METERING COMPETITION
EMBEDDED NETWORKS
METER REPLACEMENT PROCESSES

PROCEDURE CONSULTATION

FIRST STAGE PARTICIPANT RESPONSE TEMPLATE
WORK PACKAGE 2

***Participant**: Simply Energy*

***Completion Date**: 15 Nov 2016*

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1. General Comments

Reference	Comment
General	**Embedded Network Manager on Day-1 post go-live (1st Dec 2017):** Simply Energy would like to get clarification on the obligation around appointment of ENM by the Embedded Network Operators and what would be the "default" appointment if there is no ENM to take on a particular Embedded Network. This could lead to a number of consumer impacts and Simply Energy would like to confirm if there are any default position in place. If not, how can the obligation be met by ENO?
General	**Meter type 4A** Industry has raised it previously and Simply Energy would like to raise it again – Meter type 4A needs to have some information in MSATS (background data to advise if it is 4A because of customer prevention or comms issue) as a standing data, so this can be discoverable by NMI discovery process. We strongly advocate that this data is not customer data, because it is linked as a part of meter history. Inclusion of this information will assist us in identifying any meter replacement issues and we will strongly recommend this to be included at a Meter Level in MSATS.
General	**Embedded Network Transition and Readiness:** The process needs to be clarified whether a NMI will be abolished for child NMIs to make them a part of embedded network. More details in the MSATS Procedures: NMI Allocation
General	**Use cases and process flows:** Simply Energyrecommends including a "build pack" view for Electricity Procedures, especially in Embedded network management from on-market and off-market movements. Use case scenario building of associated MSATS and CATS transactions will be highly beneficial for the industry to clearly understand the process due to the complexity with additional participants.

2. Glossary and Framework

(note: only sections that have changed as part of Work package 2 are listed in the table below)

Clause	Heading	Participant Comments SIMPLY ENERGY – Glossary & Framework
1.2	Definitions and Interpretation	Clarity is needed in the glossary and procedures about whether days are business days or calendar days.
2.4	B2B Procedures	The list of B2B procedures and documents should be reviewed following the B2B consultation.
3	Glossary Term: Prospective Days	Does the description assume it's "calendar" days because it's not italicised?
3	Glossary Term: Retrospective Days	Does the description assume it's "calendar" days because it's not italicised?
3	Glossary Term: HV	Suggest change definition to the following, including spelling out what HV is: *High Voltage – A voltage greater than 1000v*
3	Glossary Term: LV	Suggest change definition to the following – including spelling out what LV is *Low Voltage – a voltage equal to or less than 1000 v*

3. Default & Deregistration Procedure (MP, MDP, ENM, MC)

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – Default & De-Registration Procedure
N/A	General	**Metering Coordinator Default Notice:** Nothing has been leveraged from RoLR process that could be highly beneficial for the industry when participants will be impacted as a result of the above MC default event. Whilst we understand RoLR and MC Default Event are two separate processes, in reality, there are a number of processes that can be used during a MC Default Event, (e.g. CATS transactions, AEMO's Bulk Change Tool, etc) that are used in RoLR Procedures. AEMO's obligation as a Market Operator is to ensure market is operating without any disruptions, especially from a consumers' perspective and hence by mere publishing default event notices to impacted parties is not a very useful solution. Would AEMO's systems be available during MC default event? If not, what is AEMO's view on the management of end to end process? Simply Energy would appreciate any views.
3	DETERMINATION OF TYPE OF BREACH	Examples were provided in the discussion on the 9th November 2016, perhaps worth adding in the procedures for better clarity. SIMPLY ENERGY seeks greater understanding of the levels of impact for an: • Immaterial • Significant • Material Breach The procedure provides no metric-based assessment on how AEMO or a participant would assess what constitutes a non-material breach through to a material breach. SIMPLY ENERGY believes that an impact table – much like the ones used for risk

Clause	Heading	Participant Comments SIMPLY ENERGY – Default & De-Registration Procedure
		consequence assessment which would provide a clear and common understanding of breach levels for all parties and avoid any consideration of bias or inconsistent application by AEMO or the Auditor. The table/criteria could indicate: • Number of customers affected • Cost to affected participants • Impact on Customers • Impact on wholesale market • Impact on customer billing etc.
3.3	Material Breach	Simply Energy's view is to ensure that AEMO manages it from end to end, i.e. from receipt of potential breach, to issue pf breach notice as well as resolution. This should include notified parties are kept informed throughout the lifecycle and not just at initial trigger.
4	ISSUE OF BREACH NOTICE	The contracting parties should also be advised of a breach so as to mitigate any impact to their operations.
5	REVIEW OF CAPABILITY FOR ONGOING COMPLIANCE	The clause refers to timing obligation as "7 days". Is it Business or calendar? We support calendar days over business days. Also, there must be some sort of discretion around different SLAs for non-material and material breaches in particular with rectification of mass market and large customers. Further, if the breach requires access to customer metering installations there may be a requirement for outage notifications to be issued to customers which require 4 business days' notice to the customer.

Clause	Heading	Participant Comments SIMPLY ENERGY – Default & De-Registration Procedure
5.1	Remediation Plan	AEMO to notify contracted parties as well (as per current MSATS roles), in addition to the ones listed in the Procedure. Include LR as well, there might be a case when tier 2 retailers managing an Embedded network are appointed as LR for child NMIs, and hence LR should also be included in the list of notified parties. Contracted and impacted parties (i.e. MC, retailer, network ENO etc) should be aware and agree any remediation plan as they may have to assist the affected parties (e.g. customer de-energisations to undertake physical work, customer notices for rebilling etc.) and be a party to the remediation reporting.
5.2	Past Conduct	SIMPLY ENERGY suggests that more clarity around the levels of warning and how they relate to non-material and significant breaches is needed in the procedure.
6.2.2	Warnings	SIMPLY ENERGY suggests that more clarity around the levels of warning and how they relate to non-material and significant breaches is needed in the procedure.
7	EXERCISE OF AEMO DISCRETION	SIMPLY ENERGY would like to see much clearer guidelines on the actions which would be taken for each level of breach to avoid ambiguity.
7.1	Relevant Considerations	SIMPLY ENERGY suggests a fully laid out process view of Breach Management, especially if there is a sequential flow from one type of breach to the other. I.e. if the concern written in the warning is not addressed appropriately, it should reach to one of the “breach” levels, automatically after “x” days.
8.1	MP, MDP or ENM	
8.1.1	Material Breach	There is no reference to Local Retailers (LR) being advised. This party is also impacted by these types of breach.

Clause	Heading	Participant Comments SIMPLY ENERGY – Default & De-Registration Procedure
9	VOLUNTARY DEREGISTRATION	SIMPLY ENERGY also suggests that AEMO must issue notices to all relevant parties in regards to a request (voluntary) for de-registration, not just in the cases of a forced re-registration.
9.1	Application	Metering Coordinators clause doesn't serve the purpose of stating anything in a Procedural document – very vague. SIMPLY ENERGY notes that this process is incomplete in terms of which parties may deregister and processes to ensure market operability.
9.2	Process	AEMO must impose additional requirements/obligations on a deregistered MC and ENM, e.g., to provide relevant data to other parties similar to failed retailer obligations in RoLR. SIMPLY ENERGY suggests that the process should be coordinated through the AEMO registration desk and be consistent for all parties.
9.2.1	All Applicants	Note – this clause does not reference the AEMO registration desk, which would be a more appropriate contact point.
9.2.3	AEMO Review of Application	The reference to 30 days is assumed to be calendar and not business?
APPENDIX A	NOTICE OF BREACH	The reference to seven days is assumed to be calendar and not business? The notices should also list who has received copies of the notice and should have a unique reference ID.

Clause	Heading	Participant Comments SIMPLY ENERGY – Default & De-Registration Procedure
APPENDIX B	METERING COORDINATOR DEFAULT NOTICE	The reference to 7 days is assumed to be calendar and not business?

4. Exemption Procedure (Metering Installation Malfunctions)

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – Exemption Procedure
N/A	General	The NER 7.8.10(d) states: (2) a *metering installation* other than the installations referred to in subparagraph (1), if a *metering installation malfunction* occurs to the *metering installation*, cause repairs to be made to it as soon as practicable but no later than 10 *business days* after the *Metering Coordinator* has been notified of the *metering installation malfunction*. A likely timeline for the identification of a fault, request for a service order from the retailer and issuing of an outage notice to the customer will take longer than 10 days. The result is that almost every mass market fault will have an exemption notice submitted prior to the end of the 10-day period. Has AEMO considered this while detailing the obligations? If so, it needs to be clearly described to avoid every mass market malfunction getting exemptions.
1	INTRODUCTION	While SIMPLY ENERGY agrees that the current MC should be responsible for submitting and managing any applications and providing updates, SIMPLY ENERGY believes that the exemption should sit with the MP/MDP at the metering installation.
1.1	Purpose and Scope	Principle issue with the Procedure: It's unclear if **4A meters** are covered as a part of this Procedure. If so, there needs to be clear distinction in every clause whether or not it applies to a 4A. Otherwise, it will be assumed that everything applies to a 4A meter.

Clause	Heading	Participant Comments SIMPLY ENERGY – Exemption Procedure
2.1	Applicant	It is quite possible for an MC to be churned during an exemption rectification process and it seems inefficient to require a new MC to commence making an application for a known issue which has already been submitted (and likely approved) for consideration. Whilst SIMPLY ENERGY agrees that an MC needs to apply, however if an exemption is granted, it should be associated with the metering installation and not with MC.
2.3	AEMO's Determination	Once exemption is granted, it should be sitting with the metering installation (via MP) and not MC because MC can churn in the process.
2.5	Grant of Exemption	NER (Cl 7.8.10(c)) states: (c) If an exemption is provided by *AEMO* under this clause 7.8.10 then the *Metering Provider* must provide *AEMO* with a plan for the rectification of the *metering installation*. Again, SIMPLY ENERGY believes that this NER clause makes it clear that the exemption is associated with the Metering Provider and not the MC.
2.9	Expiry of Exemption	The use of 'and' between (c) and (d) implies that both criteria must be met. SIMPLY ENERGY understand the list of reasons are individual, and should not be "and" rather an "or".
APPENDIX A	APPLICATION FOR EXEMPTION	Simply Energy supports this form.

5. MSATS Procedures: National Metering Identifier

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – National Metering Identifier
N/A	General	Simply Energy strongly recommends that NMI should be made extinct and reallocated every time it changes role from a LNSP to ENM and vice versa. The impacts of not doing so are detailed in the below comments.
2.2	Issue of NMIs by LNSPs and ENMs	For clause (i), Simply Energy strongly recommends as a FRMP to be able to request NMI from LNSP as well as ENM. ENM must be provided with a block of NMIs that ENM can use during NMI allocation process, instead of going via AEMO to get a NMI. This can speed up the process of NMI allocation.
10	NMI RULES	As per the current wordings of Rule 2. A NMI cannot be changed or reallocated to another connection point. Later in the clause it says *"NMIs cannot be changed where a Child NMI becomes directly connected to a distribution network or reverts to an embedded network connection."* However, if a connection point is physically changed, will a new NMI be allocated? It also states, *"If a connection point is abolished, the NMI becomes extinct"*, however if a connection point is not abolished, would the NMI be reused? SIMPLY ENERGY believe that in general, NMIs should be abolished rather than having them move between LNSP responsibility and ENM responsibility for the following reasons:

Clause	Heading	Participant Comments SIMPLY ENERGY – National Metering Identifier
		1. Under the National Electricity Retail Law, Div 3 R22, which states: 22—Obligation to make offer to small customers (1) A retailer must make an offer (a standing offer) to provide customer retail services to small customers for whom it is the designated retailer— (a) at the standing offer prices; and (b) under the retailer's form of standard retail contract. Note— This subsection is a civil penalty provision. We believe that in the situation of the NMI moving between LNSP and ENM with the roles retained, leads to the potential for the previous retailer to be obligated to make an offer to that customer should other commercial arrangements not be completed or at a later date in the future when the next customer is making their decision. SIMPLY ENERGY does not believe that this is an acceptable obligation to be placed on any retailer. We believe that it would be cleaner for the NMI to be abolished so that the obligation assigned to the FRMP as the 'designated retailer' (and other market participants) would cease. 2. Cost of changing network system validations The implementation of the Embedded Network Manager was predicated on providing a clear management and responsibility for managing NMIs relating to Embedded Networks. The proposed requirement of having NMIs move between LNSPs and ENMs will require the LNSPs to implement further system changes to ensure they can validate the small number of unique NMIs which are moving between both environments. This will require substantial changes to NSP systems which can

Clause	Heading	Participant Comments SIMPLY ENERGY – National Metering Identifier
		validate a small number of unique NMIs rather than validating NMI blocks. There is no specific rule which requires NMIs to be maintained across NSPs and ENMs. SIMPLY ENERGY would suggest that a cost benefit analysis of the NSP changes for such a small number of NMIs would not be worthwhile and therefore proposes that this obligation be removed. If NMIs move between NSPs and ENMs then SIMPLY ENERGY believes they should be made extinct and new NMIs created. 4. Movement of a NMI between connection points In clause 1.1 AEMO has stated that: The *NMI* is a unique identifier for each *connection point* When a NMI is no longer connected to the LNSP network, but rather is supplied through the Embedded Network parent connection point or vice versa, it would be reasonable to argue that a connection point has changed, which supports Rule 1: *A NMI cannot be changed or reallocated to another connection point* As such, SIMPLY ENERGY believes that it is more appropriate for NMIs which move between an embedded network and an LNSP to be extinguished thus ensuring clarity of the NMI connection and closure of all associated roles.
12.10	One End User, two separate substations adjacent to each other or one single substation with two separate transformers, with the HV supply originating from a single source	

6. Qualification Procedure

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – Qualification Procedure
N/A	General	**Metering Coordinator Registration Process:** Simply Energy has some concerns about the registration process for being an MC. We understand that AEMO will not be publishing MC Accreditation Procedure as accreditation is not required per the Rules, however Simply Energywould like to seek advice from AEMO about the protocols and measures that will be applied prior to registering any party as an MC. Would there be some sort of checklist? If there is no such checklist, there could be potential failures to the MC process post go-live, resulting in MCs getting deregistered, hence triggering "*Metering Coordinator Default Event"* that could cause a lot of issues industry-wide. Hence Simply Energysuggests that there must be some set standards defined by AEMO, similar to minimum services concept, to ensure that registration process can be as efficient as possible and to reduce the overall risk. Simply Energywould like to confirm and seek advice from AEMO about the protocols AEMO will use in order to assess that an MC is fulfilling its obligations and on what basis can "anyone" register to be an MC? Would AEMO be providing a checklist of some sort that can assist potential MCs to ensure they follow the processes? We understand this is a broader issue, and would be happy to discuss further on the same however we would appreciate AEMO's point of view on the above Rule clauses. Simply Energy recommends extending section 2.2 Pre-reading table to be applied to an MC as a non-binding qualification criteria, just to set the benchmark.

Clause	Heading	Participant Comments SIMPLY ENERGY – Qualification Procedure
1	INTRODUCTION	SIMPLY ENERGY seeks clarification from AEMO as to whether automatic registration in these roles would apply to existing participant / participant categories, for e.g. an existing Retailer RP getting registered as a Metering Coordinator?
3.2	Accreditation Checklists	*[link]* as well as the contents of the link are missing. Simply Energy recommends extending this table to be applied to an MC as a non-binding qualification criteria, just to set the benchmark.
3.3	Application Fees	30 days – does it refer calendar or business?
3.6	Pre-Production Assessment	There should be some set criteria for MC pre-prod assessment in additional to the other three roles, esp MarketNet and MSATS at a minimum.
3.6.1	General	SIMPLY ENERGY questions why an ENM would require access to the B2B hub. They may choose to use it, but SIMPLY ENERGY does not believe that they are required to use it.

7. Service Level Procedure – Embedded Network Manager

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – Embedded Network Manager
1	INTRODUCTION	This Procedure should dictate a standard process from a Retailer to approach an ENM, to reduce barriers to competition in metering. If it is left unaddressed, all ENMs will end up with different set of processes and Retailers will be required to manage different ENMs in different ways, even though the outcome is the same – getting a customer on-market.
3.1	Systems and Interface Requirements	SIMPLY ENERGY again questions why an ENM is required to have B2B systems. It's unclear what processes an ENM undertakes which require them to establish and maintain a B2B interface? If an ENM chose to be a B2B participant, then SIMPLY ENERGY would expect any obligations to arise from becoming a B2B participant.
3.2	Embedded Network Information	Simply Energy questions the requirements of clause (a). A retailer who becomes responsible for a child connection point will be required to appoint a metering coordinator for that point. That metering coordinator would be responsible for maintaining information relating to the metering installation at that point as the parent FRMP MC will be responsible about the market meter for the parent. Why would an ENM be required to duplicate this requirement?
3.3.2	Timing of Audits	***or*** should be used instead of "and"

Clause	Heading	Participant Comments SIMPLY ENERGY – Embedded Network Manager
3.3.3	Notice of Audit	***or*** should be used instead of "and"
3.5	Review of Accreditation	***or*** should be used instead of "and"
4.1	NMI Allocation	While the ENM has five business days to provide the NMI when it is created, there is no SLA on how long it will take to allocate a NMI, which is not good customer experience as well as a poor business practice from a retailer perspective. It is not reasonable for the ENM to have no SLA for the allocation of a NMI. SIMPLY ENERGY strongly recommends that the process from request to provision of NMI should be achievable with five business days.

8. Unmetered Load Guideline

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments SIMPLY ENERGY – Unmetered Loads
2.1	The process	If the process for assessment of an unmetered load is to seek eligibility in conjunction with an LNSP (Blue Diamond 1) then it may be more preferable to either have an LNSP as a supporting proponent when the application is made.
4.1	Generally	Clause (h) check grammar ….95% assurance (confidence level) that the mean the Unmetered Device *load* ….

9. Exemption Guidelines – Small Customer Metering Installation

Although this document is not included in the Work Package 2, Simply Energy would like to raise a couple of key points for clarification:

Clause	Heading	Comments SIMPLY ENERGY - Small Customer Metering Installation
1	Purpose	**Meter type 4A issue (outstanding):** Industry has raised it previously and Simply Energy would like to raise it again – Meter type 4A needs to have some information in MSATS (background data to advise if it is 4A because of customer prevention or comms issue) as a standing data, so this can be discoverable by NMI discovery process. We strongly advocate that this data is not customer data, because it is linked as a part of meter history. Inclusion of this information will assist us in identifying any meter replacement issues and we will strongly recommend this to be included at a Meter Level in MSATS. This guideline is focussed on the exemption process for connecting a meter to a telecommunications network, but does not link to a customer objection for telecommunications. SIMPLY ENERGY understand that AEMO would have to determine that any small meter which is classed as 4A, but for which there is no record of a telecommunications exemption would, by a process of elimination, have to assume that these remaining sites are customer objections. SIMPLY ENERGY considers this a poor outcome and believes that any site which is classed as 4A should have a record of a customer objection or telecommunications exemption provided to AEMO which is discoverable and should be identified within MSATS as customer Objection or telecommunications exemption.

Clause	Heading	Comments SIMPLY ENERGY - Small Customer Metering Installation
2.2.2	Expiry	Simply Energy has some concerns with this clause. As per Clause 2.2.2(b) states that the exemption will cease 3 months after a telecommunications network provides coverage in the vicinity of a metering installation. However, it doesn't state if the exemption expired within the 5 year term or will be reassessed after 5 year terms. If it can expire within the 5-year term, AEMO is expecting MC to be policing the network availability on a regular basis? This is a highly unrealistic approach. MC/MP may not be aware of a change in telecommunications network or start date, and could therefore discover that an exemption has expired unexpectedly, making them non-compliant. The implication is that an MC must have a mechanism to monitor telecommunications company network roll outs, which is unreasonable. SIMPLY ENERGY believes that the clause should be redrafted to state that *Within 3 months of becoming aware of a telecommunications network providing coverage within the vicinity of a metering installation the MC must review the status of the metering installation and either enable communications (assuming no customer objection) or submit a new exemption application.* **Alternatively, Simply Energy would be comfortable recommending a shorter exemption time period (perhaps 3 years instead of 5 years), and delete the 3 months clause as stated above.**