SUBMISSION

AEMC – National Electricity Amendment (Supporting compliance with meter maintenance obligations) Rule - CONSULTATION PAPER

AEMC REFERENCE – RRC0070/ERC0419

15 JANUARY 2026

Introductory Comments

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our members are the engine room of the Australian economy, producing many of the products that households and business use every day including bricks, glass, steel, aluminium, paper, fertiliser, food and beverages. Combined, our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

EUAA members are focussed on making products that meet their own customers' requirements where energy is just one input to the process, albeit a critical one. Their expectation is that the energy industry continues to provide energy services that are fit for purpose and consistent with the National Electricity Objectives (NEO) so that our members can continue to provide a fit for purpose product for their customers.

Thank you for the opportunity to make a submission to the Supporting Compliance with Meter Maintenance Obligations Rule Consultation Paper (Consultation Paper). In preparation of this submission we have engaged with a number of our members who have been working with Metering Coordinators (MC's) over a period of time to help facilitate:

- testing and inspecting obligations under the NER
- repairing metering installation malfunctions within timeframes specified in the NER

While we can't speak to the experiences and or actions of retailers, from a large customer perspective we tend to agree there may be circumstances that make it difficult for MC's to meet their testing and inspection obligations, but we reject the inference that the blame solely lies with the customer or that the solutions are simple.

Based on discussions with member companies, a range of metering ownership arrangements (and therefore obligations) are in place that means the customer does not always have control (or knowledge) over metering arrangements. These arrangements can include primary responsibility sitting with retailers, local network service providers or the customer. There are also numerous historical or bespoke arrangements that the customer may not even be aware of. This makes it extremely challenging to manage key barriers such as site access and identifying an appropriate time for de-energisation if that is required.

While EUAA member companies, in the main, appear to be aware of their obligations and have taken all reasonable steps to assist MC's meet their obligations, we recognise there are likely to be others that are not aware of their obligations and the first engagement they have with an MC, or their subcontractor, is a request for site access or to

de-energise at short notice. We have also become aware that the record keeping, subcontractor training and processes of MC's and their subcontractors can at times fall well short of what is required to undertake the required work in a highly complex and at times dangerous environment. At times this has led to potentially dangerous situations occurring as unqualified and/or unauthorised personnel interact with the customers facility.

Through the course of our engagement with member companies it has become clear that a significant education campaign is required to ensure better understanding and alignment between customers, retailers, network service providers, MC's and their subcontractors.

Unaccounted for Energy (UFE)

Changes to the way in which UFE is distributed is proposed as a potential solution by way of providing incentives/penalties for customers who do not have compliant meters. This is a major concern for EUAA members (and consumers more generally) as they are unsure of the impact of UFE resulting from non-compliant metering. This "issue" has not been quantified by the proponents and therefore it is impossible to assess the cause or scale of the issue, making any assessment regarding equitable allocation of costs or of net benefits of the proposed changes impossible to assess.

We refer you to the most recent AEMO UFE Trends Report (16 May 2025)[1].

At the commencement of "Chapter 4 UFE Source Analysis" it states:

> *The sources of UFE and their respective solutions are diverse, therefore identifying the sources of UFE is crucial to identifying and recommended actions to reduce UFE. The areas of UFE source analysis include:*
>
> - *Time factors (e.g. season, day, time of day) that produce patterns of UFE that are occurring are likely to be important in identifying causes and solutions to reduce UFE.*
> - *The following variables that modify metering data:*
> - *DLF value changes – historical analysis of DLFs*
> - *Accumulation (basic) meter replacement with interval meters*
> - *15 and 30-minute metering data transition to 5-minute metering data*
> - *Type 7 loads transitioned to metered arrangements*
> - *NCONUML loads transitioned to alternative calculation methodologies*
> - *Review of profiling methodologies*
> - *Review of UFE values by settlement data versions*
> - *Review impact of unmetered temporary emergency cross boundary energy volumes*

Chapter 6 of this report looks to the key UFE reduction actions and states:

> *Having reviewed the information presented in the UFE values by settlement data versions charts in Appendix A1.2, AEMO considers that significant improvement in UFE values will come from the further deployment of remotely read interval metering. This will bring into closer alignment the Prelim and Final UFE values with the Rev1 and Rev 2 UFE values, as demonstrated in the Victorian local areas.*

[1] https://www.aemo.com.au/-/media/files/electricity/nem/data/metering/ufe/2025/ufe-trends-report-16-may-2025.pdf?rev=0fcc0c0a79a143d6bffb593a8316ff99&sc_lang=en

Action to extend the installation of this metering will be facilitated through the "Accelerating smart meter deployment" initiative6, to be implemented from 1 December 2025.

As such, AEMO is not recommending any additional actions to reduce UFE amounts in this UFE Trends Report, pending implementation and operation of these two reform initiatives. Accordingly, AEMO did not facilitate a discussion forum prior to the release of this UFE Trends Report.

Based on this latest AEMO report, non-compliant metering is not seen as a cause of UFE and therefore no action has been recommended. Given the conclusions of this most recent AEMO UFE report, to arbitrarily place a revised UFE allocation burden on customers who have not materially contributed to UFE seems entirely unjustified and misdirected.

Large Consumer Experiences and Perspectives

Following are the experiences and perspectives of EUAA member companies that have emerged through our engagement with them on this subject. We have grouped comments into customer categories to assist in understanding that the issues are both widespread and diverse.

While we have de-identified the member companies who have provided input into this submission, members have indicated a willingness to engage directly with the AEMC to provide a more detailed account of their experiences including specific examples of non-compliant and potentially dangerous actions by MC's and their subcontractors.

Large multi-site critical infrastructure providers

1. CTVT testing has two parts; one is the meter and who owns it and the other is the oil lubrication unit which needs maintaining at the same time. Any change in rules must consider these different elements.
2. A number of members have Bulk Supply Points within Network Service Providers (NSP's) assets with meters supplied via a range of external contracts. In the case of one member they have at least 45 Bulk Supply Point metering connections that they manage with the MC undertaking the testing. This requires significant coordination and careful planning from a customer perspective that must be considered by the MC's and their subcontractors.
3. Members have noted an alarming trend where the MC subcontractor has not been able to provide evidence they are suitability qualified to do the work or to enter and work in a HV/LV environment. In some cases these unqualified subcontractors have gained access to metering equipment and either changed metering arrangements without advising the customer or de-energised the asset with potentially catastrophic results for the customer.
4. Many members are managing critical infrastructure (public transport, water, medical etc) where these works are required to be planned carefully to align with operational needs and planned customer initiated shut-downs. It is their understanding that testing/calibration is only required every five years to ensure the meter is reporting and supplying the correct usage data to the Network/Retailer to charge electricity. If this is the case then there are opportunities to align meter compliance testing and operational shut-downs, but communication must get better to facilitate this.
5. Some members have noticed some second-tier retailers do not appear to be maintaining their CTVT testing requirements, this is because they outsource their connection points and metering requirements and are inexperienced in managing these types of meter connections.

6. Yurika suggestion of disconnect would create potential life-threatening circumstances as they would have LV metering points down stream of their bulk supply points. Not acceptable to infrastructure or connecting points for health services or critical infrastructure such as public transport.
7. The other issue that members report is that due to the age of many infrastructure connections, especially when sites were sold/transferred to another owner, the new owner haven't taken ownership of the CTVT metering point or connection and may be unaware of their obligations. We are sure nobody wants to be in the news for disconnecting a point of connection that the customer is not aware of in the current time frame.
8. An issue raised by many is that if you frequently change meter providers they won't take responsibility for the maintenance/testing that is required of the unit every five years. A number of members have reported this is the reason why they enter into 10 plus years metering agreements to combat this exposure and risk.
9. A number of members have also expressed a concern that it does not appear that MC's are keeping accurate and up-to-date records of past testing or customer contact details leading to confusion and poor communication between the customer and the MC.

Large industrials

1. One member has advised that their local DNSP owns the (6.6kv/33kv) switch yard and associated meters while they are contracted through a large retailer to supply electricity to site. The member reports that in early 2025, the MC reached out and notified the customer that their two meters are not compliant to Chapter 7 of NER even though the customer does not own or control the metering equipment. Since the customer is not the asset owner, it's very confusing to us why the MC believes it is their responsibility to make this happen. This appears to be a clear breakdown in communication and record keeping by the MC, Retailer and NSP. If this testing work requires isolation or disconnecting from the network, it's not always possible since the site requires continuous operation.
2. These bespoke/legacy arrangements are also occurring in other jurisdiction, with a number of examples cited in Queensland that have created confusion as to the responsible party.
3. There is a clear need to improve record keeping. It only has to happen every 5-10 years. Records get lost and therefore either CT/VT's get tested too often or not often enough. Records should be stored somewhere central.
4. Many members have the impression that there are limited companies/people who are actually qualified to complete this testing (one member stated they had to fly a team to Tasmania to do it). Again, there is a concern regarding the growing numbers of "cowboys" operating as subcontractors in the area.
5. All members have identified they definitely need at least 18-24 months' notice for testing deadlines to allow for scheduling of shutdowns and budgeting. 12 months' notice is not enough because maintenance budgets will be set and the $30k for testing will mean some other maintenance will be deferred.

Large Shopping Centres

1. Many members are concerned that we can't have an uncoordinated metering process disconnecting a community asset such as a major shopping centre, hospital, public transport or major industrial facility. This is a very inward market participant view – with no customer input or consideration of broader impacts.
2. Some members have questioned the scale of the meter accuracy issue and would like to understand how often they find bad/grossly inaccurate metering installations and the impact on UFE. In theory the

metering was valid when it was installed, and as such until proven wrong should remain definitionally that way.

3. As customers who already believe they are paying for a fit for purpose service, the obligations should be on market participants to align with major shutdowns of customers. Many member companies report they generally have a major supply shut down every five years. These can be costly (often we need generators to be brought in to maintain critical infrastructure like refrigerated products (groceries, medicines etc) – so these tests are non-trivial for customers.
4. Changing UFE is complex and is already unpredictable enough as it is, especially in the case of a rule change where the scale of the issue has not been defined.

Other Perspectives

1. Some members have expressed a degree of understanding of the issues faced by MC's. If the MC has significant penalties for non-compliance with regards to meter maintenance but they are reliant on the business owner for access and 'approval' to maintain the meter, then there must be some mechanism for the MC to be able to enforce their responsibilities in law or contract.
2. Members have expressed a strong desire to ensure compliance, but the issues are far more complex and in many cases the issues involve poor record keeping and processes (including appropriate tracking and transfer of compliance information) by MC's and sub-contractors.
3. At a high level, if a facility owner has a HV connection, then they need to be tied to similar provisions and penalties as the MC for meter maintenance otherwise it will be difficult to implement an appropriate regime.
4. Another issue raised by some members is the cost associated with the work. Each Meter can cost between $17K to $25K pending on the contracted party and they tend to go up yearly, dependant on size location etc. There also does not appear to be any benchmark rate by which to assess these costs.

Solutions Proposed by Rule Proponents

The rule change propose different rule changes to support MC's in complying with their testing and inspection requirements for large customers. Below are our initial responses:

Proposed Solution	**Initial EUAA Response**
Yurika proposes to introduce a process by which a retailer can de-energise a large customer's premises.	Disagree: Forcibly de-energising a customer facility, other than in the case of an imminent and material safety issue, should never be an option due to the financial impact of lost production and the safety impact of uncoordinated de-energisation.
PLUS ES proposes to ensure that the terms of the appointment of the MC by a retailer or large customer include all metering installation, testing, and inspection obligations of the MC at a reasonable commercial rate.	Agree in principle: This is a reasonable request provided the customer has been provided with all relevant information regarding their obligations, that an appropriate, mutually agreed compliance plan is in place (including site access and, if required, de-energisation) and that a "reasonable commercial rate"

	can be validated, perhaps through some industry lead benchmarking or standard schedule of rates.
Intellihub proposes changes to: a. require retailers to inform large customers that MCs are required to test and inspect metering installations b. enable MCs to initiate a process to de-energise a large customer's premises if a large customer fails to assist and MC to meet MCs' obligations c. require the previous MC to provide a copy of test certificates to the new MC.	a. Agree in principle: This is a reasonable request provided the customer has been provided with all relevant information regarding their obligations and that an appropriate, mutually agreed compliance plan is in place (including site access and, if required, de-energisation. b. Disagree: Forcibly de-energising a customer facility, other than in the case of an imminent and material safety issue, should never be an option due to the financial impact of lost production and the safety impact of uncoordinated de-energisation. c. Agree in principle.
AEMO proposes changes to the NER for how Unaccounted for Energy (UFE) is allocated among retailers for customers with non-compliant metering installations.	Disagree. See our earlier comments.

Concluding Remarks

It is clear from our engagement with member companies that the issues raised by the rule proponents are far more complex than the consultation paper indicates. Of particular concern is what appears to be a lack of knowledge and/or understanding of obligations by customers, poor communication between MC's and the customer and amongst MC's themselves, a range of historical and bespoke metering arrangements that makes ownership and responsibilities unclear and confusing and a lack of understanding by MC's of the nature of many customers operations and the need for careful long-term planning.

To assist with pursuing a more collegiate approach to these issues, we strongly suggest that a cross functional working group is established with the goal of:

1. Sharing information and perspectives on the issues.
2. Developing educational materials to ensure all parties obligations are clear and well communicated.
3. Ensuring only appropriately qualified personnel are able to carry out the work in question including the potential to tighten standards and tougher penalties on non-compliant operators (both the MC and their subcontractors)
4. Developing standardised base level charges.
5. Aligning compliance requirements under the NER with the issues associated with continuous operation of critical infrastructure

The EUAA welcomes further discussions on the issues raised in this submission.

Do not hesitate to be in contact with EUAA Policy Manager Dr Leigh Clemow, should you have any questions.

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