

METERING INSTALLATION EXEMPTION AUTOMATION CONSULTATION

PROCEDURE CONSULTATION

SECOND STAGE PARTICIPANT RESPONSE TEMPLATE

***Participant:** Vector Metering*

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1. Context

This template is to assist stakeholders in giving feedback about the changes detailed in the draft procedures associated with the metering installation exemption automation consultation.

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<p>Effective date of consultation</p>	<ul style="list-style-type: none">• During the first-round consultation Vector Metering provided feedback that an effective date of 1 November for the go-live of these procedures was conditional if the issues raised by participants were addressed. • After reviewing the draft response, we believe there are still material issues raised by participants in the first round that still need to be resolved before the new processes can be adopted. This consultation is introducing a new online portal as well as a set of APIs for the management of exemptions. After careful consideration we believe that the use of the online portal will be less efficient for MCs compared to the process in place today. If Vector Metering were to rely on the online submission then it anticipates additional resourcing will be required to administer MC exemption applications. We have formed the view that the only way we can avoid the additional costs will be to utilise the API's proposed by the consultation and build a system to integrate with AEMO. In order to develop a system to integrate with AEMO the following needs to be available<ul style="list-style-type: none">• The full technical information regarding the API's, end points, for testing and production environments• A working test environment to build against.• AEMO plan with firm dates or participant and AEMO resources to support full round-trip testing. • Vector Metering would require most of the infrastructure to be in place at least 3-4 months before go-live in order to build an application that utilises the AEMO API's for exemption management. Given that November 2023 is only 3 months away and there are no published dates (that we are aware of) for the technical design documentation, or any firm dates of when a pre-production system will be available, or when AEMO resources are available to support a coordinated testing program, and we have yet to establish a project team to commence design and build to integrate with the AEMO system. We believe it is unlikely we could meet a 1st November go live. • While we initially thought that we could rely on the online submission via the web portal as a interim solution, due to the inefficiencies introduced the portal application we believe this is not a viable option. We therefore propose that these changes be re-scheduled from the 1 November 2023 to May 2024.
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Section	Participant Comments
<p>General Comment on this scope of consultation</p>	<ul style="list-style-type: none"> • In several instances, participants raised concerns that AEMO dismissed as being 'out of scope' for this consultation. AEMO suggested that participants should bring up ICFs at the ERCF, and industry could consider them through another consultation. We strongly disagree with this approach. • This consultation was prompted by the MSATS Standing Data review (MSDR), where the industry identified potential efficiency gains by having AEMO populate MSATs with exemption details once they were approved. This approach was deemed advantageous as it would eliminate the need for Metering Coordinators (MCs) to notify participants of approved exemptions, while also enhancing transparency for the industry regarding the presence of exemptions. While this change seemed relatively straightforward, we now find ourselves facing a complete overhaul of the exemption processes, including the introduction of a new portal and a revised exemption application process. This direction was taken without obtaining any input from the MCs, who are the most affected participants. While we understand that AEMO is proposing these changes due to the administrative burden placed on their resources in managing exemptions, the proposed changes are burdening MCs with numerous new inefficiencies. Feedback provided to AEMO during this consultation attempted to highlight these issues and suggested changes to mitigate these inefficiencies. However, AEMO has either dismissed them as being out of scope or claimed that these issues are existing obligations that cannot be modified. • Given that this change is not constrained by any other regulatory alteration, such as a NER change where the scope is typically tightly prescribed, the scope of this consultation can, and should, be considerably broad. AEMO has indicated in several instances that changes cannot be made to existing obligations under this consultation, despite other changes being implemented. NER cl. 7.8.10(b) grants AEMO the authority to determine how the exemption process should operate, and it is under this rule provision that AEMO is implementing changes proposed by the consultation. We hope that AEMO will reconsider its position on the changes that have been considered 'out of scope' and find a way to include them in this consultation. Requiring participants to raise new ICFs in the ERCF and subjecting them to a separate consultation when they could easily be addressed within this consultation is inefficient and wasteful, particularly given the limited resources available in the industry.

2. Exemption Procedure (Metering Installation Malfunctions)

Section	Description	Participant Comments
1.4 Metering Exemption Framework	Added a new section to note that the procedure may change subject to the changes to the Metering Exemption Framework which might be made in the NER	<ul style="list-style-type: none"> There does not appear to be any value in adding this clause. Any procedure or guideline is subject to change depending on the Rules.
2.3 AEMO's Determination	<p>Increased AEMO's determination timeframes due to high number of applications received.</p> <p>Added clarification that the new automated exemption process will be two steps process.</p>	<ul style="list-style-type: none"> Clauses 2.3(a) and 2.3(a)(ii) appear to contradict in regard to when a unique ID number is provided for an application. Cl 2.3(a) says that AEMO has 2 business days from the receipt of an application, but clause (a)(ii) says it will be allocated immediately upon the application being saved into the portal. The second paragraph in Cl2.3.(a)(ii) regarding the timing of the CR notifications is unclear. Are participants provided with a CR notification when the application is approved, or when it is raised? This could be 10 days apart. This should be clarified. Perhaps this statement should be elsewhere in the document. i.e. 2.3.(d) As submitted in the first round consultation we believe that AEMO should issue an email to the MC indicating that an exemption has been processed and a determination has been made .i.e. approved, rejected or more info required. Sending an email is not difficult to do and will greatly improve the efficiency of the process. This will then all the MC to respond accordingly. Requiring the MC to continuously monitor the status of exemptions in the portal is inefficient.

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2.4. Matters taken into Consideration	Clarify the meaning of clause (b)	<ul style="list-style-type: none"> It is unclear what clause (b) means when it says that AEMO will consider the nature of the metering installation malfunction and whether it was caused by the current MC. It is unclear how a MC might breach the NER to create a malfunction at a metering installation. Can AEMO please provide some examples on how this may occur?
2.5 Grant of Exemption	Clarified the timing of granting the exemption by AEMO	<ul style="list-style-type: none"> Date of any exemption commencement should be date that exemption was applied for, not when supporting documentation is provided. Unlike the current process where all necessary information is generally provided with the application, this is not the case under the new two-step process. The new process introduces delay before any additional information can be sent. The date that AEMO made the exemption should be visible for audit processes. Setting the Date of commencement for the exemption to the final date when all documentation is provided can create a situation where there is a short period that the malfunction is present without an exemption. This will generate work for the AER and MC's as presumably MC's only option will be to raise 'no action' requests to cover this short period where they do not have an exemption. This will provide little value and will tie-up valuable industry resources.
2.6 Application Unsuccessful	<p>deleted the following point:</p> <p>(a) A failure to complete the application form;</p>	<ul style="list-style-type: none"> Clause 2.6(a) indicates that AEMO may reject an exemption request if further information is not provided by the MP <i>by the date AEMO specified</i>. AEMO should provide some indication on how long MP will have to provide this information. We have concerns that AEMO may set a unrealistic time frame. E.g. 1 business day. Given that MC are not notified when AEMO has changed the status of an exemption MC may not be immediately aware of the request to providing the extra information until it is too late to respond. Note: after reviewing the guideline it is unclear where this date will be set in the portal.

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		<ul style="list-style-type: none"> • More information is required on how long AEMO will give MC before rejecting a application on the grounds that information was not provided by the specified date.
2.7 Extension to Exemption		<ul style="list-style-type: none"> • Time frames should be in business days for consistency.
2.8 Current MC's Obligations during the Exemption Period	Updated 2.8(f) to include timeframes for notifying new MC of existing exemptions and clarified the point to align with the automation process.	<ul style="list-style-type: none"> • As indicated in our first-round submission, there are notification obligations in CI 2.8 that are unnecessary given that affected parties will receive notification via CATS CR's. In AEMO's response to first-round submissions, AEMO stated that they consider the CR notifications generated by MSATs will provide the affected parties with the necessary notice. AEMO statement provides even further justification for the removal of these requirements. CI2.8 (a), 2.8(d),2.8(e) should be removed or updated to reflect that MSATs is performing this function. • As indicated in our first-round submission, given that participants will receive notification of details of an exemption and the resolution date in the MSATs CR notification, and that details will be available via MSATS browser and reports, we do not believe MC's should have the obligation under 2.8(b) to provide unsolicited rectifications plans to all affected parties. Experience has shown that affected parties are not interested in the details of the rectification plan, apart from the resolution date. As the key information from the rectification plan (the date that the malfunction is planned to be resolved by) will be available in MSATS, we believe that the provision of the rectification plan should be <i>on request</i> to the MC rather than requiring the MC to always issue to all participants upon AEMO approval. Parties who are interested in the details of the rectification plans can request it individually or place 'standing instructions' to the MC to always issue any plan to them. We are

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		<p>confident that this will reduce the number of transactions flowing between participants leading to saving for all parties.</p>
2.9 Expiry of Exemption	<p>Modified the section points to reflect the meter exemption process automation and how the exemption expiry will work in the automated process</p>	<ul style="list-style-type: none"> For the paragraph “When the above conditions are met, the exemption will move to a Closed status”. Suggested improved wording “When any of the above conditions are met, the exemption will move to a Closed status”
2.10 Removal of a NMI from Exemption	<p>Added a new section for the removal of a NMI from the exemption</p>	<ul style="list-style-type: none"> For the paragraph “The removal of a NMI from an exemption may not trigger the expiration or resolution of an exemption.” suggested improved wording “The removal of a NMI from an exemption may not trigger the expiration or resolution of an exemption unless it is the last remaining NMI active in the exemption.”
3.1 Timing	<p>Added new point 3.1(ii) to Timing of rectification/action plan</p>	<ul style="list-style-type: none"> Given that the provision of a rectification plan is not mandatory and is dependent on where it is practicable to do so (i) and (ii) should be reworded. The word ‘Must’ should be replaced with ‘Should’.e.g. “The Current MC should provide a draft of the MP’s rectification plan with its application for exemption.” And “The Current MC should provide a MDP action plan for HV and LV CT sites with its application for exemption.”
3.2 Contents	<p>Added a new section on the MDP action plan</p>	<ul style="list-style-type: none"> As indicated in our first-round submission we do not agree with the inclusion of a MDP rectification plan for the following reasons.: 1) There is no requirement in the Rules to provide this. AEMO has argued that requiring this detail is not a new obligation because it currently exists in the exemption procedure. AEMO referenced the application form in Appendix A and B, items 10

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		<p>and 11 respectively. We do not agree that these existing items reflect the information proposed to be included in the MDP rectification plan. In our view these existing fields only contain high-level remarks from the MC. For example, “Substituted readings will be provided for the duration of the malfunction’. Also, the MC is not an accredited MDP so it would be inappropriate to direct the MDP on how substitution should be applied, rather the MDP should follow its accredited processes to determine that substituted readings are generated inline with Met Procedure Part B and their accreditation. These existing fields are fundamentally different to the information that AEMO is now requiring to be provided when the exemption application is made therefore constitutes new obligations that are not supported by the Rules.</p> <p>2) Malfunctions exemptions are typically raised on sites with legacy metering and the path to rectification usually means the meter will be replaced. This will trigger the MDP and MP to change. The contestable MC does not necessarily have a commercial relationship with the legacy MDP to require them to provide a rectification plan. In these situations, given the current MDP is likely to soon be displaced provision of the MDP information required by AEMO is unlikely to be provided to the MC.</p> <p>3) MDP’s already provide most of the information in the NEM12/NEM13 file when the substituted reads are provided.</p>

4) Metering Exemption (Small Customer Metering Installation)

Section	Description	Participant Comments
3.2 Form of Application	Updated section to reflect the new automated exemption process	<ul style="list-style-type: none"> The format of this section requires review. Industry typically numbers each paragraph for easy reference. Paragraph 3 starting with ‘Current public...’ appears to be the first item in a list but is not labelled as such.
3.4. Timing of Application –		<ul style="list-style-type: none"> During the first round of consultation Vector proposed that this clause be revised because the existing timing limitations on MCs applying for exemptions is not reflective of the realities of remote metering – refer to Vector’s first round submission regarding cl 3.4 Time of Application. AEMO rejected this proposal on the basis that changing this clause was ‘out of scope’ of the consultation. We believe it should be included. Please refer to comments in section 1. regarding the scope of this consultation.
3.6 Grant of Exemption	Clarified the timing of granting the exemption by AEMO	<ul style="list-style-type: none"> Clause (b) Indicates that any exemption would start on the later date of the application date or the date when the supplementary documentation (such as the rectifications plans) is supplied. We believe the exemptions date should begin on the date that the application request specifies. If there is a delay in granting an exemption then MC will have periods when they are non-compliant. This will generate work for the AER and MC’s as presumably MC’s only option will be to raise ‘no action’ requests to cover this short period where they do not have an exemption. This will have little value and will tie-up valuable industry resources.
4.2 Application for Exemption if No Change in Circumstances	Updated section to reflect the new automated exemption process	<ul style="list-style-type: none"> Cl 4.2.(a) requires the current MC to notify AEMO if a retailer or another MC raises a CR to change the MC role on a NMI where an exemption is granted. It is unclear why the MC must notify AEMO when it is the AEMO system that notifies the MC of a change in MC. This is inefficient. AEMO should have a report that provides this. It

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		<p>is also not documented how the current MC must notify AEMO. Is this by email? Please clarify.</p> <ul style="list-style-type: none"> CL 4.2(b) - It is unclear how the New MC will know when a NMI it has been nominated in the MC role is part of an existing exemption list raised by the old MC. The Guideline makes reference to the change of status to MCCHURN but it is unclear if the New MC can view the details of the exemption raised against a NMI by the old MC. Given the MC has only 5 business days to lodge for a continuation then MC's should be pushed a notification where the exemption exists. Email would do, alternately if the MCCHURN report is the report MC must reply on then this should be pushed daily.

5) Metering Installation Exemption Guideline (New Document)

Section	Participant Comments
General Comment	<ul style="list-style-type: none"> Until all the issues raised by participants are dealt with it and the final user interface is available is difficult to finalise this guideline. If this guideline is to contain instructions regarding management of exemptions via the online portal then we expect a further review will be required once the portal goes live.
5.Appendix A	<ul style="list-style-type: none"> We have taken note of AEMO's response in item 120 of the draft report regarding Intellihub's submission to this guideline. AEMO expressed an expectation that a Metering Coordinator (MC) should visit a site before submitting an exemption application for a malfunction. While this may be appropriate for larger sites, it is uncommon to visit a small customer's installation before raising an exemption. If visits could be arranged within the regulated time-frame, there would be no need for an exemption, as the malfunctioning meter would have already been replaced. It is valid to raise exemptions when the MC cannot attend the site within

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	<p>the prescribed timeframes in section 7.8.10 of the National Electricity Rules (NER), and we are not aware of any NER rule that requires this site visit.</p> <ul style="list-style-type: none"> When malfunctions are reported for a meter family, even if the affected population is small, it is physically impossible to visit all impacted sites within 15 business days. The location of the site also affects the speed at which it can be attended to. While it may be relatively easy to visit a site within the regulated timeframe in urban areas, the same cannot be said for geographically remote sites. Attending these sites in rural and regional areas requires careful planning and scheduling, often extending beyond the regulated timeframe. Metering Providers must manage field resources carefully to balance demand from other work, which also has regulated timeframes, impacting their ability to schedule visits for malfunctions. Fault work needs to be scheduled alongside customer-initiated work such as new connections and meter exchanges, which typically take priority due to tight obligations and customer impacts. In sparsely populated areas with limited field resources available, scheduling constraints further affect metering providers. We have concerns that AEMO does not recognise the scenarios exemptions applications are raised and may reject applications without fully understanding the issues faced by Metering Coordinators.