13 February 2020

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

Dear Mr Pierce

Draft Rule Determination: *National Electricity Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule 2020, National Energy Retail Amendment (Introduction of Metering Coordinator Planned Interruptions)* 2020 (ERC0275)

Energy Queensland Limited (Energy Queensland) appreciates the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) in response to the *Draft Rule Determination: National Electricity Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule 2020, National Energy Retail Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule 2020* (draft rule determination). The draft rule determination proposes to implement a more preferable draft rule to provide more certainty for customers with shared fusing at their premises on when their meter will be installed.

Energy Queensland's comments on the draft rule determination are provided in the attached submission. Energy Queensland appreciates the consultation the AEMC has undertaken on this rule change to date and remains committed to contributing further to this process.

Should you require any additional information or wish to discuss any aspect of this submission, please do not hesitate to contact me on (07) 3851 6787 or Charmain Martin on (07) 3664 4105.

Yours sincerely

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Energy Queensland

Submission to the Australian Energy Market Commission

Introduction of Metering Coordinator planned interruptions draft rule determination

Energy Queensland Limited
13 February 2020

About Energy Queensland

Energy Queensland Limited (Energy Queensland) is a Queensland Government Owned Corporation that operates a group of businesses providing energy services across Queensland and the National Electricity Market (NEM), including:

- Distribution Network Service Providers, Energex Limited (Energex) and Ergon Energy Corporation Limited (Ergon Energy);
- a regional service delivery retailer, Ergon Energy Queensland Pty Ltd (Ergon Energy Retail); and
- an affiliated contestable business, Yurika Pty Ltd (Yurika), which includes Metering Dynamics Pty Ltd (Metering Dynamics).

Energy Queensland's purpose is to safely deliver secure, affordable and sustainable energy solutions with our communities and customers and is focussed on working across its portfolio of activities to deliver customers lower, more predictable power bills while maintaining a safe and reliable supply and a great customer experience.

Our distribution businesses, Energex and Ergon Energy, cover 1.7 million km^2 and supply 37,208 GWh of energy to 2.1 million homes and businesses. Ergon Energy Retail sells electricity to 740,000 customers.

The Energy Queensland Group also includes Yurika, an energy services business creating innovative solutions to deliver customers greater choice and control over their energy needs and access to new solutions and technologies. Metering Dynamics, which is a part of Yurika, is a registered Metering Coordinator, Metering Provider, Metering Data Provider and Embedded Network Manager. Yurika is a key pillar to ensuring that Energy Queensland is able to meet and adapt to changes and developments in the rapidly evolving energy market.

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1 Introduction

On 19 December 2019, the Australian Energy Market Commission (AEMC) published the *Draft Rule Determination: National Electricity Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule 2020, National Energy Retail Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule 2020* (draft rule determination). The draft rule determination is in response to a rule change request seeking to introduce metering coordinator planned interruptions for the purposes of installing, maintaining, repairing or replacing an electricity meter. The AEMC has made a more preferable draft rule.

The AEMC's more preferable draft rule amends the National Electricity Rules (NER) and the National Energy Retail Rules (NERR) to provide more certainty for customers with shared fusing at their premises on when their meter will be installed. Specifically, the draft rule:

- places timeframe obligations on retailers, metering coordinators and distributors with respect to installation of meters to be completed in cases where there is shared fusing at a customer's premises and an interruption to supply to other customers is required;
- contains amendments to clarify that a retailer is able to interrupt supply to any of its own customers for the purpose of installing, maintaining, repairing or replacing metering equipment, not just the customer receiving the new meter (subject to meeting existing notice or consent requirements);
- requires retailers and metering coordinators to inform distributors when shared fusing arrangements are identified; and
- requires distributors to record shared fusing information received from retailers and metering coordinators as soon as practicable.

The AEMC has requested that interested parties make submissions on the draft rule determination by 13 February 2020. Energy Queensland's comments are provided in sections 2 and 3 of this submission.

We are available to discuss this submission or provide further detail regarding the issues raised.

2 General comments

The rule change proposal submitted by the Chair of the Competitive Metering Industry Group (the proponent) seeks to introduce metering coordinator planned interruptions for the purposes of installing, maintaining, repairing or replacing an electricity meter. The purpose of the rule change proposal is to minimise delays faced by customers in multi-occupancy premises, or customers who share an isolation fuse with other customers, that occur due to metering works not being able to commence without interrupting supply to another customer or customers. Energy Queensland responded to the AEMC's initial consultation paper and expressed "in principle" support for allowing metering coordinators to undertake planned interruptions in circumstances where it is the most effective and practical solution. However, we also recognised that there are a number of obstacles that must be overcome to enable metering coordinator planned interruptions. In consideration of these issues, the AEMC has made a more preferable draft rule for situations where there is a shared fuse at a customer's premises.

In its draft rule determination, the AEMC acknowledged that the more preferable draft rule does not fully address the issues raised by the proponent or the primary intent of the proposed rule change which is to reduce delays in meter installation for customers where their supply cannot be interrupted without interrupting the supply of other customers. However, impediments, such as the lack of any contractual relationship between the metering coordinator and impacted customers and consumer protection risks, mean that enabling metering coordinator planned interruptions would not be achievable without major changes to the current framework. Nevertheless, Energy Queensland remains supportive of enabling metering coordinators to undertake interruptions in limited situations if an appropriate solution can be identified, for example, in small multi-occupancy premises where customer consent to an interruption can be obtained.

Notwithstanding the above, Energy Queensland largely supports the intent of the AEMC's more preferable draft rule to manage situations where there are shared isolation fuses. However, we do have concerns about certain aspects of the more preferable draft rule, including obligation timeframes to be imposed on retailers, metering coordinators and distributors, the requirements relating to collection and recording of shared fuse information and timeframes for implementation of the rule change. Detailed comments on these issues are provided in section 3 of this submission.

3 Detailed comments

Energy Queensland provides the following comments on the more preferable draft rule for further consideration by the AEMC:

1. Timeframe Obligations

The AEMC's more preferable draft rule introduces timeframe obligations for retailers, metering coordinators and distributors with respect to the installation of meters in cases where there is shared fusing at a premises and a supply interruption to another customer or customers is required. Under the proposed rule, distributors would be required to complete a planned interruption within 25 business days to allow the retailer and metering coordinator to meet their 30 business day timeframes.

As Queensland's distributors, Energex and Ergon Energy, currently typically carry out planned interruptions within a 30 business day timeframe, there is the potential that 25 business days to coordinate a planned interruption may not always be adequate. While it is anticipated that the 25 business day timeframe would be achievable for the vast majority of planned interruptions, there will be instances where this timeframe is not practicable due to circumstances beyond the distributor's control, for example:

- in situations where there are safety or access issues; or
- the impacted customers request an alternative date outside the 25 business day timeframe; or
- a major event (such as a severe storm or cyclone) results in the distributor's inability to complete scheduled planned outages.

Therefore, Energy Queensland recommends that the proposed rules should be amended to provide flexibility for distributors to negotiate an alternative interruption date outside the 25 business day timeframe with impacted customers where necessary, such as by inclusion of the words "or by a date agreed with the *small customer*" in the draft rules.

As these amendments will impact upon the retailer's and the metering coordinator's ability to meet their 30 business day obligation timeframes under the proposed rule change, it will be necessary to similarly amend the relevant rules relating to timeframes for completing metering works, such as by inclusion of the words "or by a new date agreed with the *small customer*".

Furthermore, Energy Queensland considers that it should be specified in the rules that the obligation timeframes only apply in circumstances where there is only one metering coordinator / metering provider involved in the planned outage. As there would be additional complexity and effort involved in coordinating planned interruptions where multiple parties are seeking to undertake works during an outage, the proposed timeframes would not be practical. In these circumstances, planned outages should be subject to negotiation and the timeframe obligations should therefore not apply.

2. *Maintaining shared fuse information*

The AEMC's draft rule determination places additional obligations (to be covered within the Metrology Procedure) on retailers and metering coordinators to inform distributors when shared fusing is identified, with distributors having responsibility for recording shared fusing information as soon as practicable.

Energy Queensland considers that this new obligation requires further consultation with and consideration by all impacted participants before the rule change is finalised. In particular, if this requirement is to be implemented, further consideration of key issues is needed, including the necessary system and process changes that will be required to enable retailers and metering coordinators to notify distributors of shared fusing arrangements and for distributors to store the information. Energy Queensland is particularly concerned that the draft rule determination does not provide sufficient consideration of the process and responsibility for ensuring that the shared fusing information is verified and maintained. Participants will rely on shared fusing information being kept up-to-date and inaccurate records will potentially result in inefficiencies, additional costs and delays for customers. As responsibility for maintaining up-to-date shared fusing information will potentially be onerous, further clarity is required as to responsibility for this function on an ongoing basis.

Furthermore, as noted in Energy Queensland's response to the initial consultation paper, there has been, for some time, a requirement in Queensland for meter isolation links to be installed for all new connections and in conjunction with major customer switchboard alterations so that each customer can be individually disconnected. Therefore, it is anticipated that the requirement to collect shared fusing information in Queensland will continue to lessen over time and may not be as critical as in other jurisdictions.

Consequently, in light of the above issues, and as there will be significant costs involved in both the implementation of the requirements to identify and record shared fusing information as well as the ongoing maintenance of the data to ensure its accuracy, Energy Queensland is concerned that a cost-benefit analysis has not been undertaken to determine whether the benefits of this proposed obligation are likely to outweigh the costs and the risks associated with the data becoming out-dated. We therefore recommend that further consultation and assessment on this aspect of the more preferable draft rule is undertaken by the AEMC before making its final rule determination.

3. Implementation

Energy Queensland is of the view that the proposed dates on which the new rules are to commence do not provide sufficient time for participants to amend current planned interruption processes, implement new processes for the collection and storage of shared fusing information and undertake all necessary market and participant system changes. Energy Queensland therefore recommends that further engagement with impacted participants is required to determine appropriate commencement dates.

Energy Queensland notes that the adoption of this rule change will require sufficient time to consider and consult on:

- changes to market and participant systems to incorporate the additional metering installation timeframe requirements;
- changes to workflows, processes and participant interactions to incorporate the additional metering installation timeframe requirements;
- changes to participant service order management and reporting functions;
- changes to systems and processes to enable the capture and communication of shared fusing details; and
- updates to retailer-metering coordinator agreements to take into consideration application, reporting and management of new timeframes and information provision obligations.

Given these issues, Energy Queensland considers there is a strong possibility that participants will not be in a position to be compliant by proposed commencement.

It should also be noted that there are already a number of other market rule and procedure changes currently in progress, including Five Minute Settlement, Global Settlements, MSATS Standing Data Review and B2B Procedures V3.4. If this rule change is to be implemented concurrently with these changes, there are likely to be significant resourcing and cost impacts for participants as well as the risk of impacts on the successful and timely delivery of the projects already under way.