# METERING COMPETITION
# EMBEDDED NETWORKS
# METER REPLACEMENT PROCESSES

## PROCEDURE CONSULTATION

## First STAGE PARTICIPANT RESPONSE TEMPLATE

***Participant**: Vector Advanced Metering Serivces (VectorAMS)*

***Completion Date**: 10 November 2016*

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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 |
|---|---|---|

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

*Please delete any rows where there are no particpant comments*

| Clause | Heading | Participant Comments |
|---|---|---|
| 3.2 | Significant Breach | Vector is unclear on the rationale for including the classification of 'Signifcant Breach'.<br><br>Section 6 – AEMO ACTION FOLLOWING REVIEW provides detail on the course of action AEMO may take based on the materiality of the breach . This section discusses both 'Non-Material' and 'Material' but not Significant.<br><br>Please clarify which Action category a Significant Breach falls into? |

| | | |
|---|---|---|
| 5 | **REVIEW OF CAPABILITY FOR ONGOING COMPLIANCE** | 7 days should be 5 business days. |
| 5.1 | **Remediation Plan** | Remediation plan should include an item on advising affected parties impacted by the issue. |
| 6.2.2 | Warnings | Current drafting references low and high level warning. It is unclear what the differences are between a low and high level warning and what the implications are of such notice.<br><br>Please provide some guidance on what are the implications of receiving a warning, how many warnings before a breach notice may be received, what are the expectations of the service provider when a warning is issued and what is the difference between a low level and high level warnings.<br><br>Suggest removing the concept of low level and high level warnings and replace with just a simple warning. |
| 8 | CONSEQUENCES OF AEMO ACTION | Need to add some words on what a 'Warning' means in this section. |

# 3. Exemption Procedure (Metering Installation Malfunctions)

*Please delete any rows where there are no particpant comments*

<table>
<tr><th>Clause</th><th>Heading</th><th>Participant Comments</th></tr>
<tr><td></td><td>General Comments</td><td>
Vector has concerns over the implications of obligations introduced under POC (NERR) related to notification to customers of a pending supply interuption. These obligations will result in delay to attending any meter malfunction and makes it unlikely that a Metering Provider will be able to address a Meter Installation malfunction within the 10 days required under the rules. As a result the MP's will be obliged to apply for an exemption from AEMO for every suspected meter malfunction. Below is a table that demonstrates the typical process leading up to a site visit for a MP.<br><br>
Key Assumptions:<br><br>
• To avoid costs of multiple visits MP's must assume that a supply interrruption will be necessary when attending a suspect Meter Malfunction. Notice to Customer of a Supply Interruption of minimum 4 days must be provided (NERR).<br><br>
• Australia Post SLA for delivery is 1-4 business days using priority post, 1-6 business days using normal postage.
<table>
<tr><th></th><th>Typical Meter fault remediation process</th></tr>
<tr><td>Day 1</td><td>MDP recognises Failure (could be comms)</td></tr>
<tr><td>Day 2</td><td>Monitor</td></tr>
<tr><td>Day 3</td><td>Report to Retailer advising of fault, site visit is required and Meter exchange maybe required (Customer outage)</td></tr>
<tr><td>Day 4</td><td>Retailer prepares Letter advising Customer of outage from day 14. Rules require min 4 days notice.</td></tr>
<tr><td>Day 5</td><td>Mail house dispatches</td></tr>
<tr><td>Day 6</td><td>Austraila post delivery</td></tr>
<tr><td>Day 7</td><td>Austraila post delivery</td></tr>
<tr><td>Day 8</td><td>Austraila post delivery</td></tr>
</table>
</td></tr>
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<table>
<tr><td></td><td></td><td>
<table>
<tr><td>Day 9</td><td>Austraila post delivers Notice of outgae, MC must request exemption from AEMO for further period (10 days?).</td></tr>
<tr><td>Day 10</td><td>Minimum Customer Notice Period commences</td></tr>
<tr><td>Day 11</td><td></td></tr>
<tr><td>Day 12</td><td></td></tr>
<tr><td>Day 13</td><td>Minimum Customer Notice Period completes</td></tr>
<tr><td>Day 14</td><td>MP visits site to rectify fault – Meter Exchange is assumed to be required.</td></tr>
</table>
<br>This procedure indicates AEMO will respond to a exemption request within 2 business days. AEMO needs to be resourced appropriately to handle the volume of exemption requests that are expected as a result of the rules and obligations.<br><br>Suggest that perhaps AEMO puts in place a streamline approval process for the first exemption.
</td></tr>
<tr><td>1.1</td><td>Purpose and Scope</td><td>It is unclear if this procedure is to be used for application for type 4a exemptions. As the current definition of Metering Installation Malfunction includes issues related to data collection and no other procedure has been published, is Type 4a is covered by this procedure? If so, words to the effect should be included in the scope. If not, an exclusions sections should be added to clearly indicate that exemption for Type 4a related issues are not included and a separate process is to be followed.</td></tr>
</table>

# 4. MSATS Procedures: National Metering Identifier

*Please delete any rows where there are no particpant comments*

| Clause | Heading | Participant Comments |
|---|---|---|

# 5. Qualification Procedure

*Please delete any rows where there are no particpant comments*

| Clause | Heading | Participant Comments |
|---|---|---|
| 3.3 | Application Fees | Vector acknowledges the issue for AEMO on the expanded qualification requirements and increased number of participants requiring AEMO accreditation. However, the move by AEMO towards charging fees on a commercial basis introduces a number of issues.<br>• Internal business processes will require a commercial agreement to be established with AEMO before a Purchase order can be raised. Statement of Work describing work to be done by AEMO, expected duration, governance and reporting, and estimations of costs at a minimum will be required.<br>• The mechanism on how fees are set needs to be transperant.<br>• AEMO could consider moving to a competitive model for these services so that participants have choice across a number of service providers and to realise the benefits of competitive tension.<br>• If the average cost of an accreditation can be determined then a fixed price arrangement would be more appropriate rather than a T&M method.<br>• Rather than proceding down this path AEMO should consider recovering these costs via existing Participant Fees. |
| 3.3 | Application Fees | Current draft states 'All costs will be met by the applicant.'. This should read 'All **reasonable** costs…'. |

| | | |
|---|---|---|
| | | *'AEMO will then invoice the applicant for all work carried out….'* should read *'AEMO will provide an itemised invoice including receipts for disbursements and associated timesheets for all work carried out….'* |
| 3.3 | Application Fees | The proposal to suspend assessments because of late payment of an AEMO invoice is, in Vectors view, a disproportionate reaction on AEMO's part with potentially material impacts on the applicant. Standard business practices should prevail without needing to include this in the procecdure. Remove this clause. |

# 6. Service Level Procedure – Embedded Network Manager

*Please delete any rows where there are no particpant comments*

| Clause | Heading | Participant Comments |
|---|---|---|

# 7. Unmetered Load Guideline

*Please delete any rows where there are no particpant comments*

| Clause | Heading | Participant Comments |
|---|---|---|

# 8. Other Issues Related to Consultation Subject Matter

| Document | Clause | Heading | Participant Comments |
|---|---|---|---|
| **Exemptions Guidelines – Small Customer Metering Installation** | | | During the AEMO Forums related to this consultation there were discussions on the Exemptions Guidelines – Small Customer Metering Installation. Vector had expected that this would be published for comment from industry. Can AEMO please indicate when this guideline will be available?<br><br>From these earlier discussions a key issue is the lack of a prudent economic test in the assessment for a type 4a (non-Commed) exemption. It is important to consider the costs related to establishing communications for out-of-mobile-coverage meters versus the cost of manually reading the meter. A remote communications method can almost always be found (e.g. satellite) but will not be cost effective for a 'small' category customer.<br><br>AEMO should seek clarification from the AEMC on the intent of the rules related to this matter. |