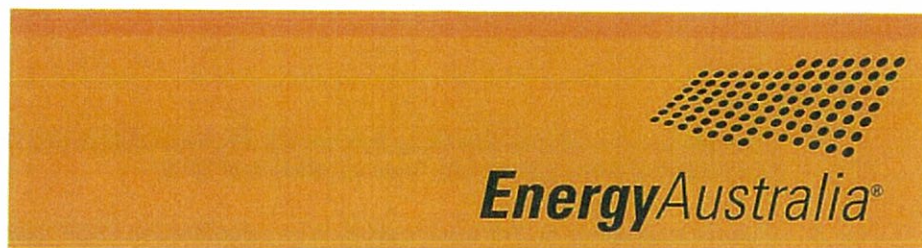


570 George Street  
Sydney NSW 2000

Address all mail to  
GPO Box 4009 Sydney  
NSW 2001 Australia

Telephone +61 2 13 1525  
Facsimile +61 2 9269 2830



30 September 2010

Mr John Pierce  
Chairman  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

**Note:**

In accordance with section 24 of the *Australian Energy Market Commission Establishment Act 2004 (SA)* and section 31 of the *National Electricity law*, the Australian Energy Market Commission has blacked-out certain information contained in this submission which is subject to a claim of confidentiality by EnergyAustralia. Where information has been blacked out on a page of this submission, the following marginal note appears on the relevant page: "Confidential information on this page has been blacked-out by the AEMC. Please see the note on the cover of this submission for details."

Dear Mr Pierce

**National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2009.**

**Project reference ERC 00092.**

EnergyAustralia welcomes the opportunity to respond to AEMC regarding the consultation paper on specific issues relating to the National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2009 which closes for consultation on the 30<sup>th</sup> September 2010.

EnergyAustralia in general supports the AEMC's proposed policy approach with respect to the appointment of the Responsible Person for both the Metering Provision and Metering Data Services and appreciates that the AEMC has recognised and addressed the issues surrounding transmission connection points as complex connection points. However, EnergyAustralia is concerned that proposed arrangements for complex metering and in particular the potentially very broad scope of 'special site and technology related conditions' may lead to confusion in the market and that participants may use these to defer their responsibilities to other registered participants in the NEM. Finally, EnergyAustralia is also concerned to ensure that these provisions could not be applied in any way that might pre-empt rule changes or other policy decisions regarding smart metering and the national smart meter project.

The attached consultation response provides EnergyAustralia's comments on the above consultation paper. In the very short time available we have not been able to fully analyse the Commission's proposed drafting. We will however continue to review the drafting and advise the Commission of any further comments in this regard.

Please contact Mr Wayne Turner, Manager Metering and Policy Development on 02 4399 8133, if you require any further information or would like to discuss our response.

Yours sincerely,

A handwritten signature in black ink, appearing to read "CRAIG MOODY".

**CRAIG MOODY**  
Executive General Manager (Acting)  
System Planning & Regulation

**Attachments:**

1. Comments on the National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2009.
- 

Confidential information on this page has been blacked-out by the AEMC. Please see the note on the cover of this submission for details.

**National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2009.**

**AEMC Consultation Paper, September 2010.  
EnergyAustralia Comments.**

1. *In your view, and on balance, do the benefits of these proposed arrangements regarding the responsibility for metering data services outweigh the detriments when assessed against the National Electricity Objective? Do you have any comments on the proposed drafting of these arrangements in the attached draft Rule?*

EnergyAustralia supports the proposed changes where the one RP will be responsible for both the Metering Provision and Metering Data Services. This would alleviate some of the concerns raised by EnergyAustralia in its submission on the draft determination.

EnergyAustralia also supports that where the LNSP is the TNSP, a party other than the FRMP should be appointed as the RP. In EnergyAustralia's initial submissions, it was suggested that this should be the LNSP, however, EnergyAustralia has no objections if the TNSP remains as the RP for providing the Metering Provision services and AEMO remains responsible for the Metering Data Services.

EnergyAustralia is concerned with the third sentence of the second paragraph in clause 2.1 which states "The Local Network Service Provider (LNSP) will be obliged to make an offer to be the Responsible Person". EnergyAustralia does not support this approach if it is intended to impose an obligation to make an offer, whether or not an offer is requested by the FRMP. The rules currently state that the LNSP need only provide an offer within 15 days "if requested" to do so by a market participant. The sentence following this statement does suggest that the LNSP need only provide an offer "upon request". We request that this contradiction be clarified.

In addition, the third paragraph in clause 2.1 outlines that AEMO will remain responsible for metering data services where the LNSP is a TNSP. It is not clear how will AEMO manage this arrangement, will there need to be further "Deeds of Agreement" between AEMO, the MDP and the FRMP as is the current arrangement?

2. *In your view, and on balance, do the benefits of these proposed arrangements regarding complex connection points outweigh the detriments when assessed against the National Electricity Objective? Do you have any comments on the proposed drafting of these arrangements in the attached draft Rule?*

EnergyAustralia supports the AEMC's recognition that there are metering installations which may require specific consideration to ensure that data services are appropriately delivered to the market. EnergyAustralia is concerned however that the scope for AEMO to determine such sites is not

confined to ensuring the integrity of metering data services and that the 'complex connection points' which possess "special site and technology related conditions" may be applied in way not currently contemplated. For example, such provisions should not be able to be used or applied in anyway which pre-empts the Rule change requirements which may be required to support the large scale implementation of advanced or smart meter technology. The AEMC should make it clear in its determination and proposed rule drafting that the provisions for special site or technology related conditions can only be applied by AEMO to ensure the integrity of meter data services provided to the market.

EnergyAustralia also supports that where the LNSP is the TNSP, AEMO should remain responsible for the collection of this data and as such should have the right to select the MDP to provide Metering Data Services on AEMO's behalf.

*Comments on marked up version of the NERs.*

In relation to the proposed clause 7.2.5(h) regarding the requirement that the RP must liaise with AEMO prior to appointing an MDP, EnergyAustralia submits that this communication with AEMO should not involve any extensive alteration to current NEM business processes or transactions.

The AEMC's proposed drafting assumes that a TNSP can be construed as the LNSP. The AEMC may wish to clarify whether the rules currently operate to provide this outcome. EnergyAustralia has previously looked at this issue in the context of New South Wales and its connection points with TransGrid. ■

TransGrid in NSW cannot be considered a LNSP if EnergyAustralia's retail business ceases to be registered as the Market Customer. Currently, clause 7.4.2(e) allows for this to occur, but this clause would not operate in this way following should EnergyAustralia's retail business no longer be registered as the market customer. ■

EnergyAustralia also requests that the AEMC allow for an appropriate transitional period for participants to prepare for these new arrangements. EnergyAustralia for example will be required to prepare new terms and conditions for the purpose of clauses 7.2.3(b) and (c) to reflect the expanded responsible person role. EnergyAustralia suggests that a period of at least three months is required for these preparations.

Confidential information on this page has been blacked-out by the AEMC. Please see the note on the cover of this submission for details.