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Australian Energy Market Commission
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Sydney NSW 2000

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Submission on the Proposed Metering Compliance Rule Changes

Introduction

1. Bluecurrent welcomes the Australian Energy Market Commission's (AEMC) consultation paper on the proposed rule changes *Supporting compliance with meter maintenance obligations*, dated 4 December 2025.
2. Bluecurrent mainly operates within the low-voltage market sector of the National Electricity Market (NEM), so our experience in the high-voltage sector is limited. However, we understand the concerns raised and support the AEMC's efforts to address them. Many of these challenges described in the issues paper are not limited to the High-Voltage market sector but also exist in the low-voltage market. Retailer support and customer engagement is vital for Metering Coordinators (MCs) to continue to meet their obligations.
3. Under current regulations, MCs are held responsible for non-compliances but in some instances do not have any effective means to resolve them resulting in MCs facing the risk of civil penalties. This matter is of serious concern for us, and one that must be addressed under this reform.

Responses to the consultation questions

Question 1: Do you agree with the issues that the rule change requests identify with current arrangements for testing and inspection?

a. Do you agree that MCs face challenges in meeting their testing and inspection requirements? For example:

   i. accessing customer sites
   ii. arranging activities with retailers and large customers to complete testing and inspection activities
   iii. recovering the costs of testing and inspection activities.

b. Do you agree that the current process for MCs to obtain test certificates is inefficient?

4. The issues paper mainly addresses challenges in the high-voltage market sector. While our involvement in this area is limited, we face similar problems in the low-voltage Current Transformer (CT) sector. Issues include gaining access to customer sites for testing or inspection, especially when an outage is needed and often requires months of negotiation. In some situations, some customers only permit shutdowns on just two days each year: Easter Sunday and Christmas Day. Unless alternative arrangements are in place, CTs are the property of the customer and therefore they are responsible for the costs of testing and inspections. When customers are given quotes that include testing costs, they sometimes switch retailers to avoid or delay these expenses, which leads to further postponements. This remains a persistent issue.
5. Retailers have limited incentive in ensuring their customers grant access needed for testing and inspection. Sometimes, customers offer access only at times convenient for them, such as early

mornings on weekends. Resource constraints and the requirement for highly skilled staff may limit MCs' ability to fulfil these obligations. Working outside normal hours often introduces complexity, extra health and safety risks and higher costs.

6. Metering arrangements at CT/VT sites are complex and MCs often provide service quotes when testing is due. If retailers pass these costs on to the customer, those customers may be unprepared and unwilling to pay for these activities, and the MC cannot withdraw services even if payment is refused. If testing goes ahead then this will result in unrecoverable expenses for the MC, or if testing does not proceed then the site falls into non-compliance and the MC is subject to penalties.
7. Customers are often hesitant to schedule outages, even for Low Voltage CT testing. These outages typically last 30–60 minutes, but customers may require IT, security, lift personnel onsite, or sometimes registered Electrical Contractors (RECs) to be present to switch loads or connect generator sets. While the direct costs of Low-voltage CT testing are modest compared to High-voltage CT sites, the total expense to the customer is maybe higher due to lost production and support costs. HV sites are even more costly, where additional charges are incurred to facilitate shutdowns. LNSP resources are required to perform HV switching and provide access permits for technicians. Induction training may be required for technicians prior to entry. HV testing also requires specialised equipment and highly sought-after technicians, all contributing to the overall cost faced by the customer.
8. We agree that the current process for MCs to obtain test certificates is inefficient. Although having a physical copy of the test certificate can be useful, we question its necessity when the testing information should already be available from MSATS. The required fields for transformer details — including the latest test date and pass/fail status — are available, and MPs have obligations to provide these whenever possible. We prefer receiving this data from MSATS via the metering reports rather than exchanging hard copies between MCs. We discuss this further in our response to Question 4 below.

Question 2: Do you agree with Yurika's proposed solution?

a. Should retailers be allowed to disconnect a large customer's premises if the MC communicates that a large customer has failed to ensure that its metering installation is kept in proper working order?

b. What are the benefits and risks the Commission should consider in assessing the solution?

9. Yes. Permitting retailers to de-energise large customers who do not maintain their metering installations, including refusing access for testing, would be in line with regulations already applicable to distribution network service provides (DNSPs - NERR clause 119). The AEMC would need to establish a process connecting the retailer's request to the DNSP for de-energisation on these grounds.
10. Nonetheless, disconnecting customers is always considered a last resort, something both retailers and DNSPs are hesitant to initiate. Current regulations allow for this in specific scenarios — such as when access is refused or maintenance is denied — but actual disconnections are infrequent. Often, the threat of being disconnected prompts customers to switch retailers instead.
11. If regulations are revised to allow de-energisation in cases where testing or inspections are refused, they should also *require* retailers to arrange a disconnection after all other possible alternatives have been exhausted.
12. These requirements should apply to all customers, not just large CT-metered ones, provided reasonable attempts have been made to grant MC access for necessary testing and inspections. To ensure effectiveness, an appropriate framework must prevent customers from evading testing by simply switching retailers.
13. Disconnecting customers can quickly attract negative media attention, so any framework must provide multiple opportunities for customer compliance. This is likely to affect any mandated timeframes that the regulation would need to consider.

Question 3: Do you agree with PLUS ES' proposed solution?

a. Is it appropriate for the rules to prescribe that contracts between MCs and retailers or large customers include testing and inspection services?

14. We believe there may be market inefficiencies arising from the split incentives between retailers, customers, and metering providers. Retailers are careful not to upset the customer to avoid losing the customer to another retailer, customers are obviously concerned about any disruption to their supply and potentially any unexpected costs related to periodic testing and inspection, and metering providers (MCs & MPs) are concerned with meeting their regulatory obligations and avoiding any financial penalties for non-compliance.

15. Retailers who appoint the Metering Coordinator hold significant bargaining power over the MP, who cannot withdraw services if access is denied or payment withheld without risking unrecoverable costs, or non-compliance and civil penalties. This environment encourages under-pricing and non-compliance by MPs seeking deployment contracts with retailers.

16. However, requiring specific clauses in commercial contracts may not be the most effective solution as these are likely to easily negotiated without delivering the desired outcomes. Alternatives to specifying commercial terms include better information to customers about their responsibilities related to testing and access, clearer guidance to the retailer on recoverable costs from the customer, and stronger retailer obligations related to their responsibility for testing and inspection requirements.

17. We support any changes to the regulatory framework that allows for flexibility to accommodate the customers maintenance schedules. However, appropriate protections would be needed to ensure that customers cannot use this to indefinitely avoid testing and inspections.

Question 4: Do you agree with Intellihub's proposed solution?

a. Should retailers be required to inform large customers that MCs are required to test and inspect metering installations?

b. Should there be a safeguard for cases where a large customer does not fulfil its role in assisting MCs to perform testing obligations?

c. Should retailers be required to arrange supply interruptions to assist MCs in performing testing obligations?

d. Should the previous MC be required to provide a copy of test certificates to the new MC?

18. Retailers should be obligated to inform all customers, irrespective of size, that MCs are required by regulation to conduct testing and inspections, and that full access must be provided. Customers should be advised that isolation of supply is required to safely undertake this work. Incentives for the customer to provide this access should be considered and may include applying financial penalties until full access is granted.

19. We support enhanced obligations placed on retailers to assist MCs in fulfilling their responsibilities. As retailers manage the customer relationship, they play a crucial role in communicating rule requirements and customer obligations regarding access for testing and inspection. Nonetheless, regulatory measures should not hinder the implementation of efficient processes; MCs ought to have the flexibility to negotiate arrangements directly with customers where appropriate. We recommend that any retailer obligation for involvement should be confined to situations where the MC has been unsuccessful in reaching an agreement with the customer.

20. We question the need for additional obligations requiring MPs to exchange test certificates for metering changes. The most important information in relation to transformers is the date of the last test, which determines the timing for subsequent testing. The Australian Energy Market Operator (AEMO) operated MSATS standing data repository already contains fields capturing transformer details, including the most recent test date and the pass/fail status, and MPs are required to populate

these fields when information is available. Imposing new obligations for MPs to exchange test certificates may not significantly increase the rate of information exchange. We recommend that AEMO undertake a review to assess the current level of population of these data fields. If found to be inadequate, this may indicate either non-compliance by the MPB (requiring remedial action from AEMO), or that the necessary information is unavailable (which could affect the effectiveness of any new obligations to provide a test certificate following a change in metering roles).

Question 5: Do you agree with AEMO's proposed solutions?

a. Should the definition of 'metering installation' in the NER be changed to explicitly refer to a compliant and verified installation?

b. Should retailers be required to assist MCs in meeting their testing and inspection obligations within a specific time?

c. Should the UFE methodology be changed so that retailers with non-compliant metering installations at their connection points would bear a proportionally greater share of UFE? Are there any unintended consequences in changing the allocation of UFE?

d. Should LNSPs be required to provide advance notice of planned outages to assist MCs in planning testing and inspection activities?

21. Before revising the definition of a Metering Installation in the *National Electricity Rules* (NER), we advise caution, as this term appears over 600 times throughout the NER. Restricting the definition to only compliant and verified sites could unintentionally alter many clauses, such as NER 7.3.2 (e)(3), where limiting the term may render certain obligations ineffective for untested sites. Similar issues likely exist elsewhere in the NER.

22. We support clarifying retailers' responsibilities to assist MCs in fulfilling their obligations.

23. AEMO's recommendation for DNSPs to inform MCs of upcoming outages to allow testing during these interruptions is constructive; however, it requires robust measures to ensure technician safety and prevent untimely re-energisation. Outage durations are inherently approximate, and supply frequently resumes earlier than indicated in outage notification, introducing significant safety hazards for technicians, particularly at high-voltage sites. To manage these risks, a well-coordinated framework between DNSPs and technicians is critical, with clear protocols ensuring that DNSPs cannot restore power without explicit authorisation from metering technicians who may still be working on a site. While DNSPs are incentivised to minimise customer disruptions and restore service promptly, these priorities may conflict with MCs' requirements for safe and effective testing procedures. We believe that implementing the necessary safeguards for secure CT testing during network outages may prove challenging in practice. Consequently, we cannot endorse any approach lacking these essential safety features.

Question 6: Do you agree that there are scenarios where MCs may not be able to repair malfunctions within the collective timeframes specified in the NER and the exemption periods?

a. Do you agree that there are scenarios where MCs cannot repair malfunctions that are:

- Individual failures within 30 business days?
- Family failures within 140 business days?

24. Yes, there are scenarios where the MC cannot restore a metering installation to compliance within the current timeframes. MCs may be unable to fulfil their obligations when third-party actions or inactions hinder the repair or installation of meters. Customers are responsible for ensuring that adequate infrastructure is available to accommodate meters. Historically, the failure rate experienced by

Bluecurrent for restoring malfunctions during initial visits has reached up to 44%, with roughly half attributable to customer-side defects or access limitations preventing meter exchanges.

25. Under the current MC exemption process for individual malfunctions, AEMO only allows an additional 15 business days for meter replacement and does not permit any further extension beyond this term. However, the recently implemented customer notification provision (NERR CL. 59AAA) requires retailers to issue multiple notices reminding customers to address the issues that are impeding installation. This process affords customers up to 90 business days to complete necessary repairs; however, even after this period, there is no mechanism to compel repairs. Throughout, the MC remains non-compliant with regulations after 30 business days, subject to civil penalties and without recourse for an exemption extension. This presents a clear anomaly within the existing rules that warrants attention. As customers have the choice to ignore retailer notifications to remedy issues, it is reasonable that MCs should be eligible for indefinite exemptions from AEMO until defects are resolved or access is granted. Alternatively, rule clauses defining metering installation compliance timeframes should account for situations beyond the MC's control and acknowledge their reasonable efforts to achieve compliance. Without levers to compel a customer to cooperate, we anticipate a cohort of malfunctions to remain unresolved. These issues apply equally to both individual and family failure malfunctions.

Question 7: Do you agree with Intellihub's proposal for the NER to specify what AEMO must consider in the Exemption procedure?

a. Should the NER define scenarios, guidance, or principles that AEMO must consider when considering an MC's application for an exemption? If so, what?

b. Should MCs be able to apply for an extension to the exemption period in other circumstance where an instrument transformer is not required to be replaced?

26. Rather than providing guidance to the AEMO exemption process we preferred that the rules stipulate that mandated timeframes for addressing malfunctions would only apply when the access is available and the site is ready for a meter installation. This is consistent with current meter installation mandated timeframes specified in NER Cl 7.8.10A and 7.8.10B where Retailers timing obligations only commence once a meter can be installed. Adopting this approach would minimise administrative burden on both AEMO and MCs.

27. Alternately, should this issue be resolved by making changes to the AEMO exemption process, the rules must provide clear guidance to AEMO that granting exemptions and ongoing extensions, are permissible in circumstances outside the MC's control.

28. Further changes are also required to reflect the practicalities of resolving malfunctions. Under the current procedure, MCs are not allowed to seek an exemption from AEMO if a site is in a temporarily disconnected state. MCs must wait for power to be restored, which is outside their control, before they can address the malfunction. Despite this, the required timeframes for fixing a malfunctioning meter installation still stand, and the MC is considered non-compliant once these deadlines pass.

29. Where exemptions are denied or expire, MCs immediately face civil penalties if the circumstances that caused the delay still remains. We recommend expanding the criteria for granting MC exemptions, including extending the time allowed, to better address real-world situations.

Question 8: Assessment framework

a. Do you agree with the proposed assessment criteria?

b. Are there additional criteria that the Commission should consider or criteria included here that are not relevant?

30. Yes, we agree with the proposed assessment criteria.

Concluding comments

31. We are happy to discuss any aspects of our submission with the AEMC. Please contact Paul Greenwood (Industry Development AU) at Paul.Greenwood@bluecurrent.com.au.
32. This submission does not contain confidential information, and we are happy for the AEMC to publish it in its entirety.

Yours sincerely

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