



Retail and Metering Procedures 1 December 2025 Consultation

National Electricity Market -
Notice of decision on procedure
change request

Published: 19 November 2025

aemo.com.au

New South Wales | Queensland | South Australia | Victoria | Australian Capital Territory | Tasmania | Western Australia

Australian Energy Market Operator Ltd ABN 94 072 010 327

© 2025 Australian Energy Market Operator Limited. The material in this publication may be used in accordance with the [copyright permissions on AEMO's website](#).

Contents

1.	Summary of decision	4
2.	Detailed reasons	4
3.	Next steps for consultation	5

1. Summary of decision

On **10 October 2025**, AEMO issued a draft report to commence consultation on amendment to the Retail and Market Procedures (the **proposal**), under the expedited consultation procedure in National Electricity Rules (**NER**) 8.9.3 to consider three matters:

1. Removal of the word 'legacy' in the defect fields in MSATS.
2. Changes to the Metering Installation Exemption Guideline to include a new exemption enumeration.
3. Changes to Standing Data for MSATS related to type 9 CMS metering installations

AEMO considered that the expedited rules consultation procedure was appropriate because the proposal is non-material as it is not expected to have a significant impact on either the NEM or on the activities of registered participants.

Within the period allowed by NER 8.9.3(b), AEMO received **2** procedure change requests, asking AEMO to consider switching to the standard consultation procedure (NER 8.9.2) on the basis that the proposal is not a 'Non-material Proposal' as defined in NER 8.9.1 for one component of the consultation, removing the word 'legacy' in the defect fields in MSATS. The procedure change requests have been published on AEMO's consultation website for the proposal, at <https://www.aemo.com.au/consultations/current-and-closed-consultations/retail-and-metering-procedures-1-december-2025-consultation>].

This is AEMO's notice of its decision on the appropriate rules consultation procedure for the proposal, under NER 8.9.3(c).

Having considered the reasons set out in the procedure change request, AEMO has decided to continue consultation on the proposal under the expedited consultation procedure, as AEMO still considers the proposal meets the description of a Non-material Proposal.

Detailed reasons for this decision are provided in section 2. The next steps for the consultation are summarised in section 3.

2. Detailed reasons

As part of the Accelerating Smart Meter Deployment (ASMD) rule, the AEMC introduced a defect recording mechanism. To implement this, NER 11.177.12(a)(1) requires AEMO to update the MSATS Procedures to specify:

*“the information that must be recorded by a Metering Coordinator where it identifies a **defect at the metering installation** during a site visit to replace a Legacy Meter”.*

A 'defect at the metering installation' is defined as “A defect with an end user's housing of a metering installation or electrical wiring connected to the metering installation that means the metering installation is unable to be repaired or replaced.”.

AEMO's assessment is that an MC may record a defect at the metering installation for non-legacy meters in MSATS.

AEMO proposed in the draft report to remove the word 'legacy' in the defect fields in MSATS to allow an MC to record a defect against small customer metering installations.

Citipower/Powercor/United Energy and AusNet Services provided the following feedback to the Proposal:

Citipower/Powercor/United Energy:

The proposed MSATS changes would capture only a small subset of defects, yet introduce significant IT and operational costs. More critically, duplicating defect reporting processes risks conflicting communications to customers from both distributors and retailers, even where no defect is ultimately confirmed.

AusNet Services

Notably, the proposed scope exceeds that of the November 2024 National Electricity Rule change for accelerating smart meter deployment. As a Victorian distribution business, AusNet complies with existing Rule obligations by applying defect reporting for LMRP meters. Defect reporting for non-contestable metering does not pertain to retailers or other metering providers, and in our view, the proposed changes would not deliver market benefits in Victoria. Accordingly, we respectfully request that Victorian AMI Type 5 meters be excluded from these procedural amendment.

AEMO's decision

A non-material proposal means a proposal that if implemented will unlikely to have significant effect on the NEM or in the activities of the Registered participants to which the Proposal relates.

AEMO maintains its position that the proposal is a non-material proposal because:

- Only a small number of sites will be impacted by the change given it would be metering installations that include both legacy meters and non-legacy meters. In relation to Victoria, given the rollout of smart meters has already occurred, site visits to replace legacy meters that may trigger the defect recording requirement are likely to be small in number.
- Reporting would not be considered material if the overall number of sites impacted by the change is small.
- AEMO has not been provided with estimates of IT system costs and as a result has not been able to assess the impact of this.

3. Next steps for consultation

AEMO's process and expected timeline for the remainder of this consultation are outlined below. Future dates may be adjusted, and additional steps may be included as needed, as the consultation progresses.

Table 1 Consultation process and timeline

Consultation steps	Dates
Submissions due on published draft report	7 November 2025
Final report published	12 December 2025