



UNITED ENERGY
Distribution

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Dear Marc

Consultation Paper on Specific Issues – Provision of Metering Data Services and Clarification of Existing Metrology Requirements

United Energy Distribution (UED) appreciates the opportunity to comment on the AEMC Consultation Paper on specific issues in relation to the National Electricity Amendments (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2010.

The AEMC is consulting on two specific issues:

- Responsibility for Metering Data Services; and
- Arrangements for connection points that exhibit complexity for the provision of metering data services.

UED provides comments on each of these two issues in this submission, followed by our detailed comments in relation to the drafting.

Responsibility for Metering Data Services

The AEMC is proposing in this consultation the following arrangements for the party responsible for metering data services.

| Metering Installation Type | Party responsible for metering data services | | | |
|----------------------------|--|----------------------------|---|--|
| | Current Arrangements | AEMO proposal | AEMC Position in the Draft Rule Determination | AEMC Position in this Consultation paper |
| 1 to 4 | AEMO | FRMP or Responsible Person | FRMP (unless an offer from the LNSP is received and accepted) | Either the Responsible Person or AEMO (if the TNSP is chosen by the FRMP to be the Responsible Person) |
| 5 to 7 | Responsible Person (LNSP) | Responsible Person (LNSP) | LNSP | Responsible Person (LNSP) |

UED is supportive of a single party, the responsible person, selecting the metering provider and the metering data provider consistently across all type 1-7 metering with the exception of complex connections.

In our last submission UED stated its preference that boundary and complex connections remain with AEMO (Australian Energy Metering Operator):

'These boundary and virtual NMI's are a specialised area of metering and data services, we recommend that the knowledgeable resources across industry should be responsible for these connection points to ensure the integrity of the settlement data.....'

We recommend that AEMO be the RP and responsible for metering for these boundary connection points and that AEMO in ensuring the integrity of the market remain responsible for the metering data services for these connection points. Where AEMO is the RP, they should be obliged to select the TNSP as the MP given the access issues, knowledge etc. All remaining connection points can efficiently be covered by the RP framework (FRMP or LNSP) being consistently applied across all meter types, where the RP is responsible for end to end processes from metering to data collection and processing.'

From the Rules drafting provided in this round of consultation it appears that AEMO is only comfortable being the responsible person for transmission interconnectors but not market connection points.

It is appropriate that the TNSP (Transition Network Service Provider) continue to provide metering services for boundary connection points due to the specialised and expensive nature of high voltage metering, continuity of metering services and site security and access issues to manage metering arrangements within terminal stations.

UED is also comfortable that AEMO continue to be responsible for metering data services for all the complex connections and are able to select knowledgeable parties to provide these services on a continuous basis.

The AEMC paper states that these complex connections number around 1,500 connections in the market and cover 70% of the energy in the NEM (National Electricity Market). It is fundamental to the integrity of the market that knowledgeable resources manage the metering and data services on a continuous basis for the limited number of complex connections.

UED suggest that the party responsible for metering data services is AEMO for these complex connections and where the connections are considered normal/simple then the responsible person is responsible. Any sub metering of generation at transmission level, any virtual or logical NMI's (National Meter Identifier) with complex algorithms etc should fall into this complex connection category.

Arrangements for connection points that exhibit complexity for the provision of metering data services

The NEM has operated for more than a decade with AEMO responsible for all metering data services at any complex, special or technology related condition sites. The ability for AEMO to require certain meter data providers and to facilitate arrangements for joint metering installations has been part of the Rules.

The AEMC's proposed drafting to accommodate the matters raised during consultation appears quite complex and long when these matters have previously been dealt with in the market in a few clauses. No explanation has been provided about why the current drafting does not suffice, or why AEMO can't be responsible for metering data services for all these complex

connections as is the case today. We are uncertain how many of the 1,500 complex sites are covered by clause 7.2.1A and how many might be covered by drafting in 7.2.5 (i) to (k).

Our interpretation is that the AEMC is proposing the following;

| Metering Installation Type | Connection Type | Number and size in the NEM | Party responsible for metering data services | | |
|----------------------------|--|---------------------------------------|--|--|---------------------------|
| | | | Current Arrangements | AEMC Position in this Consultation paper | UED position |
| 1 to 4 | Interconnector (transmission) | 1,500 70% energy in the NEM | AEMO | AEMO (Responsible Person) | AEMO (Responsible Person) |
| 1 to 4 | Complex Connection - Boundary (normal transmission) | | AEMO | Either the RP or AEMO (if the TNSP is chosen by the FRMP to be the RP) | AEMO |
| 1 to 4 | Complex Connection - Complex (Virtual/logical NMI's, algorithms, sub metering, includes distribution and transmission) | | AEMO | Either the RP or AEMO (if the TNSP is chosen by the FRMP to be the RP) | AEMO |
| 1 to 4 | Complex Connection - Inter DB (distribution) | | AEMO | Either the RP or AEMO (if the TNSP is chosen by the FRMP to be the RP) | AEMO |
| 1 to 4 | Complex Connection - Special sites or technology related conditions | | AEMO | Either the RP or AEMO (if the TNSP is chosen by the FRMP to be the RP) | AEMO |
| 1-4 | Normal | 8.03 million 30% energy in the NEM | AEMO | Responsible person | Responsible person |
| 5-7 | | | Responsible person | Responsible person | Responsible person |

It would be useful if the AEMC Final Determination clarified/corrected the table above so that the AEMC position is clear. It is sometimes difficult to understand the drafting intent in isolation to being part of the development or having discussions on the detail and rationale. The paper refers to some examples of complex connections which span both the transmission and distribution networks.

UED is comfortable with AEMO retaining its power to nominate the metering data provider and to be responsible for the metering data services for the complex connections. This would provide stability of the ongoing metering data service provision on these very important transmission connections and complex connections (distribution and transmission level

connections). It also utilises AEMO's detailed specialised knowledge on these connection arrangements via this direct involvement and responsibility.

UED suggest that the TNSP is the responsible person for all transmission and related complex connections and the LNSP (Local Network Service Provider) is the responsible person for all inter DB/cross boundary and related complex connections at the distribution level. AEMO should be responsible for the metering data services for these complex connections. This provides continuity of metering and meter data provision services and ensures that market data is not lost with service provider or responsible person churn.

The retailer or LNSP as the responsible person would be responsible for the metering data services for all non complex connections or normal connections.

The Consultation Paper refers to special site or technology related conditions. It would be useful if these terms were clarified by providing examples or criteria for what makes a site special.

UED provides the following comments on the detailed drafting.

| Clause | Issue | Recommendation |
|--|---|--|
| 7.2.1 (a) (2) And 7.2.1A (a) (2) | The metering data service provider (and the Responsible Person) provide data to parties in accordance with Rule clause 7.7. Procedures require data to be provided to the LNSP, LR, FRMP and AEMO, delivery of processed data is not just to the metering database. | Delete the words 'to the metering database'. |
| 7.2.1A (a) | As drafted the FRMP may choose to be the Responsible Person and select a metering provider and a metering data provider. For the reasons outlined in our response to the first issue, we consider that the TNSP and AEMO should always be responsible for the service providers for transmission connections. | We suggest that the words be strengthened to require the Market Participant to select the TNSP to be the Responsible Person for all transmission connection points. This enables stable, continuous parties to be adopted as outlined in sub clauses (1) and (2). The drafting should also be expanded to cover complex distribution connections (algorithms, inter DB metering) where the LNSP should be the Responsible Person and AEMO should be responsible for metering data services. |
| 7.2.1A(b) (1), 7.2.1A (b) (2) (B) and 7.2.5 (g) (1) | The metering data services cover the collection, processing and delivery of the metering data. The responsibility for compliance of public telecommunication providers to facilitate data transfers or the responsibility to comply with data to the metering database within AEMO's IT systems should not be placed on third party metering providers. | Delete the words 'from the metering installation to the metering database' and the words 'between the metering installation and the metering database'. |
| 7.2.1A (b) (2) (A)-(E) | AEMO has the power to make and amend procedures. The drafting in (A) –(E) is confusing and unhelpful. 7.2.1A (a) appears to be limited to some transmission connection points where AEMO | Suggest deleting (A)-(E). |

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|--------------------|---|--|
| | <p>might be responsible for the metering data services ie in the cases where the FRMP has chosen the TNSP to be the Responsible Person. The drafting in (A) to (E) then appears to nest complex, multi-partied connections within the requirements for some transmission connections that have met the test in (a). This leads to confusing and differing interpretations by the reader.</p> | |
| 7.2.1A (b) (2) (E) | The metering data provider chosen by AEMO provides metering data services to AEMO and also to the other parties who are entitled to receive the data. | Delete the words 'to AEMO'. |
| 7.2.1A (d) (1) | <p>These special site or technology related conditions most likely are present in the market today and the market is being settled. It may be more useful if there was a general obligation on AEMO to outline what the scenarios or examples are for special site and technology related conditions. AEMO should also have an obligation to notify the FRMP of these conditions which are present on specific NMI's so that any new requirements may be met.</p> | We suggest that clause (1) be split into two clauses: AEMO must; <ul style="list-style-type: none"> • Publish examples or criteria of the special site and technology related conditions; and • Notify the FRMP where these conditions are present as soon as AEMO becomes aware of the conditions so that the additional processes/arrangements can be accommodated. |
| 7.2.1A (d) (2) | <p>We understand that the drafting is intended to cover sites with multiple FRMP's. The drafting could be simplified;</p> <ul style="list-style-type: none"> • Clarify any matters with the FRMP in order to choose a MDP for that metering installation that is mutually suitable to all parties. | Suggest simpler drafting. |
| 7.2.1A (e) and (f) | Clause (e) and (f) are not helpful and do not appear to add to the drafting already provided in (d). | Suggest delete (e) and (f). |
| 7.2.5 (h) | <p>This clause requires the Responsible Person before engaging a Metering data provider to liaise with AEMO on all 8 million connection points. This is onerous on the Responsible Person and on AEMO. The Consultation paper provides no indication on how the AEMC envisage this might be efficiently implemented eg B2B, new data fields in the NMI standing data to highlight the NMI as special. Even with the cost to automate, this is an inefficient process to support about 1,000-2,000 connections out of 8 million.</p> <p>If the criteria for special site and technology related conditions has been made clear then this should not be required.</p> <p>Further if there is a requirement that the TNSP and AEMO are the RP/MP and responsible for the metering data services respectively, then this perceived need should be significantly</p> | UED strongly recommend that this clause be deleted. |

| | | |
|----------------|--|---|
| | reduced. | |
| 7.2.5 (i)- (k) | <p>The drafting is confusing. The drafting in 7.2.5 (g) requires the Responsible Person to ensure that the MDP accommodates the special site and technology decisions.</p> <p>The Rules in clause 7.2.4 already accommodate multi-FRMP sites and the requirement to appoint a single Responsible Person. It is not clear what this additional drafting adds.</p> | We suggest deleting 7.2.5 (i), (j) and (k). |

Should you have any questions in relation to the above, please do not hesitate to contact me on (03) 8540 7819.

Yours sincerely

Verity Watson