METERING COMPETITION
EMBEDDED NETWORKS
METER REPLACEMENT PROCESSES

PROCEDURE CONSULTATION

SECOND STAGE PARTICIPANT RESPONSE TEMPLATE

***Participant**: AusNet Services*

***Completion Date**: 15 November 2016*

Table of Contents

1. Glossary and Framework 3
2. Default & Deregistration Procedure (MP, MDP, ENM, MC) 4
3. Exemption Procedure (Metering Installation Malfunctions) 8
4. MSATS Procedures: National Metering Identifier 10
5. Qualification Procedure 13
6. Service Level Procedure – Embedded Network Manager 15
7. Unmetered Load Guideline 17
8. Other Issues Related to Consultation Subject Matter 19

1. Glossary and Framework

Please delete any rows where there are no participant comments

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

Clause	Heading	Participant Comments - AusNet Services
1.2	Definitions and Interpretation	For improved clarity by a more diverse readership 1.2.2(c) is *Eastern Standard Time* should be changed to "Australian *Eastern Standard Time*"
2.2	Structure of Retail Electricity Market Procedures	
2.8	Metering Service Level Procedures	In section 2.8.1 the Data Delivery Calendar and the MDFF Specification are referred to as subsidiary documents. This implies that these Procedures are of lesser importance than the Service Level Procedures. However we consider that documents contain obligations enforceable under the Rules. Therefore these documents are not subsidiary documents and we recommend changing this word to reflect that.
3	Glossary Term: Default and Deregistration Procedure	
3	Glossary Term: Exemption Guideline	
3	Glossary Term: Exemption Procedure	

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

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments - AusNet Services
1	Introduction	
2	BREACH OF THE NER OR PROCEDURES UNDER THE NER	
3	DETERMINATION OF TYPE OF BREACH	
3.2	Significant Breach	AusNet Services considers AEMO's function in the Procedure should refer to AEMO's formative roles and key obligations and specifically state in the Procedure that a significant breach would impact AEMO's role in Prudential and Settlement. AEMO's forecasting and demand side participation planning activities are important, but in establishing the provisions of Chapter 7 of the National Electricity Rules and the Procedures they have not been specifically catered for. This should be addressed.
3.3	Material Breach	AusNet Services considers that condition 3.3(d) is unclear and could be removed. The Procedure refers to what AEMO reasonably considers unethical. It does not specify what ethical framework that AEMO might apply. We suggest changing these words illegal activity or conduct that

		supports illegal activity. It is important that this uncertainty is resolved because the Procedure does not define what a Breach is, just a non-compliance with the Rules or a Procedure under the Rules. It seems a participant can be compliant under the Rules and be in a Material Breach just because AEMO reasonably considers it being "unethical".
4	ISSUE OF BREACH NOTICE	AusNet Services considers that if a participant or service provider is breaching materially or significantly, then the distributor should also be advised. Ideally the party responsible for the breach should notify impacted parties directly, as an obligation under section 5.1. We also recommend adding a provision to section 4 that states where AEMO reasonably considers that the impacted parties have not been notified within 10 businesses, then AEMO will notify impacted parties.
5	REVIEW OF CAPABILITY FOR ONGOING COMPLIANCE	
5.1	Remediation Plan	AusNet Services considers the remediation plan should include a plan for notifying impacted parties of the breach.
5.2	Past Conduct	Neither the term “warning”, nor the levels of warning, have been previously introduced in this document or defined. NER Clause 7.4.4 (b)(3) states, “*the levels of a breach with severity below a material breach are to be treated as warnings with different levels of magnitude.*”

		AusNet Services suggests that more clarity around the levels of warning and how they relate to non-material and significant breaches is needed in the procedure.
5.4	Other Relevant Considerations	AusNet Services suggests that another relevant matter to take into account is whether the breach may have been caused either in full or in part, by another party's breach. For example, an MPB causing problems for the MDP, MC and DNSP by physically removing the meter before being nominated in the market as MPB, and sending MSATS transactions in contradiction to the Rules and the MSATS: CATS Procedures.
6	AEMO ACTION FOLLOWING REVIEW	
6.1	Material Breach	AusNet Services considers that the default and deregistration procedure should not refer to "AEMO determines that the Breach is a Material Breach…" rather it should state that AEMO must demonstrate that a Material Breach has occurred as required by NER 7.4.4 (b)(2) which states that the: "*Deregistration of a MDP/MP can only occur if it can be demonstrated that the provider has committed a material breech.*"
6.2.2	Warnings	See comment on section 5.2 above
7	EXERCISE OF AEMO DISCRETION	
8	CONSEQUENCES OF AEMO ACTION	

9	VOLUNTARY DEREGISTRATION	

3. Exemption Procedure (Metering Installation Malfunctions)

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments - AusNet Services
1	INTRODUCTION	
1.1	Purpose and Scope	AusNet Services considers that the exemption procedure needs to acknowledge that many metering installation malfunctions occurring will be LSNP owned assets failing over the first decade of the metering contestability regime. In recognition of this, we suggest to add the words "and in the case of a LNSP operating as a Deemed MC under clause 11.87.7 of the NER for a type 5 or type 6 meter."
2	APPLICATION PROCESS	
2.1	Applicant	AusNet Services considers where a VicAMI, type 5 or 6 metering installation operated by an LNSP as the Deemed MC is determined to be faulty and requires replacement, the LNSP is only responsible for notifying the FRMP in a timely manner of the issue and is not responsible for applying to AEMO for an exemption. The LNSP as initial MC is excused from using the exemption process and the appointed MC is obligated to use that process if the meter has not been fixed within 10 bus days. The drafting in the Procedure does not

		make it clear that the obligation is on the appointed MC who may not yet be appointed as MC in MSATS. As such we request that AEMO clarify this.
2.5	Grant of Exemption	
2.6	Application Unsuccessful	Clause 2.6(a) indicates that an application may be rejected if sufficient information is not provided in the application, however, clause 2.3 indicates that AEMO may request additional information. It seems inconsistent to suggest that an application may be rejected for insufficient information. Rather, AusNet Services recommends altering the procedure to state that the application may be rejected if the appropriate criteria are not met or information is not provided after a request.
3	RECTIFICATION PLAN	
APPENDIX A	APPLICATION FOR EXEMPTION	
APPENDIX B	APPLICATION FOR EXTENSION	

4. MSATS Procedures: National Metering Identifier

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments - AusNet Services
1	INTRODUCTION	
2	ALLOCATION AND ISSUE OF NMIS	
3	NMI STRUCTURE	
4	NMI REGISTERS	
5	NMI CHECKSUM	
6	DATASTREAM SUFFIX	
7	DATASTREAM SUFFIX FOR INTERVAL METERING DATA	
8	CONNECTION POINTS WITH TYPE 1 METERING	
9	CONNECTION POINTS WITH TYPE 2 METERING	
10	NMI RULES	Rule 2. If the physical location of the connection point changes, then a change of NMI is appropriate. AusNet Services considers that the statement of “NMIs cannot be changed where a Child NMI becomes

		directly connected to a distribution network or reverts to an embedded network connection" is conflicting, because such circumstances result in physical connection points changing. Further, when an embedded network is closed and the local DNSP is required to provide network services to all previously Child NMIs, it is not apparent who is responsible for effecting this change when the ENO is no longer functioning. In these situations it is best for everyone for each Child NMI to be re-established in the market with a new NMI. This should be no different to - a LV NMI changing to HV or - Overhead to an Underground connection or - The abolishment of a temporary supply.
10.1	Data Delivery to AEMO (MSATS System)	
11	UTILISATION OF NMI FOR AEMO DATA	
11.1	Data Delivery to AEMO (MSATS System)	
12	EXAMPLES OF NMI APPLICATION – INTERVAL METERING DATA	
13	EXAMPLES OF NMI APPLICATION – ACCUMULATED ENERGY DATA	
14	ENERGY DIRECTION FLOWS	

15	ALLOCATION OF NMIS FOR TYPE 7 METERING INSTALLATIONS	
15.1	Common Requirements across the NEM	AusNet Services considers that this statement clearly conflicts with the earlier NMI rules stating network boundary changes don't result in the abolition of a NMI, when in fact a change in network boundary clearly changes the LR, DLF, LSNP, and potentially a number of other attributes.
APPENDIX A	SAMPLE JAVA CODE FOR NMI CHECKSUM	
APPENDIX B	EXAMPLES	

5. Qualification Procedure

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments
1	INTRODUCTION	
2	PREPARATION	
3	QUALIFICATION PROCESS	
3.1	Application	
3.2	Accreditation Checklists	MP accreditation notes that MP for 5A and 6A is longer available to new applicants. The Procedure does not address the situation of an existing accredited MP seeking re accreditation operating in the NSW ASP scheme
3.3	Application Fees	
3.4	Queuing Policy	AusNet Services considers there does not appear to be a timeline for AEMO to assess or approve applications for accreditations. To address this we recommend a basic Gannt detailing the steps and timings may be beneficial.
3.5	Review for Completeness	

3.6	Pre-Production Assessment	
3.7	Independent Review	
3.8	Final Accreditation Review	
3.9	Completion of Review	
4	MAINTENANCE OF ACCREDITATION AND REGISTRATION	
5	RE-ACCREDITATION AND REGISTRATION	
APPENDIX A	APPLICATION FORM	

6. Service Level Procedure – Embedded Network Manager

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments - AusNet Services
1	INTRODUCTION	
2	OBLIGATIONS	
2.1	Embedded Network Management Services	There are no timing obligations on the ENM to create Child NMIs and to provide Child NMI information to MC, FRMP and EENSP. AusNet Services considers that the ENM Service Level Procedures (SLPs) should contain ENM timing obligations for these important tasks just as the MP and MDP Service Level Procedures have similar types of obligations. This is important because other instruments, including the AER's Network Service Provider Registration Exemption Guideline, do not prescribe the timeframe, and leaving it to commercial arrangements with the ENO will not result in satisfactory outcomes for customers seeking Market Offers.
3	SYSTEMS AND ADMINISTRATION	
4	MARKET INTERFACE FUNCTIONS	
5	DELIVERY OF INFORMATION UPON	

	DEREGISTRATION	

7. Unmetered Load Guideline

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments
1	INTRODUCTION	
1.1	Purpose and Scope	
1.2	Definitions and Interpretation	
1.3	Related AEMO Documents	
2	APPLICATION PROCESS	
2.1	The process	
2.2	The Outcome	
3	DISCLAIMER	
4	MATERIAL TO SUPPORT APPLICATION	
4.1	Generally	

4.2	Determination of a Single Unmetered Device Load Value for Controlled Unmetered Devices	
4.3	Determination of Annual Energy Consumption for Uncontrolled Unmetered Devices	
4.4	Load value	
4.5	Control Equipment	
4.6	Sampling for LED devices	

8. Other Issues Related to Consultation Subject Matter

Document	Clause	Heading	Participant Comments
Exemption Guidelines – Small Customer Metering Installation	**2.1 (a)**	Basis of Exemption	It has been widely discussed that the establishment of a telecommunications connection may be achievable but at a significant cost. Although communications may be available at the street, it may not available at the premise without spending thousands to build connection assets. In these circumstances we consider customers should not have pay for the costs of extending an existing network to a premise. The AEMC's final determination recognised this and stated that customers should not be subject to the cost constructing telecommunications infrastructure to support establishing remote communications to a meter. In seeking to apply the AEMC's stated intent AusNet Services recommends changing 2.1(a) to no public telecommunications network available at the customer's premises.