

29 May 2014

Ms Lisa Nardi

Australian Energy Market Commission
PO Box A2449
Sydney South
NSW1235

Dear Ms Nardi,

RE: Consultation Paper- Expanding competition in metering and related services in the National Electricity Market (ERC0169)

EDMI is pleased to be able to respond to the Australian Energy Market Commission's (AEMC) Consultation paper on the Rule change request introducing a new framework in the National Electricity Rules that provides for increased competition in metering and related services.

EDMI supports the policy direction and the effort by the AEMC related to the Power of Choice review. EDM I supports the proposed reform:

“To introduce competition in metering services and develop a framework for smart meters: establishing the regulatory framework to encourage commercial investment in smart meters and associated services to promote consumer choice.”

EDMI believes that meter provision and meter data services should be contestable. Any meter provision to a customer needs to be based on providing value to the customer, and needs to provide an incentive for the customer to engage with and support the services and benefits that smart meters enable.

EDMI supports the provision of smart metering under a competitive metering and services framework and broadly supports the recommendations of the Rule Change Request and more specifically the proposals to:

- Review of the Role of the RP with the intent to expanding metering competition and providing customer choice;
- Unbundling of meter charges (DUOS) as a key enabler to metering competition;
- Establishing the AER's role in determining exit fees where a meter is replaced.

Answers to the specific questions are attached. EDM I would welcome the opportunity to discuss our submission in more detail.

Yours sincerely,

Simon Mouat

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1 Background

EDMI Pty Ltd (“EDMI”) is the Australian subsidiary of EDM I Limited (Singapore) (“EDMI Group”), part of the Osaki Electric Group (Japan). The Osaki Electric Group is a significant player in the global smart metering and switchgear markets. EDM I has been supplying smart metering technology for the Australian market since 1990 and is regarded as the best-of-breed IEC meter manufacturer and deliverer of smart meter solutions in the market.

As AEMC, SCER and AEMO, along with other key industry groups seek to improve and streamline smart metering outcomes for industry and consumer stakeholders, EDM I recognises the need for the advancement of industry regulations and standards. We support the fundamental spirit of the AEMC Power of Choice white paper and the SCER proposed regulatory changes. However, we also acknowledge, as do AEMC, SCER and AEMO, the challenges that such changes set and that informed parties can develop valid and valuable responses to these challenges that may be mutually exclusive.

As a major supplier of both meters, metering software and metering solutions in the Australian and international markets, EDM I believes that we can offer thoughtful input to the consultation process and have completed a range of responses to certain of the questions raised by AEMC in the consultation paper. Where EDM I is silent to the proposals presented, we support the principles and proposals raised in the AEMC consultation paper, as amended by the SCER review.

2 EDMI Responses

2.1 Question 1 – Additional assessment criteria

Are there any additional criteria that should be considered in assessing this rule change request?

EDMI believes that the criteria outlined by AEMC and SCER are suitable and sufficient.

2.2 Question 2 – Competition

What are the benefits for competition by allowing any registered and accredited party to take on the Metering Coordinator role?

2.2.1 Benefits to competition

As discussed in the AEMC consultation paper, the proposed changes have two key aims:

- To support the uptake of efficient consumer products and energy services that will promote consumer participation and choice, AND
- To apply the resulting savings and other benefits across the supply chain.

EDMI believes that the creation of contestable metering market for most metering types will both promote these objects directly and indirectly assist by removing existing barriers to these objectives.

In supporting a more open market, EDM is swayed by the arguments put forward by SCER. EDM agrees that a commercial relationship between Metering Coordinators and retailers, governed by the market is better able to deliver efficiencies and services to the end consumer than one governed by regulation. EDM also supports the notion that, while any registered and accredited party may take on the Metering Coordinator role, there should be no formal regulation that any particular party must be included.

Aside from the general benefits outlined by economic free-market theory, such an approach also delivers the following specific payoffs:

- Specialisation in the supply of smart meters which increases the ability for the industry to tap into smart metering expertise; cements direct market signals for metering investment, and reduces investment inefficiency by removing non-metering-based pressures on smart metering capital.
- Greater access to international advances in smart metering, while maintaining (where necessary) local ownership of distribution networks and energy supply chains.
- A direct link between consumer preference and market pressure, given the customer greater power over the services and direction of smart metering.

However, EDM I also recognises the dangers and pitfalls in a completely unregulated free market and therefore supports limited regulation to, for example, protect the provision of certain metering types (6 and 7). EDM I also supports limited regulation to set a minimum standard of customer communication and service, though must stress that these minimum regulations should define the contractual and privacy relationships, not the provision of actual metering services.

2.2.2 Barriers to entry for new participants

EDMI believes that a commercial arrangement between a Metering Coordinator and a retailer (or between a Metering Coordinator and a customer where relevant), compared to a regulated relationship, provides fewer commercial barriers to entry while retaining and even extending necessary competence barriers. By necessity, a regulated relationship is a closed system, dependant on the wording and the extent of the regulations in place, while commercial relationships may grow and change, based on the market forces at the time.

To enter a commercial arrangement, a metering coordinator must supply a meter that meets the requirements of a tender (or series of tenders, or direct customer demand), gain accreditation and show compliance with metering standards. In a commercial arrangement, the metering coordinator is not required to show compliance with the contract in advance and ongoing compliance checks are driving by market pressures.

To enter a regulated agreement, a metering coordinator must complete all of these and also show compliance with the regulations in advance, as well as at regulated intervals.

A competent commercial provider will therefore incur costs associated with contract compliance only as a result of an existing contract, while the regulated provider incurring costs regardless of the existence of a contract and source of revenue. Barriers in a commercial relationship therefore become desirable barriers of competence rather than barriers of compliance that restrict market entry.

2.2.3 Compliance costs for parties to be accredited by AEMO.

Under a commercial arrangement, any new registration and accreditation regimes will be broadly comparable to existing arrangements. Under a regulatory arrangement, there will be additional formal or de-facto compliance requirements relating to the regulatory arrangement itself.

That is not to say that these additional arrangements are lacking in a commercial relationship – on the contrary, these same arrangements exist in the governance and diligence of retailers and large consumers. However, while regulatory compliance is a requirement outside of a contract, commercial compliance exists dependently of a commercial contract.

As a result, there is a direct relationship between revenue and compliance. This arrangement allows for greater access to the market, the ability for requirements to change dynamically with the demands of industry, and for a direct revenue pressures on specific market-led compliance demands.

2.2.4 Avoiding inefficient meter churn when a consumer switches retailer

EDMI recognises that in both the existing market and also under Power of Choice, customer churn from one retailer to another will occur. As is an accepted basis for an open and competitive retail market.

However, separate from retailer churn, the retailer and/or Metering Coordinator needs to be able to address the potential for meter displacement (displacement being where an existing smart meter is removed and replaced by another smart meter).

EDMI believes that efficient churn can be handled as well by market pressures as it can by regulatory forces (with one exception outlined below). While a simplified view of Metering Coordinators might indicate a benefit to them, the fact of their position in the market is such that this holds true only where the Meter Coordinator is also the beneficiary of exclusivity contracts. Without exclusivity, any Metering Coordinator that plans to restrict churn away also restricts churn to. This presents a negative commercial consideration for retailers (and large consumers) and their customers and it is these bodies that hold the “Power of Choice”.

Further, while market forces will affect efficient meter churn, commercial contracts are also more effective at adapting to necessary changes in churn. Without regular, expensive and unsustainable reviews, over time, a regulatory environment may restrict, rather than aid the churn of meters as technology outpaces legislation. Commercial requirements are able to adapt more effectively to the requirements of the industry and the customers it serves.

The exception

EDMI holds an “open market” position on meter displacement, but also recognises that a completely unregulated market is open to distortion by monopolies and unsustainable commercial opportunism. To this end, EDMi believes that there needs to be encouragement for different market participants to enter into switching agreements to mitigate displacements and allow barter to be exchanged between them.

2.2.5 Provision of efficient metering and energy services and costs

EDMI reiterates the points made in the previous sections of the response to this question. A commercial arrangement is, by definition, better able to adapt to commercial requirements than is a regulatory arrangement.

So long as changes to the current arrangements promote and secure the power of the consumer, that “Power of Choice” will result in consumer-led requirements, services and efficiencies, based on consumer priorities.

2.2.6 Need for a smooth transition to any new agreed framework

Contestable metering markets exist and operate successfully in Australia. Registration and accreditation schemes for Meter Providers and Meter Data Providers exist and operate successfully in Australia. The creation of the role of Metering Coordinator, registered and accredited by adapted regulation, but bound by commercial contract represents a smoother transition than an entirely new regulatory regime.

2.3 Question 3 – Alternatives to Metering Coordinator

Are there alternatives that are preferable to creating a separate Metering Coordinator role? For example, would it be appropriate to combine the proposed Metering Coordinator responsibilities with the existing Metering Provider role? If so, what advantages would this alternative deliver.

EDMI supports alternative arrangements, in principle, that comply with the aims and objectives of the proposed rules changes. Existing rules do not present any barriers to the Responsible Person from outsourcing metering provision and installation to an appropriate third party.

However, EDMl believes that proposals that would restrict consumer choice, investment and or innovation or go only part way to delivering any of these benefits do not offer a true alternative to a complete solution.

EDMI supports a role where a separate third party (such as a Metering Coordinator or other applicable type) can be an aggregator and can coordinate all the required functions for contestable metering. This would allow new operators to participate in the market along with existing distribution businesses and retailers to provide metering services to the end user.

Finally, while such a proposal has not been raised in the AEMC paper or SCER review, EDMl would not agree with a position where there was a centralised body that was a universal metering coordinator or metering data coordinator. EDMl believes that the concept of a central metering coordinator and/or metering data collector is not in line with the principles or objectives of this proposed rule changes. It is our experience internationally that jurisdictions with such a body have had significantly restricted innovation, reduced investment in smart metering and reduced customer smart metering services when compared to jurisdictions without such a body.

2.4 Question 4 – Accreditation and enforcement

If established, should the new Metering Coordinator role be classified as Registered Participant under the NER or should other arrangements be put in place? If so, what accreditations may be required?

EDMI supports a layer of accreditation comparable to existing Registered Participant and Responsible Person requirements, however submits that this layer of accreditation need only apply at the level closest to the consumer. Where a retailer delivers metering services to the consumer, the Metering Coordinator should undergo an approval process, but further accreditation and registration requirements should rest with the retailer.

This approach ensures that the engagement with the consumer is in accordance with appropriate industry standards and therefore meets the objectives of the rule change relating to consumer protection, but does not apply an unnecessary layer of regulation to the activities of the Metering Coordinator and therefore supports the growth of competition and investment.

2.5 Question 5 – Failure of Metering Coordinator

Are any specific arrangements required in the event that a Metering Coordinator fails?

EDMI agrees that specific arrangements in this event are necessary, but that, as far as possible, these arrangements should form part of the commercial agreements between each metering coordinator and retailers (or large consumers).

Just as EDM I supports SCER's proposal that a Metering Coordinator should exist without identifying specific groups that may be Metering Coordinators, we also believe that regulations relation to coordinator failures be restricted to simply requiring that there be an arrangement without specifying what that arrangement should be.

2.6 Question 6 – Retailer of Last Resort (ROLR)

Should there be any specific changes to the ROLR arrangements regarding metering

EDMI believes that the proposals raised by SCER and in the AEMC discussion paper are well considered. The change considerations are clearly in good hands and EDM I has nothing further to add at this time.

2.7 Question 7 – Competition (jurisdictions)

How would the proposed jurisdictional arrangements impact on the proposed approach for competitive provision of metering and related services?

EDMI supports the general jurisdictional arrangements proposed by AEMC and SCER, but offers some further comment in Question 8 below on type 6 metering arrangements.

2.8 Question 8 – Meter types (jurisdictions)

Should SCER’s proposal for prescribing Metering Coordinator exclusivity be limited to certain metering types? If yes, what are the metering types that should be considered?

EDMI agrees that the proposal for prescribing Metering Coordinator exclusivity be limited to metering types 6 and 7. EDMI believes that exclusivity is fundamentally incompatible with the stated objectives of these rule changes and should only be considered where it is absolutely necessary to maintain metering services.

Even where exclusivity is provisioned, the regulatory arrangements that allow for it should also provide strict protections for commercial arrangements relating to non-exclusive metering types.

EDMI believes that exclusive arrangements must be ring-fenced from non-exclusive relationships and covered under separate agreements.

For type 6 (basic accumulation) meters in areas with little competition and where decreasing numbers are being installed, consideration must be given to requiring exclusivity be granted only where there exists a contractual obsolescence agreement.

2.9 Question 9 – Consent requirements

What information and consent requirements would be appropriate under the competitive model for provision of metering and related services?

EDMI submits that existing Australian Privacy Law and the National Privacy Principles, along with current guidelines regarding insurance offer excellent models for informed consent. Under current arrangements, retailers already comply with a wide array of consent and information requirements and EDMI believes that a natural continuation of these standards into any new arrangement or to any additional consumer relationship is the most efficient option.

2.10 Question 10 – Opt-in/opt-out

Should opt-in / opt-out provisions apply where a party seeks to upgrade a consumer's metering installation to achieve business operational efficiencies that may lead to reduced costs for consumers?

EDMI supports the principle of opt-out in these circumstances as this provides greater choice and power to the consumer while allowing for reduced costs and overhead across the entire market. EDM I believes that opt-in provisions are not necessary as they offer no more consumer benefit than opt-out in a competitive environment and tend to increase market costs across the board.

The consumer choice in this matter is supported by the competitive market. A customer may opt out by selecting a different service provider, or by selecting an “opt-out” relationship with their current service provider.

EDMI believes that not allowing opt-out has been shown to reduce customer satisfaction in existing roll-outs and runs counter to the consumer-oriented objectives of the proposed rule change. However, an opt-in arrangement, which will necessarily be a more expensive arrangement for the industry and decrease the scope for investment and innovation, as consumer choice is more than sufficiently serviced by the ability to opt-out a competitive market.

2.11 Question 11 – Informing customers

Should retailers be required to inform consumers of their metering services charges? If so, what is an appropriate means for retailers to fulfil this obligation?

EDMI supports the provision of not only metering service charges, but also complete metering service information. Where retailers supply consumers with details of metering charges, there must also be an accompanying provision of metering service details.

The provision of complete metering information, both charges and benefits, is the only way to ensure that consumers are able to make truly informed choices regarding their metering.

However, EDM I does recognise that such a mandated provision of information may tend to restrict the ability of retailers to offer points of difference, so submits that any such regulation allow retailers to retain the flexibility to price different tariffs and solutions that may change the way in which they package the metering charges.

2.12 Question 12 – Retailer and Metering Coordinator relationship

Should the relationship between the retailer and the Metering Coordinator be based on a commercial arrangement? If not, what alternatives should be considered? What are considered the costs and benefits of a standard contract for this relationship?

EDMI supports the proposals in the AEMC consultation paper and by SCER that support a commercial relationship between retailer and Metering Coordinator (or between large consumer and Metering Coordinator). Insofar as regulation is necessary in limited circumstances, that regulation should be kept at a minimum in breadth and scope.

2.13 Question 13 – Metering Coordinator and the Consumer

Should residential and small business consumers be able to exercise a right to appoint their own Metering Coordinator? If so, what arrangements would need to be put in place to govern that relationship?

EDMI supports the right of consumers to determine their own Metering Coordinator and negotiate with that coordinator in separation from any retail or other energy agreements. A Metering Coordinator seeking to advertise or respond to such arrangements should be registered and accredited to the same standard as a retailer, though only insofar as the provision of metering services is concerned.

2.14 Question 14 – Consumer Protection

Are any additional consumer protections required to support a direct relationship between a consumer and a Metering Coordinator?

EDMI does not have a firm position on additional consumer protection, though firmly supports the general principles behind it. However, EDMi notes that consumer already have a number of protection available under rules and regulations that apply to the retailer portion of the market. EDMi supports these rules and regulations and believes that any Metering Coordinator seeking to secure direct relationships with customers should be required to meet these same standards.

2.15 Question 15 – Unbundling fees

Do the NER require any changes to facilitate unbundling of metering charges from distribution use of system charges?

EDMI supports the general principle that distribution networks be able to recover their investment in existing meters and metering infrastructure. However, certain systems of recovery are likely to distort the market by placing a greater burden on first-movers and requiring that these players seek to recover their own investment over one or two years, rather than the long term.

EDMI supports the introduction of one uniform fee structure that provides a mechanism that allows distribution networks to recover their investment without distorting the ongoing market.

2.16 Question 16 – Exit fees and AER role

Should the AER have a role in determining exit fees for accumulation and manually read interval meters?

EDMI is mindful that specific exit fees may tend to distort the market as outlined in our response to Question 15.

Rather than separate unbundling or exit fees, EDMl supports the introduction of one uniform fee structure that provides a mechanism that allows distribution networks to recover their investment without distorting the ongoing market. EDMl believes that AER can play a role in determining that single, uniform fee structure.

2.17 Question 17 – Exit fees and cap on fees

If so, are SCER's proposed criteria for determining exit fees appropriate, and should a cap on fees be considered?

See the response to questions 15 and 16 for EDMl's position on unbundling charges and exit fees. In short, EDMl supports a single, uniform fee structure that provides a mechanism that allows distribution networks to recover their investment without distorting the ongoing market.

2.18 Question 18 – Distribution networks empowered?

Are the existing arrangements under the NER appropriate to enable a distribution network business to allow for advanced metering technology as part of a regulated DSP business case/program?

EDMI supports the SCER proposal that, while distribution networks are welcome to be involved moving forward and/or become Metering Coordinators, there is no need to make specific mention of them in relation to the Metering Coordinator role.

In a competitive market, all equal participants should be accorded the equal rights and responsibilities. Rights in terms of access and responsibilities in terms of accreditation, registration and, where necessary to facilitate true competition, ring-fencing.

2.19 Question 19 – Distribution business certainty

If not, what additional arrangements might need to be put in place to allow sufficient certainty to distribution businesses to do so?

EDMI does not believe that additional arrangements specific to distribution networks are necessary, except insofar as they are required to facilitate a smooth change-over from existing arrangements. That is, there is no need to allow for specific rules relating to distribution networks as Metering Coordinators, though there must be consideration given to the change-over process.

Distribution networks can and should be able to develop business cases to justify deployment of smart metering and other solutions to the market that also deliver positive returns to the market in terms of investment and innovation.

Distribution networks are likely to be affected by ring-fencing rules, however these rules should also apply equally to all players.

Insofar as business certainty is concerned, EDM I believes that the current proposals by SCER provide sufficient business certainty to distribution networks.

2.20 Question 20 – Distribution network businesses as Metering Coordinators

Are changes required to the AER's ring fencing guidelines to accommodate a distribution network business seeking to take on the role of Metering Coordinator?

EDMI supports the SCER proposal that AER establish the ring fencing and the competitive procurement arrangements required to ensure there is competitive neutrality. Any changes required would be best-set by AER.

2.21 Question 21 – Governance requirements for minimum specification

What do you consider are the appropriate governance arrangements for allowing for a new smart meter minimum specification in the NER?

While EDM I accepts the benefits of minimum specifications, we respectfully submit that both the proposal from AEMC and the response from SCER on this matter may not allow for the complete realisation of the objectives of this proposed rule change.

Where minimum specifications exist and operate successfully in a market (such as the Smart Meter Infrastructure Minimum Functionality Specification as endorsed by SCER in 2011), they exist as a lower-end barrier not to feature delivery, but rather to service or consumer benefit delivery.

At an infrastructure or hardware level, these benefits are almost indistinguishable from the meter or other infrastructure features. More particularly, these benefits may be delivered in a number of different ways. For example, a minimum specification that sets the level of voltage at which a smart meter must continue to operate for a set period (e.g. NMI M6) allows for different methods to deliver this benefit. Such a minimum specification allows for investment, innovation and improvement at the hardware and mechanical level, within the bounds of acceptable customer benefit.

However, when it comes to smart meter specifications, significant innovation and investment opportunities sit at a level above the physical meter properties. As a result, setting a minimum “functionality” for smart meters necessarily means setting a minimum feature list for smart meters. Though there are several different ways in which a smart meter can deliver a certain benefit, setting a feature to deliver this benefit limits the ability for smart meter manufacturers and therefore Metering Coordinators to offer new benefits, greater efficiencies and places bounds on future investment.

EDMI proposes that, instead of a minimum **functionality** specification, the minimum requirements should focus on the customer: a minimum consumer services specification.

Under a minimum consumer services specification, EDM I believes that not only are the three elements noted by AEMC covered, but that it is easier to deliver customers the ability to capture the value of changing consumption patterns and that it better-facilitates increased options in the meter and possible available functions.

A minimum consumer services specification is a better method of meeting the objectives of this proposed rule change than a minimum functionality specification.

In considering the question of jurisdictional prerogative, EDM I supports the SCER proposal that there be a single, national minimum specification, but that each jurisdiction have the option to not impose that specification.

2.22 Question 22 – Minimum functionality specification – appropriate body to develop and maintain

Is AEMO the appropriate body to develop and maintain the proposed minimum functionality specification to support competition in metering and related services, or are there alternative options that could be considered?

EDMI recognises that there are a number of options raised in the AEMC consultation paper and by SCER in relation to the development of a minimum specification. EDMI agrees that each option delivers different benefits, but adds only that whichever body is set up to maintain minimum specification should work towards developing and maintaining a specification that delivers end-customer benefits, rather than discrete metering features.

2.22.1 Question 22a – Load Control

The consultation paper discusses the effect of legacy load control on minimum functionality and suggests that, where load control exists, new meters installed must also allow for load control. The paper does not include a question line on this, but does ask for input on the question and, additionally, on governance and regulatory arrangements that must be in place to manage it.

EDMI believes that load control is an excellent example of the way in which a minimum customer services specification may allow for greater innovation than a minimum specification focused on functionality. By prescribing the delivery or support of load control functions, a minimum specification limits the delivery of the end customer benefit. However, if the minimum specification prescribes an end benefit, it opens the way to improving the method of delivery.

Further, by leaving the method of delivery open to market forces, it places an actual value on that method. Where legacy systems are preferred by the consumer (directly through choice or indirectly through cost pressures), those forces act to increase investment and innovation in those legacy systems, or to develop a viable and popular alternative. Where legacy systems are not preferred, a minimum consumer services specification does not provide an illusory support for its retention.

2.23 Question 23 – Minimum functionality specification – by jurisdiction

Should there be arrangements that allow for jurisdictions to determine their own new and replacement polices or should all new and replacements meet a common minimum functionality specification?

EDMI supports the SCER proposal insofar as we support

- A single minimum specification, though we prefer a minimum consumer services specification, and
- The right for jurisdictions to implement that specification on a “yes” or “no” basis.

A single minimum consumer services specification (as opposed to a minimum functionality specification) delivers a natural solution to the issues raised with respect to existing metering systems and their upgrade. To do otherwise – to allow different jurisdictions to develop their own minimum specifications and therefore create multiple compliance standards would make the market uneconomical in which to operate, or severely restrict the ability for operators to invest and innovate.

2.24 Question 24 – Roll-overs – Victorian distributors becoming Metering Coordinators

Is it appropriate that the Victorian distribution network businesses would become the Metering Coordinator for the smart meters they have deployed?

EDMI supports the principle that, while distribution networks may become Metering Coordinators, their position as Metering Coordinators should not be mandated. This is in line with the general principles outlined by SCER and in line with the creation of a truly contestable market.

2.25 Question 25 – Roll-overs – exclusivity for Victorian distributors

Should an exclusivity arrangement be put in place to allow Victorian distribution network businesses to continue in the Metering Coordinator role for a specified period of time? If so, should this be determined by the Victorian Government or defined in the NER?

EDMI believes that exclusivity should only relate to type 6 and type 7 meters, for the reasons outlined by AEMC. However, EDMi believes that any further exclusivity agreements would distort the contestable market moving forward.

2.26 Question 26 – Roll-overs – Victorian distributors – ring fencing

Should Victoria's local distribution network business be required to take on the Metering Coordinator role as a ring fenced entity after the exclusivity period has ended?

In line with EDM's previous submissions, we believe that there should be no regulatory compulsion of any one party to become a Metering Coordinator, though there must obviously be a regulatory compulsion that there be a Metering Coordinator in relation to any smart metering installation. However, where an existing market player takes on the role of Metering Coordinator, that business should be ring-fenced so as to ensure a necessary level of competition in the market.

2.27 Question 27 – Roll-overs – Distributor Responsible Persons becoming Metering Coordinators for existing meters

Is it appropriate that as part of the transitional arrangements, the local distribution network business would become the initial Metering Coordinator for existing meters for which it is the Responsible Person?

In line with EDM's previous submissions, we believe that it is appropriate that local distribution network businesses could become the initial Metering Coordinator for existing meters for which it is the Responsible Person, but that this should not be mandated. Further, where local distribution network businesses do become Metering Coordinators, that part of their business should be ring-fenced to ensure an appropriate level of competition in the market.

2.28 Question 28 - Roll-overs – Distributor Responsible Persons becoming Metering Coordinators for existing meters – ring fencing

If so, should the local distribution network business be required to take on this role as a ring fenced entity? And by what stage of the transition would the ring fenced entity need to be established?

See response to Question 27.

2.29 Question 29 – Roll-overs – Retailer Responsible Persons becoming Metering Coordinators for existing meters

Is it appropriate that as part of the transitional arrangements, retailers would become the initial Metering Coordinator for existing meters for which it is the Responsible Person?

In line with EDMl's previous submissions, we hold retailers in no different position to distribution networks when it comes to becoming Metering Coordinators. Our response to question 29 mirrors our response to questions 24 to 28 inclusive.

2.30 Question 30 – Other comments

Are there any other systems, procedures or guidelines that might need to be amended to support competition in metering and related services?

EDMI is in agreement with the comments by AEMC and SCER on the matter of other changes and/or amendments, but notes that further comment may be necessary pending the outcome of this consultation process.