

AEMC Ref: ERC0275

28 April 2020

John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Attention: Alisa Toomey

Dear Mr Pierce

Supplementary Submission – Metering Coordinator Planned interruptions.

SA Power Networks has reviewed material published by the Australian Energy Market Commission (the 'Commission') in relation to this topic and participated in the industry forum held on Monday 20 April 2020. The following response provides support to the information provided by Distributors and comments made by SA Power Networks at the April forum.

Alternative solution with significant departure to the draft rule proposed by some stakeholders

(That DNSPs be required to install separate isolation devices for each of the premises with shared fusing at the first supply interruption to install a new meter.)

The original rule change request and the Commission's draft determination related to who could interrupt supply to customers to install a smart meter where multiple customers were supplied by a shared fuse (referred to as a shared isolation device in the document). The rule change request was initiated on the basis that it would reduce the costs associated with interrupting supply to multiple customers to complete this work.

The Commission is now considering making a final rule determination which may require distributors to install meter isolators for all customers that are supplied from a shared isolation device. The costs and the issues associated with the installation of meter isolators at a shared isolation device site has not been given the appropriate consideration as part of this Rule change request. Consequently, the significant costs and the issues associated with the installation of meter isolators must be considered prior to making a final rule determination. This can only be fully understood by either extending the current consultation on the rule change (ie additional rounds of consultation) or initiating an entirely separate rule change request.

In South Australia a contestable meter and associated equipment are part of the customer's installation and are located on the customer's side of the connection point to the distribution network.

All work on a customer's electrical installation must be performed by an appropriately qualified electrician and electrical contractor. SA Power Networks personnel who typically perform the isolation of a customer's installation for a planned interruption are not legally able to modify a customer's electrical installation. Consequently, our personnel could not legally install meter isolators on a customer's installation.

We are aware that a significant proportion of the shared isolation device sites would be associated with old installations which may require:

- rewiring the premises; and/or
- replacing the switchboard,

which could cost several thousand dollars.

In addition, some of the issues may not become visible until the work of installing the meter isolators has commenced which will result in significant additional time and cost.

Since 1984 SA Power Networks has required the installation of individual customer isolators for a 'shared connection device involving both new metering installations and alterations to existing installations. These individual customer isolators are not owned by, or the responsibility of the distributor but are part of the customer's electrical installation and the responsibility of the customer. Consequently, in accordance with the AER's Ring-Fencing Guideline SA Power Networks (ie distributors) would be prevented from completing this work as it is contestable and would be classified under the Ring-Fencing Guideline as 'other electricity services'.

Under South Australian legislation when a Metering Coordinator has a meter installed on a customer's premises it becomes part of the customer's electrical installation. Consequently, it must be installed by a qualified electrical contractor who must issue an Electrical Certificate of Compliance¹ (ECoC).

The only viable solution that should be pursued is to enable the installation of a separate isolation device via commercial means (that could involve commercially structured MC's) driven entirely by the customer. The concept of a regulated solution should not be considered further. The customer must remain in control of any decision making, particularly where these decisions have the potential to result in greater costs (such as further work to customers' electrical assets, wiring/switchboards etc.) than just the installation of the isolation device.

Timeframe for installation of meters

The currently proposed timeframes for a distributor to arrange a distributor planned interruption are unreasonably short. They do not cater for unforeseen impediments which may delay work completion, and do not recognise other factors within the network which may have a higher priority, nor do they allow for other customers' requirements to be incorporated (i.e. those customers not having their meter changed to a type four meter but who are still subject to the outage).

Flexibility is required in the time frames to organise a planned interruption. The originally proposed rule change aimed to improve the efficiency and reduce the costs of installing contestable meters, where a customer had a shared isolation device. The Draft rule as now proposed introduces significant additional costs and inefficiencies that could be avoided if parties involved in the process had more flexible timeframes. The flexibility could be incorporated by, for example, making the timeframes either 'best endeavours' to complete within 30 business days or complete 90% within 30 business days.

¹ The ECoC attests that all the electrical work completed complies with the appropriate standards and is safe.

Currently, a significant number of meter changes are instigated not because the customer has requested a meter change but because the type of meter (the 'meter family') needs replacement as it is deemed as at the end of its operational life in terms of accuracy. The specified timeframes should not apply in these circumstances, noting that AEMO allows up to 12 months for the replacement of a family of meters to be replaced which indicates the priority of the work.

Notify affected retailers of planned interruptions (B2B)

The Commission is suggesting that coordination of multiple parties during a single outage would provide benefits to customers. Prima facie this appears logical, but when considered at a detailed and practical level, the outcome will not achieve what is expected and is likely to result in higher costs and a poor customer experience.

All shared isolation device sites in South Australia have multiple meters on the customer's switchboard and consequently it is not practical for more than one person to work on a single switchboard at once.

Therefore, each meter installer would be required to wait while each of them did the work required to install the meter and meter isolator for their retailer customer's premises. It is expected that each meter installer will need to follow individual meter commissioning processes along with the requirement to issue an ECoC to the customer once the work is completed and supply restored. Additionally, all of the installers would have to wait for the restoration of supply (which is only possible at the completion of all metering work by all parties at site) in order to complete their commissioning tests. This would significantly extend the duration of the interruption to all customers, create the real potential for an unsafe work environment with multiple parties attempting to complete work at the same time, increase the time on job for each of the meter installers and ultimately result in a less efficient process than could have been achieved via separately managed jobs.

Another alternative could be for the first installer to install meter isolators on behalf of the other retailers/MCs for all customers. These meter isolators could then be used by the other retailers in the future to change the meter without affecting the other customers at the shared isolation device site. However, other customers would need to consent to the installation of a meter isolator.

Extending implementation timeframes to allow for system changes

There are two main components that need to be considered when considering implementation timeframes:

- timeframes for installation of meters; and
- information about shared isolation device site between market participants and AEMO.

Timeframes for installation of meters

If the final determination made by the Commission does not impose hard timeframes, provides the flexibility being requested and a relationship model that only requires distributors to coordinate work with a single retailer/MC at one time, then SA Power Networks would anticipate a 3 to 6 month period being achievable. However, if the final rules do not provide for the above, then a timeframe in line with the following would be required.

Information about shared isolation device site between market participants and AEMO

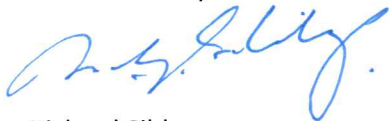
The industry does not have a solution (business process or IT systems) to currently cater for the proposed capture, distribution and publishing of information about sites with shared isolation device arrangements. SA Power Networks questions the value of this information being shared as currently proposed. We are unclear if the intended parties will actually use this information and most

importantly, whether it is possible for the industry to maintain the accuracy of information. If this requirement is to remain within the final rules, then the industry will need significant time to fully understand requirements, determine the most efficient solution option, consult via the required AEMO and IEC Procedure consultation processes and, finally, provide suitable timeframes for individual businesses to build and implement.

As the Commission would be aware, the market bodies and industry participants are currently undertaking a review of the full roadmap of industry change, including factoring in the significant impact that COVID-19 is having more broadly. Requirements for planned interruptions to install meter isolators at shared isolation device sites (if they are to proceed) should be considered as part of this larger piece of scheduling work, but have a far lower priority and therefore be implemented after the go live dates of other industry changes like 5 Minute and Global Settlements.

If you require to discuss or seek further information on our submission please contact Mr Grant Cox Grant.Cox@sapowernetworks.com.au or telephone 0403 582 024.

Yours sincerely



Richard Sibly
Head of Regulation