



Meter Replacement Processes

Commencement of consultation on rule change request

The Australian Energy Market Commission (AEMC) has started consultation on a rule change request from ERM Power that seeks to clarify the provisions relating to the obligations and rights of certain parties during the meter replacement process.

Overview

ERM Power has submitted a rule change request that seeks to amend the National Electricity Rules (NER) to clarify the obligations and rights during the meter replacement process.

ERM Power proposes to recognise “prospective” metering parties in the National Electricity Rules. Specifically, the prospective metering provider – typically engaged by a new retailer contracted by a consumer switching retailers – would have the right to change the meter at a connection point prior to the formal retail transfer being completed.

The rule change request aims to enable retailers to be able to provide consumers’ with their chosen product on the day that the retail transfer is completed.

The rule change request originated from concerns about the process to change a meter for large customers under the status quo arrangements, but it could also have implications for small customers under future arrangements given the developments in competing in metering.

Issues for consultation

A consultation paper has been prepared to facilitate stakeholder comment on the issues raised by the rule change request, in particular:

- whether the existing rules relating to meter replacement lack clarity;
- what are the impacts on consumers of metering installations not being able to be changed before, or on the day a retailer commences servicing a customer;
- whether there are any concerns relating to the allocation of responsibilities at a connection points where there are multiple metering parties;
- how prospective metering parties as proposed by ERM Power would operate if the rule were to be made; and
- the timeline to integrate any changes into the ongoing Power of Choice work if a rule were to be made.

The consultation paper should be read in conjunction with the rule change request, which is available on the AEMC website.

Scope of the rule change request

The scope of this rule change is limited to the interaction of metering parties in the Market Settlement and Transfer Solutions (MSATS) system, a largely automated IT system operated and maintained by the Australian Energy Market Operator (AEMO), which underpins a number of business process including wholesale market settlement, billing and the customer transfer process. The rule change does not consider wider issues associated with meter replacement, for example, how metering providers interact with consumers when changing a meter.

The AEMC will be hosting a workshop on the issues in this rule change on 16 June.

Submissions close on 2 July 2015.

Consultation processes

To facilitate stakeholder comment, the AEMC will be hosting a workshop in Sydney on 16 June 2015. Stakeholders can register for this workshop on the AEMC website. The focus of the workshop will be on articulating the extent of the problem the rule change is seeking to address (if any), and then considering possible solutions.

Submissions are due by 2 July 2015.

Relationship with other AEMC projects

The Commission is currently preparing the final determination and final rule in response to the expanding competition in metering and related services rule change request proposed by the COAG Energy Council. That rule change is to facilitate a market-led approach to the deployment of advanced meters where consumers will drive the uptake of technology through their choice of products and services. A final determination and rule is expected 2 July 2015.

In addition the AEMC is also commencing a rule change proposal from the AEMO relating to the arrangements for embedded networks in the NER. To facilitate stakeholder feedback, the timelines for the embedded networks rule change and the Meter Replacement Processes have been aligned. Submissions for both projects close on 2 July 2015.

For information contact:

AEMC Senior Director, **Anne Pearson** (02) 8296 7800

Media: Communication Manager, **Prudence Anderson** 0404 821 935 or (02) 8296 7817

Date 21 May 2015