



POWER OF CHOICE PROCEDURE CHANGES (PACKAGE 3)

DRAFT REPORT AND DETERMINATION

Published: **25 July 2017**





NOTICE OF SECOND STAGE CONSULTATION – POWER OF CHOICE PROCEDURE CHANGES (PACKAGE 3)

National Electricity Rules – Rule 8.9

Date of Notice: 25 July 2017

This notice informs all Registered Participants and interested parties (**Consulted Persons**) that AEMO is conducting an as built consultation on AEMO Procedures which have been amended in the Power of Choice Procedure changes in Package 1 and Package 2 as a result of the Competition in Metering, Embedded Networks and Meter Replacement Processes rule changes (**Amending Rules**).

This consultation is being conducted in accordance with the Rules consultation requirements detailed in rule 8.9 of the NER.

Matter under Consultation

Package 3 changes have been drafted to procedures previously amended or developed as part of the POC consultations, however, the following is a list of procedures with identified changes that will be noted in this notice.

| INSTRUMENT | NEW / AMENDED | NER REFERENCE |
|---|---------------|---------------------------------------|
| Glossary and Framework | Amended | 7.16.1(f) ¹ |
| Meter Data File Format | Amended | 7.16.6 |
| Metrology Procedure: Part A | Amended | 7.16.3 |
| MSATS Procedures: CATS Procedure Principles and Obligations | Amended | 7.16.2 |
| MSATS Procedures: Procedure for the Management of Wholesale, Interconnector, Generator and Sample (WIGS) NMIs | Amended | 7.16.2 |
| Service Level Procedures for MDP | Amended | 7.16.6 |
| Service Level Procedures for MP | Amended | 7.16.6 |
| Qualification Procedure | Amended | S7.2.1(b), S7.3.1(c), S7.7.1(b) |

Invitation to make Submissions

AEMO invites written submissions on the matter under consultation, including any alternative or additional proposals that Consulted Persons consider may better meet the objectives of this consultation and the national electricity objective.

¹ This document is incorporated into and forms part of all the other Procedures.



Please identify any parts of your submission that you wish to remain confidential, and explain why. AEMO may still publish that information if it does not consider it to be confidential, but will consult with you before doing so.

Consulted Persons should note that material identified as confidential may be given less weight in the decision-making process than material that is published.

Meetings

In your submission, you may request a meeting with AEMO to discuss the matters under consultation. If you request a meeting, you must state why you consider it necessary or desirable.

If appropriate, meetings may be held jointly with other Consulted Persons. Please note that, subject to confidentiality restrictions, details of matters discussed at a meeting may be made available to other Consulted Persons.

Closing date and time

Submissions in response to this Notice of First Stage of Rules Consultation should reach AEMO **by 5.00pm AEST on 9 August 2017**.

Please send all submissions by email to poc@aemo.com.au.

All submissions must be forwarded in electronic format (both pdf and Word). Please send any queries about this consultation to the same email address.

Submissions received after the closing date and time will not be valid, and AEMO is not obliged to consider them. Any late submissions should explain the reason for lateness and the detriment to you if AEMO does not consider your submission.

Publication

All submissions will be published on AEMO's website, other than confidential content.

© 2017 Australian Energy Market Operator Limited. The material in this publication may be used in accordance with the [copyright permissions on AEMO's website](#).



EXECUTIVE SUMMARY

The publication of this Draft Determination commences the second stage of the consultation on the Power of Choice (POC) Procedure Changes - Package 3.

AEMO has developed and amended the Package 1 and 2 procedures to fulfil its obligations under the following amendments to the National Electricity Rules (Amending Rules):

- National Electricity Amendment (Expanding Competition in Metering and Metering Related Services) Rule 2015 No. 12 (Metering Competition);
- National Electricity Amendment (Embedded Networks) Rule 2015 No. 15; and
- National Electricity Amendment (Meter Replacement Processes) Rule 2016 No. 2.

Following the publication of procedures in Packages 1 and 2, AEMO has identified the need to make a number of minor amendments to those procedures, such as corrections to table references and the removal of superfluous text. In addition to those minor amendments, a number of matters have come to AEMO's attention of a more material nature, through a combination of internal review, consultative workshops and correspondence with interested parties which are detailed further in this paper. The scope for this Package 3 consultation is limited to the changes proposed by AEMO.

AEMO has since received 20 submissions in the first stage of consultation and has made a number of further minor amendments to procedures based on these submissions.



CONTENTS

| | |
|--|-----------|
| EXECUTIVE SUMMARY | 4 |
| 1. STAKEHOLDER CONSULTATION PROCESS | 6 |
| 2. BACKGROUND | 7 |
| 2.1 NER requirements | 7 |
| 2.2 Context for this consultation | 7 |
| 3. DRAFTING FOR PROPOSED CHANGES | 9 |
| 4. SUMMARY OF AMENDMENTS TO PROCEDURES | 10 |
| 4.1 MSATS Procedures | 10 |
| 4.2 Qualification Procedure | 10 |
| GLOSSARY | 11 |
| APPENDIX A - CONSOLIDATED SUMMARY RESPONSES | 12 |



1. STAKEHOLDER CONSULTATION PROCESS

As required by the Amending Rules, AEMO is consulting in accordance with the National Electricity Rules (NER) consultation procedures in clause 8.9 of the NER. AEMO's timeline for this consultation is outlined below.

| DELIVERABLE | DATE |
|---|------------------|
| Draft Report and Determination published | 25 July 2017 |
| Submissions due on Draft Report and Determination | 9 August 2017 |
| Final Report and Determination published | 1 September 2017 |

Prior to the submissions due date, stakeholders can request a meeting with AEMO to discuss any issues and proposed changes including the proposed changes raised in the Consultation Paper.

Please note the proposed effective date of the Package 3 procedure changes will be 1 December 2017.

The updated draft Procedures are published on AEMO's website at:

<http://aemo.com.au/Stakeholder-Consultation/Consultations/Power-of-Choice---AEMO-Procedure-Changes-Package-3DD>



2. BACKGROUND

2.1 NER requirements

AEMO is required to amend and publish existing procedures and develop and publish new procedures to take into account the Amending Rules in accordance with the consultation procedures in clause 8.9 of the NER.

The following is a list of the procedures AEMO is proposing to amend and develop (as appropriate). The NER Reference in the table is a reference to the clause in the NER as amended by the Amending Rules.

| INSTRUMENT | NEW / AMENDED | NER REFERENCE |
|--|---------------|---|
| Qualification Procedure – Metering Providers, Metering Data Providers & Embedded Network Managers | New | 7.4.1(a1) S7.2.1(b) 7.4.2(a) S7.3.1(c) 7.4.2A(a) S7.7.1(b) |
| Exemption Procedure – Metering Installation Malfunctions | New | 7.8.10(b) |
| MSATS Procedure – National Metering Identifiers | Existing | 7.8.2(d) 7.8.2(ea) (eb) (ec). |
| Service Level Procedure – Embedded Network Managers | New | 7.16.6A |
| Default & De-registration Procedure – Metering Providers, Metering Data Providers, Embedded Network Managers & Metering Coordinators | New | 7.4.4(a) 7.4.4(a1) 7.7.3(a) |
| Retail Electricity Market Procedures: Glossary and Framework | Existing | N/A ² |
| Unmetered Load Guideline | Existing | N/A ³ |

2.2 Context for this consultation

In 2012 the AEMC commenced the Power of Choice Review, which led to a series of changes to the NER. As a result of those changes, AEMO has published new or amended procedures to address the POC rule changes in two stages, called Package 1 and Package 2.⁴

Following the publication of procedures in Packages 1 and 2, AEMO has identified the need to make a number of minor amendments to those procedures, such as corrections to table references and the removal of superfluous text.

² This document forms part of all other Procedures.

³ This is a supplementary document that forms part of the Metrology Procedures: Part B.

⁴ Available at: <http://www.aemo.com.au/Stakeholder-Consultation/Consultations/Power-of-Choice---AEMO-Procedure-Changes-Package-1> and <http://www.aemo.com.au/Stakeholder-Consultation/Consultations/Power-of-Choice---AEMO-Procedure-Changes-Package-2>.



The initial draft of Package 3 included matters of a more material nature, the changes related to these items have been retained in the procedures, including:

- Procedural issues that are seen as unnecessarily restrictive;
- Alignment of procedures released in Package 1 with corresponding changes in procedures released in Package 2;
- Removal of redundant legacy provisions in procedures; and
- Issues regarding the requirement to specify when an existing metering installation that is to be replaced by an MC may be a 'network device'.

The scope of this Package 3 is limited to the AEMO proposals to change procedures as summarised in this paper and reflected in the consultation material for this Package 3.



3. DRAFTING FOR PROPOSED CHANGES

To help stakeholders and other interested parties respond to this Consultation Paper, AEMO has published drafts of the procedures listed in section 2.1 incorporating the proposed changes. Clean and change-marked versions are available at: <http://aemo.com.au/Stakeholder-Consultation>.

AEMO published an Information Paper in preparation for the consultation of procedures in this Package 3 on 12 May 2017 (Information Paper), which provided AEMO's consideration of the scope and detail of the changes to be proposed in Package 3 including matters of a material nature that have come to AEMO's attention following the publication of Packages 1 and 2. The Information Paper provided AEMO's initial position in relation to these matters.

Section 4 provides a high-level summary of the proposed changes to each procedure.



4. SUMMARY OF AMENDMENTS TO PROCEDURES

4.1 MSATS Procedures

4.1.1 CATS Procedure Principles and Obligations

As a result of first stage submissions from participants; AEMO proposes to make the following changes to the MSATS Customer Administration and Transfer Solution (CATS) Procedure:

- Permit the Current and New MDP to utilise the BADMETER objection code on 1021, 1022, 1023, 1024, 1025, 1026, 1027, 1028 and 1029 CRs.
- Remove the current RP/MC's ability to object using BADPARTY for a 6300 CR as this objection code is only able to be used by the MDP and is therefore not relevant to this CR.
- Permit the New MC to utilise the DECLINE objection code in both the 6300 and 6800 CRs.

4.2 Qualification Procedure

AEMO has proposed changes to the drafting of section 3.3 (Application Fee) to clarify the requirements for obtaining an invoice and payee accreditation fees and made amendments to clarify arrangements to access to AEMO's MarketNet and MSATS.



GLOSSARY

| Term or acronym | Meaning |
|-----------------|--|
| Amending Rules | National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 No. 12, National Electricity Amendment (Embedded Networks) Rule 2015 No. 15 & National Electricity Amendment (Meter Replacement Processes) Rule 2016 No. 2 |
| Jurisdiction | A 'participating jurisdiction', as that term is defined in the NER. |
| NER | National Electricity Rules |
| NERR | National Energy Retail Rules |



APPENDIX A - CONSOLIDATED SUMMARY RESPONSES

A consolidated summary of all issues raised by Consulted Persons in submissions, together with AEMO's responses, is published on AEMO's website at:

<http://aemo.com.au/Stakeholder-Consultation/Consultations/Power-of-Choice---AEMO-Procedure-Changes-Package-3DD>