smart meter rollout cannot provide sufficient benefits to overcome the cost of some defect remediations. For example: if a site has a meter fixed directly onto cladding that can't be safely cut or penetrated, with wiring that goes through that cladding into an internal switchboard, then remediation may require re-cladding an entire elevation of the property. This could be many tens of thousands of dollars. In that instance – is there really a net benefit to rectifying the defect? You could pay for a meter reader once per month for a lot of years before you reach the point that the capital costs would have been a cheaper option.
- Any sinking fund, Government funding, or other approach to smearing remediation costs should involve consideration of not just the best way to fund remediation, but whether or not remediation is appropriate from a cost/benefit perspective.

9. Implementation of the "One-in-All-in" Approach

The Draft Report asked stakeholders:

- *Would the proposed 'one-in-all-in' approach improve coordination among market participants and the installation process in multi-occupancy sites?*
- *Are the time frames placed on each market participant appropriate for a successful installation process of smart meters?*
- *Are there any unforeseen circumstances or issues in the proposed installation process flow and time frames?*
- *How should DNSPs recover costs of temporary isolation of group supply from all retailers?*

- *Can the proposed role of the DNSP in the one-in-all-in approach be accommodated by the existing temporary isolation network ancillary services?*
- *Which party should be responsible for sending the PIN in the context of the one-in-all-in approach?*

The "one-in all-in" approach has several issues that make it unworkable without significant amendment.

One fundamental issue arises in the context of our response to Question 12: if a customer is forced to take up a smart meter at a point in time not of their choosing, without sufficient time to consider the best Retailer for them once they have a smart meter, then that reinforces the need for customers to be able to retain their network tariff following a smart meter installation.

Other issues of concern with this approach:

- Retailers of all other NMIs at the site may have hedged the net system load profile, and will now be exposed to a five minute profile without warning.
- If a site has shared fusing for say 20 NMIs, and each of the 20 customers has a different Retailer and each of those Retailers work with a different MC in that region, then the coordination to have all of those MCs to turn up at once and try to work on the same metering installation would be unmanageable.
- If something goes wrong at such a site where multiple MCs were engaged on one installation, and for arguments sake a fire was caused and significant harm done, which of those MCs could be held liable, given each of them would have no end of excuses as to how their work was interfered with?
- Today there are no market processes that require interaction between multiple MCs and Retailers as is contemplated here. What communication methods and standards are proposed to be adopted to enable so many market participants to communicate about these time-critical matters?
- Is there a new obligation on Retailers to share with some other Retailers which MC they are selecting for their NMI, ahead of the actual appointment? The Draft Paper talks about most Retailers appointing a "Primary MC" – but how do they know who the Primary MC is until every other Retailer has appointed an MC? And if one Retailer had appointed MC #1, but then sees all other Retailers have appointed MC #2 (with whom they also have a contract), what happens? Do Retailers need contracts with MCs that allow them to say "actually you don't have that job anymore because it would be more convenient for someone else to do it" even though the MC may have procured stock to complete the job?
- Many of the benefits of smart metering stem from the ways in which smart meters permit market processes to be automated. Competitive advantages for Retailers who invest in significant IT automation are amplified by universal smart meters. It is hard to see how a Retailer could automate their way around a process like this – it sounds like the kind of thing that requires a whole lot of people employed in operations call centres to be liaising back and forth.

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Generally speaking the approach proposed may make occupants of multi-dwelling sites "second class citizens" who have very few Retailers to choose from, much like occupants of sites with embedded networks. Retailers wary of the complexities of this model (if it is implemented) would deploy blanket rules to avoid multi-dwelling sites.

10. Strengthening Information Provision to Customers

The Draft Report asked stakeholders:

- *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?*
- *Are there any unintended consequences which may arise from such an approach?*
- *Which party is best positioned to develop and maintain the smart energy website?*

The Draft Report notes that notices from Retailers, today, are "not required to include information to enable customers to benefit from the smart metering installation." Two of the key benefits to customers of a smart meter are that: a meter reader doesn't need to attend on site; and reads are daily rather than less frequent. Both of these benefits are realised without any action from the customer, and therefore enabled without the customer needing any information.

Retailers maintain relationships with customers whereby poor customer satisfaction can result in customers leaving for another Retailer. Retailers are thereby commercially motivated to ensure that, if customers would appreciate certain information in their notices, it is included. Mandating further information may not be beneficial, and may result in notices that confuse customers and drive consternation about new meters.

Regarding the reason for the proposed new meter deployment – as noted in our response to Question 3, if the new meter is part of a mandated accelerated roll out the customer should have first received a communication about their new meter from the AER, AEMC or AEMO.

We are supportive of the creation of a Smart Energy Website, and believe it could best be developed and maintained by the AER as a part of EnergyMadeEasy.

11. Supporting Metering Upgrades on Customer Request

The Draft Report asked stakeholders:

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

Telstra does not support this approach as proposed.

This approach would increase the likelihood that a Meter Provider needs to visit a location to install one meter, without having the ability to install other meters nearby to improve efficiency. Being able to install meters as part of a "milk run" in as many instances as

possible (ie: when not installing due to solar, meter failure, etc) is an important aspect of minimising deployment costs.

In some but not all cases, Retailers' contracts with Meter Providers may entitle the Meter Provider to refuse to install a meter. If this Rule is changed, how can a Retailer overcome a circumstance where no Meter Provider agrees to install a meter (perhaps because the negotiated pricing contemplated more efficient rollouts)?

Customers can always choose a new Retailer, so it is unclear why any particular Retailer should be obliged to install a smart meter for a customer. If refused a smart meter by one Retailer, the customer could switch to another that offers them a meter. This is a mechanism by which Retailers can compete, and we believe removing this avenue for differentiation would tend to harm competition.

12. Tariff Assignment Policy Under an Accelerated Smart Meter Deployment

The Draft Report asked stakeholders:

- *Which of the following options best promotes the NEO:*
    - *Option 1: Strengthen the customer impact principles to explicitly identify this risk to customers.*
    - *Option 2: Prescribe a transitional arrangement so customers have more time before they are assigned to a cost-reflective network tariff.*
    - *No change: Maintain the current framework and allow the AER to apply its discretion based on the circumstances at the time.*
- *Under options 1 or 2, should the tariff assignment policy apply to:*
    - *all meter exchanges – for example, should the policy distinguish between customers with and without CER?*
    - *the network and/or the retail tariffs?*
- *What other complementary measures (in addition to those discussed above) could be applied to strengthen the current framework?*

None of those options are appropriate without amendment.

The most appropriate option would be more akin to the option the Commission has stated it is not considering – an "opt-in" arrangement. Customers having a smart meter installed should be permitted to remain on whatever network tariff they were on previously, until they possess knowledge of their usage patterns, and have had an opportunity to adjust them. At that point it should be up to them whether they take up a cost reflective tariff or not.

Eventually, once the only customers on single rate tariffs are the "hold outs" who know cost reflective tariffs would be more expensive, single rate network tariff prices should be increased to reflect the cost of servicing this cohort, and in time this will create a signal for more customers to *choose* cost reflective tariffs (rather than being forced onto them). It would take longer, but eventually everyone would be on a cost reflective tariff.

If we adopt a framework where, just like today, the only customers getting smart meters are the ones who absolutely have to, then we won't get more customers on cost reflective tariffs anyway. So we can choose between having non-cost reflective tariffs and the data we get from accumulation meters, or non-cost reflective tariffs and the data we get from smart meters.

This element of the TSS process, to date, has been a key barrier to smart meter uptake. Distributor TSS proposals involve mandatory cost reflective network tariffs for new smart meters. Customers therefore avoid smart meters, because they would be going from a known energy bill to an unknown energy bill (even if the smart meter is "free").

As arguably one of the biggest potential beneficiaries of more smart meters, given we have the country's best network for connected devices, we still feel that we are better off not trying to accelerate smart meter uptake if we are forcing customers onto network tariffs they may not want.

The Draft Report talks about the difference between regulating network tariffs and retail tariffs. What would be the point of "cost reflectivity" in network tariffs if Retailers were then smearing the cost? The signals wouldn't be going anywhere. Retailers generally reflect network tariffs in their pricing to reduce the risk of costs exceeding revenues, and the result is that Distributor price signals are passed on to customers, and customers are thereby encouraged to meet Distributor objectives. We shouldn't break that.

Telstra proposes that:

- Moves to increase the take up of cost reflective tariffs be pursued independently of smart meter deployment, as otherwise smart meter take up is discouraged.
- Customers be permitted to have a smart meter installed without any change to their network tariff.
- The Rules require that, notwithstanding the content of any TSS, Distributors facilitate smart meter installations without tariff change.

13. Minimum Contents Requirement for the "Basic" PQD Service

The Draft Report asked stakeholders:

- *Should the 'basic' PQD service deliver any other variables besides voltage, current, and phase angle?*
- *Does the 'basic' PQD service require any further standardisation, e.g., service level agreements? If so, where should these service levels sit?*
- *Should the Commission pursue a data convention to raise the veracity of 'basic' PQD?*

Telstra does not have firm views in response to Question 13, other than to query how secondary data exchange or disclosure is handled.

Once Rule 7.15.5 is amended to facilitate DNSPs to procure PQD from MCs, and once a DNSP has PQD procured from an MC, will the Rules state that the DNSP cannot then share

that PQD with other parties (or insights gained from that PQD), or would this be a matter for the contractual arrangements between DNSPs and MCs?

14. Utilising the Right Exchange Architecture for the "Basic" PQD Service

The Draft Report asked stakeholders:

- *Should the industry use the shared market protocol? If not, why?*
- *Should stakeholders exchange PQD directly, using NER clause 7.17.1(f)?*
- *If so, should the Commission prescribe this in the rules, or could this be by agreement between parties?*

Telstra does not have firm views in response to Question 14, other than to note that direct PQD exchange is less likely to conform to any stipulated standards.

15. Prices for Power Quality Data Services

The Draft Report asked stakeholders:

- *Is it sufficient for the prices for PQD services to be determined under a beneficiary pays model, especially with a critical mass of smart meters?*
- *Are alternative pricing models, e.g., principles-based or prescribing zero-cost access, more likely to contribute to the long term interest of consumers?*

Telstra believes that PQD services should work on a beneficiary pays model.

Pricing principles should not be prescribed, because of the risk of driving inefficient pricing outcomes.

An alternative model whereby zero-cost access is prescribed is inappropriate for many reasons, including:

- It would mean no price signal to govern DNSP PQD requirements. DNSPs would have no motivation to seek out only the PQD they need and can benefit from.
- Retailers do not participate in negotiations between DNSPs and MCs regarding PQD requirements.

16. Regulatory Measures to Enable Innovation in Remote Access to Near-Real-Time Data Sooner

The Draft Report asked stakeholders:

- *Do stakeholders support the Commission pursuing enabling regulatory measures for remote access to near real-time data? If so, would it be suitable to:*
    - *Option 1: require retailers to provide near real-time data accessible by the consumer in specific use cases (while allowing them to opt-out).*
    - *Option 2: allow customers to opt-in to a near real-time service via their retailer for any reason.*

    - *Option 3: promote cooperation and partnerships between retailers and new entrants for near real-time data services, e.g., in a regulatory sandbox.*
- *If so, could the Commission adapt the current metering data provision procedures?*
- *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.*
- *What are the new and specific costs that would arise from these options and are they likely to be material?*

Telstra is very supportive of the idea of moving towards near-real-time data provision, however none of the options presented seemed ideal. The ability for a Retailer to provide near-real-time data will be very expensive for the very first customer and then very cheap for subsequent customers (assuming sufficiently capable metering is installed). As such, it is likely that once a Retailer has enabled near-real-time data, it would be offered to all customers.

One of the biggest factors in the provision of near-real-time data relates to the capabilities of the metering equipment and the arrangements that MCs have for data transmission. Products are readily available to permit near-real-time transmission, but many MCs do not universally have connectivity that supports this.

Additionally, today MCs must comply with Rule 7.15.5(b) – and meter data is not retrieved from all meters at once, so as to avoid congestion. It is unclear how this Rule would apply once MCs are commonly retrieving data in near-real-time.

Today, Retailers in Victoria have access to a day's smart meter reads for all customers by the following morning. Not all Retailers have made the significant investment to display this meter data to customers (such as in a mobile app or an online portal). Providing near-real-time data would be an immensely larger technical burden, and would be prohibitively costly for many Retailers if insufficient lead time is allowed. If solution providers had time to develop IT products to offer to offer to Retailers, then for some Retailers the costs could be as low as a few million dollars, plus an ongoing operational expense burden. At the other end of the spectrum, Retailers with complex integrated systems (such as the larger Retailers) could have to spend hundreds of millions of dollars if forced to deliver a solution rapidly and in the absence of sufficient standardisation. The entire NPV of the accelerated smart meter rollout (as assessed by Oakley Greenwood) could easily be eroded by Retailer expenditure on systems to provide near-real-time data access.

One of the difficulties to consider – today all Retailers receive read files from their various MDPs in a consistent format, in consistent timing. Retailers can then provide visibility of that consistent data through mobile apps and online portals, if they make the relevant IT investment. Any move towards near-real-time data should either involve consistent standards for data retrieval, transmission and formats (just the same as the daily provision of meter reads), or else remain optional. Otherwise, Retailers may be forced to build a

different IT solution for each MDP. And having built a solution, would be exposed to the risk of MDP approaches changing over time, necessitating IT re-build.

In terms of connectivity to meters to permit near-real-time data retrieval, keep in mind that many meters installed outside of Victoria since Power of Choice: have not been deployed with local access interface cards (eg: a ZigBee interface such as is used in Victoria); and have not been deployed with connectivity solutions that place a priority on being able to communicate with a meter at all times of the day. There is a big difference between: a connection interface you can rely upon to be capable of transmission once per day most days at any non-specific point in a 6 hour window; versus one you can rely upon to be capable of transmission tens of thousands of times throughout every day, at all times of day. Any rules regarding near-real-time data must contemplate the physical equipment requirements, and should not be implemented in a way that requires replacement of recently installed meters, or site visits to modify meters with additional communications interfaces.

17. Regulatory Measures to Enable Innovation in Local Access to Near-Real-Time-Data Sooner

The Draft Report asked stakeholders:

- *Do stakeholders support the Commission considering regulatory measures for local access to near real-time data? If so, would it be suitable to:*
    - *Define a customer's right in access the smart meter locally for specific purposes?*
    - *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?*
    - *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?*
- *Are there any other material barriers that the Commission should be aware of?*

As noted in our response to Question 16, many meters installed outside of Victoria since Power of Choice have not been deployed with local access interface cards (eg: a ZigBee interface such as is used in Victoria). Any rules regarding near-real-time data must contemplate the physical equipment requirements, and should not be implemented in a way that requires replacement of recently installed meters, or site visits to modify meters with additional communications interfaces.

18. Addressing the Short-Term Cost Impacts and Ensuring Pass Through of Benefits

The Draft Report asked stakeholders:

- *Are stakeholders concerned about the risk of short-term bill impacts as a result of the accelerated smart meter deployment? To what extent would the above offsetting and mitigating factors address this risk?*

- *If stakeholders are concerned about residual cost impacts, what practical measures could be put in place to address these risks?*
- *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?*

While the Draft Report refers here to implications for AER revenue determinations, no similar reference is made here to the process of setting the DMO, and the need to incorporate the costs to Retailers of any accelerated rollout.

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