21 May 2015

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235

Dear Mr Pierce

Consultation on draft determination: Expanding competition in metering and related services (ERC0169)

Energex Limited (Energex) appreciates the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) on the draft determination and draft rule relating to the provision of metering and related services in the National Electricity Market (NEM). The AEMC has invited submissions on the draft determination and rule made in response to a request received from the Council of Australian Governments (COAG) Energy Council, the purpose of which is to facilitate a market-led approach to the deployment of advanced meters.

Energex's comments in response to the AEMC's draft determination and rule are provided in **Attachment A**. As a member of the Energy Networks Association (ENA), Energex has also contributed to and is supportive of the views and recommendations contained in the ENA's submission. In particular, Energex shares the ENA's concern that the rule, as currently drafted, may impact upon network businesses' ability to meet their regulatory obligations.

In preparing this submission, Energex has focussed primarily on implementation and operational issues to ensure a smooth and efficient transition to metering contestability for both our business and our customers. Energex's understanding is that policy decisions underpinning the draft determination have been made by the COAG Energy Council and that the AEMC has taken into account the full impact of this rule change on electricity customers, in particular small customers' ability to appoint their own Metering Coordinator and the circumstances in which small customers may opt out of having an advanced meter installed at their premises. Energex is making this submission on the understanding that any jurisdictional issues, for example compliance with electricity safety legislation in Queensland, will be managed by the AEMC and the relevant jurisdiction.

While the AEMC has consulted extensively on the key elements of this rule change through a series of workshops and discussions with stakeholders, Energex remains concerned that a number of fundamental issues may not

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have been sufficiently addressed in the draft determination and rule. In particular, Energex is of the view that the following issues require further consideration prior to publication of the final determination and rule:

- ***Insufficient certainty of metering services*** - Energex shares the concerns of network businesses and other industry participants that the issues raised with respect to network access to metering services have not been sufficiently addressed and that some form of light-handed regulation may be required. Energex is of the view that rather than relying on a review after three years, these issues should be dealt with prior to commencement.
- ***Disconnection and reconnection*** – Currently the National Energy Retail Law and Rules provide that distributors are responsible for customer connection services, which includes the functions of disconnecting and reconnecting customers. The current drafting does not remove this obligation but introduces new obligations on the Financially Responsible Market Participant (FRMP) with regard to remotely disconnecting and reconnecting, which may introduce safety and regulatory compliance implications.
- ***Access to data*** – Networks require access to metering and energy data in order to perform their market obligations, but it is unclear in the draft rule whether networks will be required to negotiate and pay for that data. It should therefore be made clear in the final determination and rule that networks will not be required to negotiate and pay for access to metering and energy data required to fulfil their market obligations.
- ***Network devices*** – Energex appreciates that the AEMC has provided the ability for networks to retain or install network devices for the purposes of operating or monitoring their networks. However, amendment to the draft rule is required to ensure that the ability to use network devices at customers' premises for load control purposes is clearly provided.
- ***Metering Coordinator for existing Type 5 and 6 meters*** - A key component of the AEMC's draft determination and rule is to introduce a new Registered Participant role, the Metering Coordinator, who is to be appointed by the customer's FRMP except where a large customer appoints its own Metering Coordinator. Energex understands that distributors will be the deemed Metering Coordinator for existing Type 5 and 6 metering installations but that the FRMP has the ability to terminate this appointment and appoint a new Metering Coordinator with reasonable notice. However, the draft rule does not reflect the draft determination and the position that the new Metering Coordinator would only be able to take over the existing Type 5 and 6 metering services if a commercial agreement to acquire or lease the existing meters is reached.
- ***Roles and responsibilities*** – It is essential that the roles and responsibilities of participants in the new framework are clearly defined in the final rule to minimise the potential for uncertainty and protracted transitional arrangements as well as to ensure cost-effective and efficient outcomes for businesses and electricity customers. This is particularly important for regulated network businesses seeking to minimise the costs involved in transitioning away from the current role of Responsible Person and exclusive provider of Type 5-7 metering services. To enable regulated network businesses to transition efficiently, and in the interests of facilitating a market-led rollout of advanced meters, there should be no obligation placed on network businesses to provide Metering Coordinator or Metering Provider of last resort services if the FRMP is unable to identify a competitive provider.

Similarly, Energex notes that, under the draft rule, distributors will be required to provide notifications when planned interruptions are scheduled for the installation, maintenance, repair or replacement of metering equipment. As distributors will no longer be involved in planning metering-associated work and may merely be engaged by a Metering Coordinator to perform a temporary disconnection/ reconnection service in situations where there is no meter isolation link, Energex does not believe that it is appropriate for the obligation to be placed on the distributor. The current drafting is unworkable and therefore the National Electricity Retail Rules should be amended to place the obligation for notifying customers of outages associated with planned metering work on the Metering Coordinator (i.e. the party planning the interruption to supply).

- ***Ring-fencing*** – As network businesses will be the deemed Metering Coordinator at commencement, Energex considers that the costs of establishing a separate legal entity and full compliance with ring-fencing are not justified if the network business is not operating in the competitive metering market. To provide certainty for network businesses, further clarity is therefore required in the AEMC's final determination on its expectations with respect to ring-fencing requirements for deemed Metering Coordinators.
- ***Registration and accreditation*** – As distributors are already Registered Participants with the Australian Energy Market Operator (AEMO) and the deemed Metering Coordinator role will effectively extend the current role of Responsible Person for a transitional period only, Energex does not consider that the additional expense involved in undergoing an accreditation and registration process is justified.
- ***Implementation timeframes*** - Throughout this consultation process it has become increasingly apparent that implementation of the competitive metering framework, which is just one of a number of substantial reforms to the NEM recommended as a result of the Power of Choice review, will be particularly complex and will require significant changes to existing NEM and industry systems and processes. Given the extensive scope of the implementation program, a constrained timeframe would likely lead to resourcing issues, higher costs for industry participants and ultimately increased charges for customers. Therefore, should the AEMC's final determination be delayed, other, interdependent timeframes will need to be revised.

Prior to the finalisation of this rule, Energex would strongly support a legal drafting workshop. Should you have any queries regarding this submission, please contact Rachel Leaver, Network Regulation Manager, on (07) 3664 4115.

Yours sincerely

Kevin Kehl
Executive General Manager
Strategy, Regulation and Governance

ATTACHMENT A

Issue	Comments
Draft Determination	
Compliance with network obligations	Section 66 of the National Energy Retail Law (NERL) places an obligation on Distributors to provide "customer connection services", the definition of which includes responsibility for energisation, de-energisation and re-energisation of premises. However, the draft rule requires LNSPs to negotiate with the Metering Coordinator to perform de-energisation and re-energisation services and prohibits LNSPs from using network devices for this purpose. Consequently, there may be regulatory and safety risks and liabilities associated with the proposed rule change. Further changes to the NERL, NERR, NER and jurisdictional legislation may therefore be required to address those risks and ensure network businesses are not in breach of their regulatory obligations.
Network access to services	During the consultation process, network businesses raised two primary concerns with respect to access to Metering Coordinator services: • the potential for Metering Coordinators to exert market power by charging high prices and/or refusing to negotiate with network businesses and energy service companies, particularly where the Metering Coordinator is a subsidiary business of a Retailer; and • the potential lack of technical and economic certainty (and potential loss of investment) following Metering Coordinator churn. In its Draft Determination, the AEMC responded by: • listing a number of factors that it believes may constrain the exercise of market power by Metering Coordinators, including the number of potential entrants to the market, the risk that metering assets will become stranded if access is restricted, the bargaining power of networks and the ability of customers to switch Retailers; • providing network businesses with the ability to bypass Metering Coordinator services by retaining or installing network devices; and

Issue	Comments
	• suggesting that network businesses should enter into framework agreements with Metering Coordinators to address the issue of lack of certainty of ongoing access to services, especially with respect to Metering Coordinator churn. However, Energex shares the concerns raised by network businesses and other industry participants that the issues raised with respect to network access to services have not been sufficiently addressed and that some form of light-handed regulation may be required. Energex is of the view that rather than relying on a review after three years, these issues should be fully and appropriately addressed prior to commencement. The ENA submission, supported by external advice, will further address these issues and provide potential solutions to the market power of the Metering Coordinator.
Timeframes for implementation	The draft rule provides a commencement date of 1 July 2017. Energex is concerned that this commencement date may not be achievable, particularly if additional time is required by the AEMC to assess and address stakeholder concerns raised as a result of this consultation process and potentially undertake further consultation on legal drafting. If the Final Determination is delayed, it is unlikely that AEMO will be in a position to develop and publish final procedures by the proposed date of 1 April 2016 and this will have flow-on implementation and compliance risks for market participants. Given the extensive scope of the implementation program, a constrained timeframe would likely lead to resourcing issues, higher costs for industry participants and ultimately increased charges for customers. Therefore, should the AEMC's Final Determination be delayed, other, interdependent timeframes will need to be revised.
Executive summary (pp. ii and v)	The executive summary states that currently "only the LNSP can be responsible for metering services where manually read accumulation meters and interval meters are in place at small customer's premises". This statement is not correct. The NER provides that the LNSP must be the Responsible Person for Types 5, 6 and 7 metering installations, not small customers. Consequently, there are some large customers with Type 6 metering installations for whom the LNSP is the Responsible Person (e.g. under transitional cl. 11.20.3 there were 947 large customers as at 30 April 2015 with Type 6 meters in Energex's distribution area) and, similarly, there are some small customers who have chosen to have Type 4 meters installed and for whom the LNSP is not the Responsible Person.

Issue	Comments
Competition for the provision of metering services for small customers is restricted (p. 5)	The Draft Determination makes the following statement: "The COAG Energy Council notes that if a small customer or its retailer decides to upgrade from a Type 5 or 6 metering installation to a Type 4 metering installation, the LNSP risks losing its role as the Responsible Person. The COAG Energy Council is of the view that the current rules create a disincentive for DNSPs to help consumers and retailers take up more advanced metering technologies." Energex disagrees with this statement and the implication that LNSPs have a disincentive to help customers upgrade their metering installation to a Type 4. The NER has set a framework within which Energex, as an LNSP, has undertaken the Responsible Person role for Type 5-7 metering installations to ensure compliance with its obligations. However, complying with its obligations under the NER as a regulated service, has not provided a disincentive for Energex to help customers and Retailers take up more advanced metering. Indeed, Energex has been actively working with Retailers and customers as part of its tariff reform initiatives to ensure customers have suitable metering. Furthermore, for a number of years, Energex has been working with Retailers and the AER to overcome the barrier created by cl. 11.20.3 which allows certain first-tier large customers to retain Type 6 accumulation meters. In an attempt to transition these customers to the correct metering, Energex made offers to the impacted FRMPs to take over the Responsible Person function and install Type 4 metering. However, our offers were rejected and as at 30 April 2015, 947 large customers remain on a Type 6 metering installation in Energex's distribution area. Consequently, Energex has recommended that this transitional clause be removed as part of this rule change (see below).
Role of incumbent Metering Coordinator	The AEMC's Draft Determination (p. 308) states that the incumbent MC will continue to carry out the role of MC for sites where no other MC is willing to compete in the area. Energex does not support this position for the followings reasons: • The FRMP is responsible for the appointment of a new Metering Coordinator when an existing Type 5 or 6 metering installation fails. This obligation should be applied consistently. • There will be practical difficulties for a LNSP Metering Coordinator in continuing in this role when the existing Type 5 or 6 meter fails, i.e. with respect to the requirement to replace the meter with a Type 4 or 4A meter that meets the MSS.

Issue	Comments
	Energex considers that requiring LNSP Metering Coordinators to continue in this transitional role indefinitely is not only impractical and inefficient, but also contrary to the policy position to facilitate a market-led rollout of advanced meters. It is therefore recommended that, in its Final Determination, the AEMC should make it clear that there will not be any Metering Coordinator and/or Metering Provider of last resort obligations placed on LNSPs.
New metering installations	The Draft Determination makes it clear that the LNSP will no longer be responsible for the provision and installation of metering installations at new connections. Under the draft rule, the FRMP will be responsible for ensuring the connection point has a metering installation and for appointing a Metering Coordinator. However, the Draft Determination does not appear to cover new metering installations in areas where there is no Metering Coordinator and, more importantly, no Metering Provider willing to compete. Further clarity on this issue is therefore required in the AEMC's Final Determination. In particular, Energex seeks assurance that there will be no obligation placed o regulated LNSPs to provide Metering Coordinator and/or Metering Provider of last resort services to customers in these circumstances.
Terminology	"Customer" and "consumer" have been used inappropriately throughout the Draft Determination. For example, "consumers" will not be able to choose their Metering Coordinator, only "customers".
Proposed amendments to National Electricity Rules	
Metering coordinator - eligibility	Clause 2.4A.2(e) requires that the Metering Coordinator should "have insurance as considered appropriate by AEMO". Further clarification and guidance is required by the AEMC on this obligation, e.g. level of insurance cover and prudential requirements to ensure Metering Coordinators have sufficient coverage for high consequence events, e.g. mass meter recalls.

Issue	Comments
Chapter 10 - New Definitions – "large customer"	Two different definitions have been provided for "large customer" in the draft rule. On p. 6 of the draft rule the Chapter 10 definition provided is: "(a) In a *participating jurisdiction* where the *National Energy Retail Law* applies as a law of that *participating jurisdiction*, has the meaning given in the *National Energy Retail Law*. (b) Otherwise, has the meaning given in *jurisdictional electricity legislation*." while the Chapter 10 definition for large customer provided on p. 103 is: "Has the meaning given in the *National Energy Retailer Law*."
Chapter 10 – New Definitions – "Metering Coordinator"	To avoid confusion, Energex recommends that consideration should be given to differentiating between a Metering Coordinator competing in the contestable market and the transitional, regulated LNSP Metering Coordinator role, e.g. by including a new Chapter 10 definition for "LNSP Metering Coordinator" with responsibility for legacy Type 5-7 meters.
Chapter 10 – New Definitions – "Network Device"	To provide further clarity, the definition of "network device" should be amended to read: "An item of apparatus or equipment associated with the provision or the monitoring of *network services*, which may include switching devices, measurement, protection and control equipment and which may be housed within a facility that was previously used by the relevant *Local Network Service Provider* as a *metering installation*."
Responsibility of the Metering Coordinator	Clause 7.3.1 (b) requires that the Metering Coordinator must perform its role in accordance with Chapter 7 and procedures authorised under the Rules. Energex recommends the inclusion of a requirement for the Metering Coordinator to also comply with jurisdictional energy laws, the LNSP's service installation rules and safety requirements specified by jurisdictional safety regulators.
Role of Metering Coordinator	Clause 7.3.2(a)(2) provides that another party, other than the Metering Coordinator, is permitted to appoint a Metering Provider to install a metering installation. As it is Energex's understanding that the Metering Coordinator will have sole responsibility for appointing the Metering Provider, this clause should be removed.

Issue	Comments
Metering installation requirements	Energex recommends that, to provide further clarity, cl. 7.8.1(a) should be amended to read: "A Metering Coordinator must ensure that each connection point for which it is responsible has a compliant metering installation (other than a Type 7 metering installation)". Energex recommends that cl. 7.8.1(b) be amended to read: "…for which it is responsible is based on units of watthour (**active energy**) and where required varhour (**reactive energy**) and volt ampere hour (**total energy**)." Kilovolt ampere (kVA) hour data is required to support network tariff reform / cost-reflective pricing as kVA is used to calculate maximum demand charges for demand-based network tariffs.
Small customer metering installations	The draft rule (cll. 7.8.3 and 7.8.4) has specified that Metering Coordinators must ensure that any new or replacement metering installation in respect of the connection point of a small customer is a Type 4 or Type 4A that meets the minimum services specification. Energex recommends that in order to easily differentiate between current Type 4 metering installations (i.e. interval meters that do not meet the MSS), new Type 4 metering installations (i.e. advanced meters that meet the MSS and have remote access) and Type 4A metering installations (i.e. advanced meters that meet the MSS but are exempt from providing remote access), a new type (or types) should be established for advanced meters, e.g. Type 8. In Energex's view the current proposal is unnecessarily confusing and will result in considerable complications in designing and implementing systems and procedures to support this rule change.
Emergency management	Clause 7.8.5 provides that the Metering Coordinator must ensure that access to the metering installation, services and energy data are managed in accordance with emergency priority procedures to be established, maintained and published by AEMO. Energex supports the AEMC's view that AEMO is the appropriate body to develop the emergency priority procedures and provide a single NEM-wide definition of an emergency condition and order of prioritisation. However, to ensure that networks can meet their responsibilities with respect to load shedding and network security, this clause should be amended to include a requirement that the emergency priority procedures must be consistent with the load shedding regime set out in Part 8 of the NEL and the system security requirements of Chapter 4 of the NER. In addition, to avoid misinterpretation, Energex recommends that cl. 7.8.5 be amended to make it clear that all Metering Coordinators operating in the LNSP's area (i.e. not only those Metering Coordinators that are contracted to supply services to the LNSP) are required to comply with the requirements of AEMO's emergency priority procedures. Further, Energex does not consider it reasonable to expect that LNSPs must pay for services under emergency conditions.

Issue	Comments
Network devices	Clause 7.8.6(b)(1) requires the Metering Coordinator to cooperate and provide all reasonable assistance to facilitate the installation of a network device. However, it is unclear whether a DNSP may be required to pay for any assistance provided by the Metering Coordinator. If these arrangements are to be left to commercial negotiation, consideration should be given to including a requirement in the NER for any associated charges to be fair and reasonable to provide some guidance in the event that dispute resolution under Chapter 8 is required. Clause 7.8(b)(2) requires that a Metering Coordinator "must not remove, damage or render inoperable a network device that has been installed at or adjacent to a metering installation except with the consent of the LNSP". As it is not clear how the LNSP will become aware of a breach of this provision (e.g. accidental damage to a network device), an obligation should be included in the NER for the Metering Coordinator to notify the LNSP within a maximum specified period, e.g. 2 business days. Provision should also be made for the Metering Coordinator to reimburse the LNSP for any necessary repairs to or replacement of a network device. Energex recommends that cl. 7.8.6(c)(1) be amended to read: "use a network device except in connection with the control, operation or monitoring of its network and customer's installation". This amendment is required to clarify the ability for network businesses to use network devices at customers' premises for load control purposes.
Meter churn	Clause 7.8.9 deals with meter churn and provides that an existing meter can be altered to make it capable of remote acquisition where there are "operational difficulties" (which is limited to situations where access is difficult or remote rural properties). Energex recommends that this limitation should either be removed or, alternatively, that in cll. 7.8.9(b) and (d)(3) the term "operational difficulties" should be replaced by "operational difficulties or efficiencies" so as to enable the efficient provision of metering services to customers who have opted out of an advanced meter deployment and/or where no other Metering Coordinator will take on the role, e.g. at sites with asbestos panels. In addition, where only a small number of Type 5 or 6 metering installations remain in an area, it may be more operationally efficient for a regulated LNSP Metering Coordinator to alter the existing metering to make it capable of remote acquisition. While Energex understands that the intention of the rule change is to promote the uptake of advanced meters, consideration should also be given to ensuring that electricity customers are not disadvantaged through higher costs to provide regulated metering services.

Issue	Comments
Meter installation malfunctions	It is vital that there is a clear process for LNSP Metering Coordinators, Retailers and newly-appointed Metering Coordinators to ensure minimal disruption to customers when an existing Type 5 or 6 metering installation malfunctions, particularly in storm and emergency situations. Energex therefore recommends that an additional sub-clause be added to cl. 7.8.10 requiring AEMO to establish, maintain and publish a procedure that sets out the process for managing metering installation malfunctions.
Security of metering installations	Clause 7.15.2 provides that Metering Coordinators must not prevent LNSPs from accessing a metering installation or connection point for the purposes of reconnecting or disconnecting. Energex considers that access for LNSPs should not be restricted to reconnecting and disconnecting but should be provided for any purpose associated with the LNSP's equipment, wiring or devices.
Access to data	Clause 7.15.5 deals with access to data. In the current drafting of this clause it is unclear whether network businesses will be required to negotiate and pay for access to all energy and metering data, including data required to perform their market obligations, e.g. network billing. It is Energex's understanding that the AEMC's intention is for DNSPs and other market participants to be provided with data free-of-charge in line with their market obligations but this has not been reflected in the draft rule. Energex therefore recommends that cl. 7.15.5 be amended to explicitly state that network businesses will have free access to energy and metering data required to fulfil their regulatory obligations.
First-tier load metering installations	It is noted that transitional cl. 11.20.3 has not been removed as part of the draft rule change. This clause permits large customers who remain with the first-tier Retailer to continue to retain basic accumulation metering installations that were installed prior to 30 June 2008. As at 30 April 2015, there were 947 large customers remaining in Energex's distribution area with Type 6 accumulation meters under this clause. Energex is of the view that this transitional arrangement should cease at commencement of the new metering framework so as to ensure the consistent application of obligations and technical requirements across both first and second-tier metering installations (by requiring large first-tier customers to upgrade existing Type 6 metering installations to Type 1-4 metering installations to be compliant). Removal of this clause will ensure that all large customers are subject to appropriate and efficient tariffs, thereby limiting the requirement for future network investment. Further, unless this transitional clause is removed, there is likely to be uncertainty in how the new framework will apply to these large customers, in particular with respect to the appointment of a Metering Coordinator at commencement.

Issue	Comments
Metering Coordinator for Type 5 or 6 metering installation from effective date	Clause 11.78.7 provides for the LNSP to be appointed as the deemed Metering Coordinator until a new Metering Coordinator is appointed under Chapter 7. Therefore, in accordance with current drafting, the LNSP will be responsible for a non-compliant metering installation until a new Metering Coordinator is appointed. However, the Draft Determination (p. 203) states that: "Where the DNSP is the Metering Coordinator for a Type 5 or 6 metering installation and the meter is found to be faulty, the DNSP's appointment or deemed appointment (as the case may be) as Metering Coordinator for the connection point under the transitional arrangements will cease and the retailer will need to appoint a new Metering Coordinator to arrange the installation of the new meter". Consequently, to reflect the AEMC's intention (as stated in the Draft Determination), the drafting of cl. 11.78.7 should be amended to provide that the deemed LNSP Metering Coordinator's responsibilities with respect to the metering installation under Chapter 7 cease <u>when the customer's FRMP has been advised that the meter is faulty</u>, not when the new Metering Coordinator is appointed. This amendment will ensure that it is clear in the NER that a LNSP's responsibilities with respect to a non-compliant metering installation cease at this point and will avoid any complications which may arise if there is a delay in the appointment of a new Metering Coordinator. Clause 11.78.7(d)(3) currently provides that the FRMP may terminate the appointment of the LNSP Metering Coordinator with reasonable notice. However, Energex believes this clause needs to mirror the comments in the Draft Determination on p. 98 which state that the FRMP may replace the LNSP as Metering Coordinator if it has reached a commercial agreement to acquire or lease the existing Type 5 or 6 meters (provided the LNSP does not wish to retain the meter as a network device). The drafting currently does not reflect this position to ensure Distributors are not left financially disadvantaged through the termination of the Metering Coordinator role. Clause 11.78.7(g) requires that deemed LNSP Metering Coordinators must comply with Chapter 2 accreditation and registration requirements. As LNSPs are already Registered Participants and the LNSP Metering Coordinators will effectively be continuing in their current role of Responsible Person for a transitional period only, Energex questions whether the additional expense involved in undergoing an accreditation and registration process is justified. This is also particularly relevant if, as proposed, Retailers will have the ability to replace the deemed LNSP Metering Coordinator upon commencement. It is therefore strongly recommended that this requirement be removed or, alternatively, that provision is made for exempting LNSPs from this requirement.

Issue	Comments
Distribution Ring-Fencing Guidelines	Clause 11.78.8 requires that the AER must publish Distribution Ring-Fencing Guidelines by 1 July 2016. Energex notes that the AEMC has indicated on p. 141 of the Draft Determination that Distributors wishing to take on the Metering Coordinator, Metering Provider and/or Metering Data Provider roles in the competitive market will need to comply with the national ring-fencing guidelines. Energex also notes that the AEMC has previously indicated that Distributors should not be required to set up separate legal entities to undertake the role of deemed LNSP Metering Coordinator. This has not been reflected in the AEMC's Draft Determination. As any mandated requirement for regulated LNSP Metering Coordinators to set up a separate business for the deemed LNSP Metering Coordinator role and/or the ongoing Metering Coordinator role for Type 7 metering installations would be unnecessary, inefficient and costly, Energex recommends that the AEMC's previously stated intent with respect to ring-fencing requirements for LNSP Metering Coordinators should be clearly articulated in its Final Determination.
Daylight Savings and Public Holidays	The NEM systems operate on AEST, whereas networks and customers could be operating on AEDT. The treatment of time needs to be considered for advanced meters and advanced meter services, i.e. with respect to service standards. Energex considers that the NER should make a statement regarding treatment of times of requests and service provision, taking into account daylight savings and public holidays in the local area where the service is being provided, i.e. as opposed to the location of the service requestor.
Proposed amendments to National Energy Retail Rules (NERR)	
Notice to small customers on deployment of new electricity meters	New rule 59A provides that customers are able to opt out of an advanced meter deployment up to 3 business days before the scheduled date for work. It is unclear to Energex how this process will work efficiently in practice, particularly in circumstances where a notification for planned interruption is required to be provided 4 business days prior to the interruption. Further, to use advanced meters as a demand management tool, DNSPs need critical mass and certainty of coverage. Consequently, if a significant number of customers opt out of a DNSP-funded advanced meter deployment at the last minute it may no longer be worthwhile proceeding. Energex therefore recommends that the final date for opt out should be extended, e.g. to 14 business days before commencement of the proposed deployment program, to provide DNSPs, Retailers, Metering Coordinators and Metering Providers with sufficient certainty and time within which to assess whether the deployment should proceed.

Issue	Comments
Notification process for advanced meter replacements (other than meter deployments)	While new rule 59A provides that Retailers undertaking a new meter deployment must provide a notice to small customers that includes the opportunity to "opt out", there is no requirement for Retailers to notify the small customer of meter replacements which are not a "new meter deployment". Energex recommends that an obligation should also be placed on Retailers to notify customers where the replacement of an existing, still functioning meter is based on results of sample testing to mitigate the risk that customers will contact their LNSP with enquiries and complaints. This will be of particular concern where large numbers of meters are being replaced due to batch failure.
Planned Interruptions	Energex notes that, under the draft rule, Distributors will be required to provide notifications when planned interruptions are scheduled for the installation, maintenance, repair or replacement of metering equipment. As Distributors will no longer be involved in planning metering-associated work and may merely be engaged by a Retailer or Metering Coordinator to perform a temporary disconnection/reconnection service in situations where there is no meter isolation link, Energex does not believe that it is appropriate for the notification obligation to be placed on the Distributor. The current drafting is unworkable and therefore the NERR should be amended to place the obligation for notifying customers of outages associated with planned metering work on the Metering Coordinator (i.e. the party planning the interruption to supply).
Unplanned interruptions	Rule 91(c) requires the Distributor "to use its best endeavours to restore supply to affected customers as soon as possible" in the case of an unplanned interruption. However, Energex is concerned that there will be difficulties for Distributors in meeting this obligation when a meter replacement is required. In the case of severe weather events (e.g. floods and cyclones), for example, the Distributor has previously been responsible for both replacing the meter and restoring supply. However, under this rule change, the Distributor will be required to notify the FRMP of the need to replace the meter and as such may not be able to restore supply until a working meter is installed. It is therefore unclear whether Distributors will be able to meet their obligation under 91(c) (which is a civil penalty) to restore supply as soon as possible, without the meter being replaced first. There are also practical difficulties for Distributors associated with unplanned interruptions, particularly in responding to customer enquiries relating to the nature of the interruption and restoration timeframes (rule 91(a)), as Distributors will have no visibility of when the meter will be replaced, especially outside of business hours, to enable them to respond to enquiries as to when supply will be restored. Energex is concerned that this situation will lead to significant inconvenience for customers and an escalation in customer complaints.

Issue	Comments
	Energex is therefore of the view that further redrafting is required to clarify the priority of obligations as the current drafting of rule 91 is unworkable, particularly in severe weather event situations.
Life support	Rule 124(1) should be amended to place an obligation on the Retailer to register the premises as having life support equipment when a Distributor advises the Retailer that a person at the premises requires life support equipment (where the customer provides a Distributor with confirmation from a registered medical practitioner).