METERING COMPETITION
EMBEDDED NETWORKS
METER REPLACEMENT PROCESSES

PROCEDURE CONSULTATION

SECOND STAGE PARTICIPANT RESPONSE TEMPLATE

Participant: *United Energy*

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1. Glossary and Framework

Please delete any rows where there are no particpant comments

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

Clause	Heading	Participant Comments
1.2	Definitions and Interpretation	Clarity is needed in each of the procedures or documents on day counts and whether they are calendar or business days. If days are used without any clarifying, is it assumed this is calendar days? In addition business days is sometimes national business days and other time business days in the relevant jurisdiction. Customer protections are based on the local business days in the B2B proecdures.
2.4	B2B Procedures	UE is not supportive of carving up existing working B2B Procedures into B2B Proecdures and a non binding guideline, nor do we support new non binding guidelines with material relating to a process separate to the B2B procedure describing how this is intended to work across industry. However if the IEC decide on a B2B guideline it should be included in the list of B2B documents.
3	Glossary Term: MDM Contributory Suffix	**Definition States:** A suffix required by the NMI Procedure used to identify a stream of metering data and is consistent with the suffix contained in the MDFF data file as opposed to the suffix recorded in the MDM Datastream table. To clarify – this is only useful if the same definition and naming standards are used between the suffix values included in the NEM12 file (MDFF specification)

		and MSATS – e.g. E1, B1, Q1 & K1. Could AEMO please clarify that the two must align, and provide examples of this, as correct interpretation by participants is critical to enable inbound meter data receipt and billing?

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

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments
3.3	Material Breach	In taking into consideration a material breach, AEMO should consider whether the service provider has had breaches which may incur or have incurred civil penalties under the NER by the AER. If possible AEMO should also extend this to any safety issues or incidents reported by jurisdictional safety regulators. Clause (d) should be drafted to reflect these near misses or penalty arrangements that may also be incurred.
8.1.1	Material Breach	UE welcomes the inclusion of LNSP as an important notified party, consistent with our feedback provided on the 4 October teleconference. The notification of the breach to participants should include the substance of the breach and the appropriate NER or procedure clause. This will help the impacted participants understand the nature and extent of the breach in addition to the actions being taken to remedy the situation. Appendix E should be

		updated accordingly.
9	VOLUNTARY DEREGISTRATION	As regulated metering businesses seek to devolve their responsibilities then they should be able to voluntarily de-register as MC, MP and MDP. This needs to be catered for as there should be no requirement to operate an uneconomic service.
9.1.1	Embedded Network Manager	Has AEMO considered a scenario where the only ENM operating in a jurisdiction or geographic region applies for a de-registration OR ceases operations. Is there a concept of 'ENM of Last Resort'? UE assumes that from 1 December 2017, it will no longer have to maintain any capabilities to manage Embedded Network Child sites.

3. Exemption Procedure (Metering Installation Malfunctions)

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments
1	INTRODUCTION	General At the AEMO POC meeting on 25 Oct 16 a participant said that a meter malfunction did not include a communications failure. UE do not believe this to be correct, where a communication component in the meter fails and the issue cannot be rectified without replacing that component or without replacing the meter, then this exemption would apply consistent with the meter malfunction definition which applies from 1 Dec 2017 which includes anything that prevents the collection of energy data from the meter. *The full or partial failure of the metering installation in which the* *metering installation does not:* *(a) meet the requirements of schedule 7.4; or* *(b) record, or incorrectly records, energy data; or* *(c) allow, or provides for, collection of energy data; or* *(d) in the case of a small customer metering installation, meet the* *requirements of schedule 7.5.* It would be useful if AEMO clarified the arrangements so that some of the

		interested industry participants at least have a consistent understanding of how this is intended to work. UE do agree with the concept that this exemption is not the 4A exemption process where a customer has refused or no telecommunication network is available. Given that UE as an initial MC cannot seek to restore a metering installation to be compliant, will AEMO be chasing outstanding exemptions sought that remain unrectified for example where the FRMP or MC churn and the new party is not aware of the issue?
1.1	Purpose and Scope	Paragraph 2 refers to the process by which a 'Current MC' applying for an exemption. The term Current MC needs to be amended to current MC/appointed MC to reflect the NER requirements. As per UE's feedback in the AEMO Work Package 2 Teleconference on 4 October, an Initial MC (Distributor) cannot replace a malfunctioning meter from 1 December 2017, therefore cannot be required to request an exemption. The Initial MC will be required to generate a Meter Fault Notification (as per the initial draft B2B Procedures) to advise the retailer of the failure. This B2B Procedure will meet the initial MC's obligation under NER 11.86.7 (d) (4). UE believes that its obligation to notify the retailer to initiate a churn satisfies any compliance requirement for the replacement of a malfunctioning meter, and that no exemption needs to be sought. The wording should refer to current MC or appointed MC interchangeably. The appointed MC obligations to exchange the meter or to apply for an exemption start from the time of the appointment by the FRMP not from the time they become current MC in the market. The exemption procedures need to be consistent with all aspects of the NER and it is extremely important that this transition from regulated distributor provided metering to competitive metering is clear. The Retailer (or large Customer) will appoint an MC, but the Role Change cannot be made effective until the meter churn date for which the exemption is being sought. As an example, the Retailer may raise a CR680x to propose the

		Role Change. These roles will not be the 'current' roles until the meter churn has completed, which prevents the New MC from seeking an exemption. UE suggest the wording is updated throughout impacted sections of this document to reflect that either the Current MC (excluding Initial MC) or the appointed MC (nominated by the Retailer or Large Customer) is required to raise the exemption request. The NER makes it clear in 11.86.7 (g) that the current MC is not obliged to comply with 7.8.10 (2), rather the current MC must notify the current FRMP who must appoint an MC and the appointed MC must comply in accordance with 11.86.7 (i). This issue has been raised several times in the AEMO POC working group meetings and should be clearly spelt out in the drafting in clause 2.1. It is misleading for AEMO to only refer to some NER clauses and not others.
2.1	Applicant	As per Clause 1.1: Paragraph 1 refers to the process by which a 'Current MC' applying for an exemption. An Initial MC (Distributor) cannot replace a malfunctioning meter from 1 December 2017, therefore cannot be required to request an exemption. The Initial MC will be required to generate a Meter Fault Notification (as per the initial draft B2B Procedures) to advise the retailer of the failure. UE believes this addresses any compliance obligation on the Initial MC to notify the retailer of a meter malfunction. UE suggests this wording is updated to ensure the appointed MC must seek an exemption, as this scenario will represent the bulk of meter malfunctions for the initial few years of Metering Competition. UE suggest the following amendments: The only person who can apply for and benefit from an exemption granted by

		AEMO under clause 7.8.10 of the NER is the current MC**, or in the case of 11.86.7 (i) the appointed MC**, for the metering installation affected by the malfunction. **Primary Meter Malfunction Scenario:** UE currently has >95% of Meters within its own network. The majority of meter failures in the first 5-10 years of metering competition will be UE (and other Distributors) who are unable to replace the meters. Distributors have significant meter family volumes (UE has one family with 28,000 meters), so if the meter family fails it is unlikely any Meter Provider can complete all meter exchanges in 10 days, so a number of Metering Coordinators will need to seek exemptions. A mechanism is clearly required to enable the current or appointed MC to seek this exemption. UE suggest the wording is updated throughout impacted sections of this document to reflect that either the Current MC (excluding Initial MC) or the appointed MC (nominated by the Retailer or Large Customer) is required to raise the exemption request. E.g. in clause 2.2, clause 2.4-2.8 and clause 3.1.
2.5	Grant of Exemption	Registered participants who are impacted by a meter malfunction (eg FRMP, LNSP, MDP etc) should be notified of the granting of the exemption and any extension of the exemption in this clause 2.3 and in clause 2.7.

4. MSATS Procedures: National Metering Identifier

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments
2.1	NMI Allocation by AEMO	Where is the NMI Allocation list? It should be clear which ENM has been allocated what number range? Ideally a list should form part of this procedure and be updated just prior to 1 Dec 17 with the allocations to the accredited ENMs. If a customer phones UE with a supply problem with a non UE NMI, this will allow UE to direct the customer to the correct ENM/EN contact. AEMO needs to confirm whether UE as LNSP is able to search MSATS to work out the correct party for any NMI range? Will the block of NMIs assigned to an ENM be able to be used in any jurisdiction or will they be limited to one jurisdiction or be per approved embedded network ie limited to one location.
2.2	Issue of NMIs by LNSPs and ENMs	Suggest that in 2.2 (a) (i) the reference to LNSP be amended to LNSP/ENM to reflect that service providers to exempt networks are also allocated NMIs. This drafting would be consistent with sub clause (ii) which refers to ENM.
10	NMI RULES	Rule 2. UE disagrees with the proposed wording inserted into Rule 2 regarding the transfer of NMIs from an Embedded Network back to the Distributor. The sentence below must be deleted in the Procedure: *NMIs can not be changed for situations where a Child NMI becomes a directly connected*

		to the registered a distribution network and or vice versareverts to an embedded network connection. And replaced with *NMIs can not be changed for situations where a NMI directly connected to the registered distribution network becomes a Child NMI.* There is no clear benefit to enforcing this as an approach for what will be an extremely rare scenario (the transfer of a child NMI from an Embedded Network back to the UE Network has never occurred). The effort and cost associated with modifying processes and systems to address a requirement which may never occur is unreasonable given there is no clear benefit to offset the effort. The cost to amend UE systems/processes to cater for non UE range NMIs is not prudent or efficient and does not meet the NEO. UE strongly believe a more reasonable approach is to align more closely to a property re-development scenario (e.g. knock-down/re-build) where the original NMI at the premise is made extinct and a new connection is performed once the new dwelling occurs. This is a much higher volume scenario and the NMI is always changed in these scenarios. This allows the direct connected customers on the UE network to always <u>only</u> have the UE allocated NMI range which benefits all participants and service providers. Given that the re-connection of an off market NMI to the Distribution Network will often require supply works, this seems a much more reasonable approach. UE consider it would be cleaner if UE NMIs were abolished when becoming a child NMI managed by an ENM. The creation and reversion of an EN is ultimately a significant change in the connection characteristic and the parties responsibilite for NMI standing data and network charges. If AEMO does not enable this to occur, this will necessitate UE ensuring that the UE NMI is inactive in our systems. AEMO may have built systems to cater for the rare occurrence

		of LNSP role churn, however this is not the case for UE and probably not the case for other NEM participants.

5. Qualification Procedure

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments
3.2	Accreditation Checklists	MP Accreditation for Existing Meter Providers: UE assumes that no new accreditation is required for an Initial MP who already provides this service, and is simply making the changes necessary to remain compliant with the Metering Competition Rules (e.g. B2B changes, change in processes to prevent meter installation, etc.). MDP Accreditation Given the requirement for Victorian Distributors with AMI Meters to change meter data substitution methods (from 51-58 to 51,52,16-19), this opens up the possibility of AEMO requiring all Victorian Distributors to seek re-accreditation as a Type 4 MDP for the sole purpose of generating substitutes of type 16-19. UE would like to clarify whether AEMO will require each Distributor to seek re-accreditation OR whether this is not considered a driver for re-accreditation to perform what is effectively the same activities. UE suggest that a type 4A meter should not be listed on both the 1D and the 5D rows for MDP. A 4A meter is only a manually read meter and should be listed on the 5D row in the table. UE also assume that all new roles such as ENM which have not previously

		existed will be subject to full accreditation, including clarity regarding the ability to transact with MSATS and appropriately manage NMIs.
3.3	Application Fees	As per comments in Clause 3.2, if AEMO was to require re-accreditation, this would result in unnecessary costs being incurred by distributors for services that have been provided in excess of NER requirements for almost a decade. UE would like clarification that re-accreditation would not be required for these changes for type 5/6 metering. Further, the AEMO costs and hours spent needs to be subject to reasonableness. At the moment the hours spent and costs are open ended which is particularly of concern for parties already accredited and operating in those roles for that meter type.
3.4	Queuing Policy	Accreditation requests will be at their peak during Aug- Nov 2017 as all participants and new entrants seek accreditation. Noting that accreditation checklists and other AEMO or B2B procedures will not be available until March and AEMO has advised that accreditation lists are being fully revamped, the work for reaccreditation will be substantial. Businesses must be afforded a reasonable opportunity to update the accreditation checklist and IT systems and processes to reflect the new requirements. Parties seeking accreditation should also have to complete end to end testing with a number of participants across the NEM to prove the capability to operate seamlessly across the NEM. If AEMO has insufficient resource capacity, then there may not be sufficient time for AEMO to complete accreditation for each participant by 1 December 2017. What is AEMO's contingency plan if this is the case – will we all go live anyway OR will that participant be restricted from commencing operations? This obviously doesn't work for an existing participant. It will also be problematic where the LNSP needs to extract themselves from the ENM role on 1 Dec 17 if the contracted ENM is not able to gain accreditation.

		Note – if participants start failing accreditation this will drive up the resourcing requirement and length of the 'queue'.
3.6	Pre-Production Assessment	It is critical that AEMO's Pre-Production Environment is in place, tested and ready to support Industry Testing by next year. Can AEMO please clarify that this will be the case, as all parties will be dependent on it being operational to commence testing. What is the mechanism to capture issues/defects with the changes applied in the AEMO Pre-production environments? Will an existing 'BAU' pre-production environment remain in place for any changes being made / tested prior to Metering Competition?
3.6.4	Applicant System Testing	Any participant seeking accreditation should have to test with a number of parties in the NEM to ensure that end to end processes work. Testing with responders only, does not ensure that services to customers remain seamless.

6. Service Level Procedure – Embedded Network Manager

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments
4.1	NMI Allocation	The NMI Allocation seems particularly light on given the discussion on EN formation i.e. brownfield and greenfield creation of an EN and also the closure of an EN and reversion to direct connections on the LNSP network. Discussions centred on direct LNSP connected NMIs and the role to make an LNSP NMI inactive or to ghost it from the market and whether this is the LNSP role or the ENM role and whether the ENM has obligations to reuse the ghosted NMI if the child chooses to come back on market etc. The day in the life of a connection point and NMI need to be made clear. There is no evidence of NMI reuse and NMI management to ensure integrity of the market in the drafting in this section. Spending the time to ensure clarity in this area before creating a complex market issue to unpick is highly desirable.
4.3.3	Physical Rewiring to Join an Embedded Network	The obligation should clearly state that the ENM must update MSATS for every child NMI even those that were on market that need to become off market, this change must be aligned to the date of final reads at each child meter and the commencement of reads for the parent meter and must be completed in MSATS within 2 bus days.

7. Unmetered Load Guideline

Please delete any rows where there are no particpant comments

Clause	Heading	Participant Comments

Other Issues Related to Consultation Subject Matter

Document	Clause	Heading	Participant Comments