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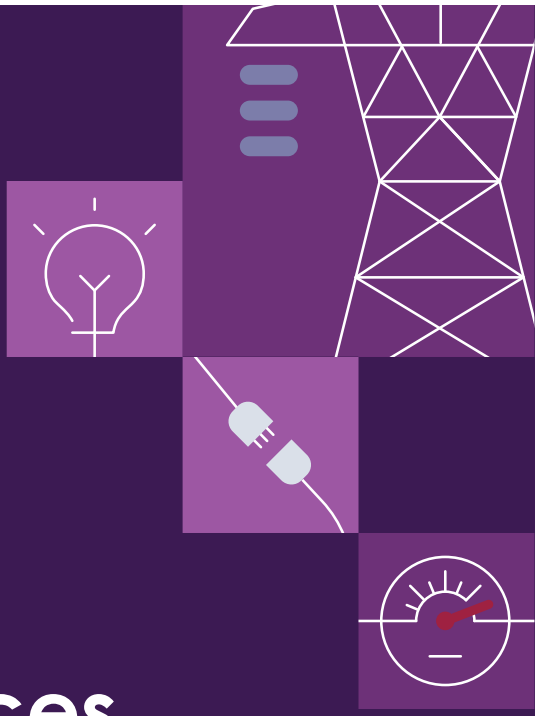

2025 Metering Services Review Package 2 Consultation

Final Report – Standard consultation for the National Electricity Market

Published: 1 July 2025

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Executive summary

The publication of this final report concludes the standard consultation procedure conducted by AEMO to consider the changes that are proposed (**Proposal**) to the Retail Electricity Market Procedures (**Procedures**) under the National Electricity Rules (**NER**), which are related to changes to the testing and inspection and malfunction processes described in the Accelerating Smart Meter Deployment (**ASMD**) rule.

AEMO thanks all stakeholders for their feedback on the proposal, which was undertaken as required by NER 7.16.7, following the procedure in NER 8.9.2.

Issues Paper

In the Issues Paper published 10 February 2025, AEMO sought feedback on the following Changes:

1. A new Asset Management Strategy Guideline called Metrology Procedure Part C. This procedure would:
    - Detail the testing and inspection requirements for MCs where they seek an alternative approach.
    - Outline the test plan requirements and approval process of Asset Management Strategies.
    - Apply to all Metering Coordinators in the NEM.
2. Modify the exemption procedure for metering installation malfunctions, which would streamline the process by which an MC can apply for an exemption for a small customer metering installation.

Industry Responses to Issues Paper

AEMO received 13 written submissions concerning the Proposals in response to the Issues Paper, which raised the following material issues.

- Justification why the Asset Strategy Guideline should be a Procedure.
- Clarification on the sample testing sizes proposed in Metrology Procedure Part C.
- Rationale on the proposed definition of a metering exemption.

Draft Report

After considering the submissions received, AEMO's draft report proposed to implement the Changes to the Procedures in respect of:

1. Maintaining Metrology Procedure Part C, with some amendments to size of LV CT families and meter population sizes for LV CT meters.
2. Modifying the proposed changes to Metrology Procedure Part A (consequential to the creation of Part C).

3. Retaining the proposed substantive changes proposed to the Metering Installation Malfunction Exemption procedure as proposed in the Issues Paper.

Final Report

After considering the submissions received, AEMO's final report is to implement the Changes to the Procedures in respect of:

1. Maintaining Metrology Procedure Part C.
2. Maintaining the proposed changes to Metrology Procedure Part A as outlined in the draft report with some minor amendments based on participant feedback.
3. Modifying the changes proposed to the Metering Installation Malfunction Exemption procedure as proposed in the Draft Report, the most notable modifications relating to section 2.2 Limitation and reasonable use of the exemption process.

Effective Dates

The effective date of the procedures is 1 December 2025. The following Procedures are the subject of the Proposals:

New Procedures

- Metrology Procedure Part C

Procedures requiring amendment

- Metrology Procedure Part A
- Guide to the Role of the Metering Coordinator
- Service Level Procedure: Metering Provider Services
- Exemption Procedure Meter Installation Malfunctions
- Metering Installation Exemptions Guideline
- Retail Electricity Market Procedures Glossary and Framework

Contents

1. Stakeholder consultation process

AEMO has consulted on the Proposals in accordance with the standard rules consultation procedure in NER 8.9.2. This Final Report uses terms defined in the NER, which are intended to have the same meanings.

AEMO's process and timeline for this consultation are outlined below.

Table 1 Consultation process and timeline

Consultation steps	Dates
Issues Paper published	10 February 2025
Submissions due on Issues Paper	24 March 2025
Draft Report published	9 May 2025
Submissions due on Draft Report	13 June 2025
Final Report published	1 July 2025

AEMO's consultation webpage for the proposal is at https://aemo.com.au/consultations/current-and-closed-consultations/2025-metering-services-review-package-2, containing all published papers and reports, written submissions, and other consultation documents or reference material.

AEMO also held three meetings to discuss the Draft Determination:

- Intellihub: 11 June 2025
- PlusES: 1 June 2025
- Bluecurrent: 11 June 2025

AEMO thanks all stakeholders for their feedback on the proposal throughout this consultation, which has been considered in preparing this final report.

2. Background

2.1. Context for this consultation

On 28 November 2024, the Australian Energy Market Commission (AEMC) published the Accelerating Smart Meter Deployment (ASMD) Final Rule to achieve universal smart meter deployment in the NEM by 2030. The Final Rule introduces a package of reforms designed to accelerate the deployment of smart meters and unlock the benefits of smart meter data.

In consultation with industry before the publication of the Draft Rule in April 2024, AEMO split the consultation into three work packages. The work packages reflect the Draft Rule approach of considering several core reforms and enabling reforms to accelerate the deployment of smart meters and utilise the functionality of the smart meters. The core reforms relate to the acceleration of smart meters in the NEM and delivery of power quality data to DNSPs; enabling reforms include reducing barriers to installing smart meters and new approaches to minimise the costs for industry and consumers for testing and inspection of metering installations. The Final Rule has kept the approach of core reforms and enabling reforms from the Draft Rule.

Table 2 outlines the consultation approach across the three packages of work.

Table 2 Consultation Packages

Consultation	Issue Paper	Expected Final Report
Package 1: Acceleration	29 May 2024	2 April 2025 (completed)
Package 2: Testing/Inspection and Malfunctions	10 February 2025	1 July 2025 (completed)
Package 3: Power Quality Data	2 April 2025	30 September 2025 (in progress)

This consultation reviews the procedural impact of package 2, Testing/Inspection and Malfunctions.

2.1.1. Package 2: Testing/Inspection and Malfunctions

Testing/Inspection

In their review of the framework for Metering Services, the AEMC identified the testing and inspection requirements for Metering Coordinators (MCs) as ambiguous and allowed for different interpretations to be applied. The Final Rule introduces a new requirement for AEMO to produce an Asset Management Strategy Guideline to ensure MCs have a testing and inspection strategy in place to reliably test metering installation accuracy and identify metering installation condition faults in a reasonable period.

Under the NER, a MC must test and inspect metering installations according to a time-based schedule or an approved Asset Management Strategy. Testing and inspection requirements are outlined across several Procedures and Documents, including:

- Section 8 of the ‘Metrology Procedure Part A’ directs MC on their testing and inspection requirements and outlines acceptable alternative testing practices for meter testing.

- The document 'Alternate Testing and Inspection Guidelines for Metering Installation in the NEM' details alternative low-voltage CT testing options for MCs.

The Final Rule removes the requirement for the Metrology Procedure to record the asset management strategy for testing and inspection requirements — new obligations require AEMO to develop an Asset Management Strategy Guideline. Specifically, additions to the NER include changes to the following clauses and tables:

- NER S7.6.1 describes the objective of the Guideline, the information AEMO must include in it, and what AEMO must consider when developing it.
- NER S7.1.2(b)(6) and S7.6.1 include references to asset management strategies.
- Tables S7.6.1.2 and S7.6.1.3 require testing and inspections under either an asset management strategy or in accordance with the timeframes in these clauses, unless covered by a Legacy Meter Replacement Plan – this includes exempting MCs from testing and inspecting legacy meters during the LMRP period.

AEMO proposes creating a new guideline within the ambit of the Metrology Procedures (similar to adopting the Network Device and Meter Churn procedure requirements in the NER). The document would expand the current 'Alternative Testing and Inspection Guideline for Metering Installations in the NEM v2.0', accommodating matters such as LV CT arrangements.

Malfunctions

Under the Final Rule, small customer metering installation malfunctions in NER 7.8.10 have different timeframes for rectification for individual malfunctions (15 business days) and those that have failed under a sample-based testing methodology (70 business days). If a MC cannot rectify the malfunction in the allocated timeframe, it can apply to AEMO for an exemption.

Considering the rule change to the malfunction timeframes, AEMO proposes modifying the Exemption Procedure Metering Installation Malfunctions. The proposal streamlines the process by which a MC can apply for an exemption for a small customer metering installation by identifying the components of the metering installation that can be exempted and the timeframe for the exemption. AEMO believes this approach will improve efficiencies and provide cost savings for participants.

2.2. NER requirements

AEMO is responsible for the establishment and maintenance of metering procedures specified in Chapter 7 except for procedures established and maintained under NER 7.17.

The procedures authorised by AEMO under NER Chapter 7 must be established and amended by AEMO in accordance with the Rules consultation procedures.

2.3. The national electricity objective

Within the specific requirements of the NER applicable to this proposal, AEMO will seek to make a report that is consistent with the national electricity objective (NEO) and, where considering options, to select the one best aligned with the NEO.

The NEO is expressed in section 7 of the National Electricity Law as:

> to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity with respect to:
>
> (a) price, quality, safety, reliability and security of supply of electricity; and
>
> (b) the reliability, safety and security of the national electricity system; and
>
> (c) the achievement of targets set by a participating jurisdiction—
>
> for reducing Australia's greenhouse gas emissions; or
>
> that are likely to contribute to reducing Australia's greenhouse gas emissions.

3. List of material issues

The key material issues raised in submissions to the draft report are listed in 0. This final report only discusses those issues. Please refer to the draft report itself for AEMO's consideration of issues arising at earlier stages of consultation.

Table 2 List of material issues

No.	Issue	Raised by
1.	Exemption Procedure – metering installation malfunctions	Multiple respondents
2.	Population (family) sizes	Intellihub

A detailed table of issues raised by stakeholders in written submissions to the final report, together with AEMO's responses, is contained in a separate document published on the Consultation webpage.

Each of the material issues in 0 is discussed in Section 4.

4. Discussion of material issues

4.1. Exemption Procedure – metering installation malfunctions

4.1.1. Issue summary and submissions

The ASMD Rule creates two separately defined categories for small customer meter malfunctions.

- Individual failures with a 15-business day replacement timeframe.
- Family failures (statistical testing) with a 70-business day replacement timeframe.

The newly defined category for small customer metering installation malfunctions required a review of AEMO's Metering Installation Malfunction Exemption Procedure and the Exemption process in MSATS. In particular, the change allowed AEMO to provide specific guidance to MCs about which events will be acceptable for an MC to apply for an exemption and the proposed timelines for those exemptions.

AEMO proposed in the Issues Paper and Draft Report that the Metering Installation Malfunction Exemption Procedure and the Exemption process in MSATS should be streamlined. The changes would allow MCs to apply for exemptions for the following reasons:

- Procurement delays for instrument transformers
- Authorised access to specialised equipment
- Family failures

Sites that cannot be rectified by the Metering Provider and are out of the control of the MC, would not be considered reasons for exemptions. This would include situations where a metering installation malfunction would not reasonably be identifiable, for example due to an unforeseen extraordinary weather event, or an inability to access a metering installation. Issues preventing malfunction rectification that relate to an action or inaction from an end user, or a feature of the end user's premises, were also excluded – acknowledging that the MC is unlikely to be able to be capable of constructing a robust rectification plan and that customer-sensitive information cannot be shared with AEMO due to privacy considerations.

The Exemption Procedure also proposed limiting the timeframe in which an exemption can be requested. The proposal would allow a maximum period of:

- 70 business days for family failures; or
- 15 business days for individual whole current metering installations at small and large customer premises.

This period would be in addition to the malfunction rectification timeframe provided for in the NER. For example, a family failure meeting the exemption approval criteria would be given a total of 140 business days to be rectified (70 business days for the malfunction rectification as specified in the NER, plus a maximum of an additional 70 business days for the exemption).

Participant responses to the Draft Report felt that limiting the scenarios to procurement delays, authorise access and family failure risks participants being non-compliant with the NER if they fall outside these reasons. Bluecurrent, Intellihub, and PlusES raised these concerns:

Bluecurrent: *We do not support the AEMO approach to reducing the scope of under which AEMO will provide exemptions to the time frames for resolving Metering Malfunctions specified by CL 7.8.10. of the NER.*

The draft report states that AEMO will only consider factors within MC control, excluding factors outside MC control for exemption. This approach might put MCs in breach of the rule and incur tier 1 civil penalties. We strongly oppose this for several reasons.

Upon review of the MSR Final report we note that the AEMC had clearly indicated their expectation that AEMO should take items out-side the control of the MC into consideration.

"…The Commission also considers that the flexibility provided by the exemption process provides should be retained, to reflect the challenges that may be faced in undertaking some meter changeovers…….The metering coordinators could be prevented from meeting the 70 business day replacement timeframes due to reasons, such as: circumstances out of metering coordinator control that prevent meter upgrades, for example, where a customer's site has defects" – Metering review – Final Report Section C.3.5 pages 80-81.

We have noted the extent of the changes proposed by AEMO in package 2. These changes were unexpected, considering that the final rule was concentrated on two specific areas: recognizing that metering malfunctions for family failures are different from individual malfunctions, and an administrative adjustment requiring the MC to submit a remediation plan with an exemption request, instead of after the exemption is granted by AEMO. The additional modifications to narrow the scope for an exemption appear to be unnecessary.

Furthermore, should the consultation proceed down the path indicated by the draft report, we view that AEMOs approach is legally problematic. We have provided a detailed assessment on our view of the rules and AEMO obligations on considering exemption requests (see attached).

Intellihub: *We strongly disagree with AEMO not allowing for matters outside of the MC's control to be excluded from an exemption request.*

We believe this is inconsistent with the intent of the AEMC's review and rule where the AEMC stated circumstances out of the metering coordinator's control that prevent meter upgrades, for example, where a customer's site has defects is a valid reason for not meeting the defined time frames in the rule.

We also believe it is counter-intuitive for AEMO to define matters inside of the MC's control to be included for an exemption but matters outside of the MC's control to be excluded for an exemption. If the matter is inside the MC's control then the MC should action it and an exemption is not required. However, if the matter is outside of the MC's control then it seems unreasonable to not allow for an exemption and expose the MC to a tier 1 civil penalty provision.

We wish to highlight the AEMC stated that the final rules implement recommendations made as part of the Review of the Regulatory Framework for Metering Services (the Review), which was published by the Commission on 30 August 2023. The rule change request was fast-

tracked, reflecting the extensive consultation carried out during the Review. Therefore, we believe the Review's final report is relevant to the final rule and should be considered by AEMO.

We also note that the AEMC indicated that they trust AEMO will uphold their practice of been collaborative and to consider all relevant matters including reviews that are an input to a rule change (page 24, AEMC final report on Accelerating Smart Meter Deployment). The AEMC made this statement because there was concern from industry that AEMO may deviate from the intent of the review and rule. Although this concern was in relation to PQD, if AEMO does not consider the review with regards to the testing and inspection changes then we believe it will validate and further exacerbate the concerns industry has of AEMO and may also impact on the trust the AEMC has with AEMO.

PLUS ES: *PLUS ES does not support AEMO's currently proposed approach to align the procedure with the changes in the NER. It is our belief that the scope of changes are not commensurate with the amendments in the respective Rules, nor do they align with the spirit of the Rules. The proposed AEMO approach leave the MC exposed to non-compliance, potential penalties, increase costs to manage unremediated, malfunctioning metering and impose a cost impost to amend business and system processes for significantly lesser industry benefits.*

The amendments in the Rules, in accordance with the associated AEMC Final Reports, were to deliver a better metering malfunction framework to support faster replacements. It was also acknowledged that a 15 business day timeframe for larger volumes of metering malfunctions such as family failures was unrealistic and created an industry administrative burden. The changes applied to the current Rules:

- *Allow for 2 separate categories of metering malfunctions, defining these 2 types of metering malfunctions and associated timeframes:*
    - *Individually identified metering malfunctions – 15 business days*
    - *Family failure metering malfunctions – 70 business days;*
- *Allow an alternate timeframe aligned with the new clause 7.8.10D - Shared fusing meter replacement procedure, for those installations which would require interrupting supply to another small or large customer to repair;*
- *Pause sample testing for legacy meters during the accelerated smart metering deployment period; and*
- *Require the MC to provide a rectification plan at the time of making the exemption application, a change to current Rules which required the MP to provide a rectification plan following the provisioning of the exemption.*

Additionally, the AEMC is also cognisant there are circumstances where metering installations cannot proceed due to barriers outside the MC's remit, such as:

- *Customer defects - They introduced a defect tracking and monitoring process within the ASMD Rule change;*

- *Customer refusals - They have introduced measures via rule changes to increase smart metering social licensing such as enabling a pathway for small customer refusals (NER clause 7.8.3), retail notices, tariff changes following a smart metering installation; and*
- *Metering Installation timeframes exceptions for NER Clauses 7.8.10A, B, C & the newly introduced 7.8.10D – these include but are not limited to the small customer not entering into an agreement with the retailer for the meter to be installed and/or the proposed site for the meter at the customer's premises is not accessible, safe or ready for the meter to be installed.*

Whilst metering installation barriers are recognised, the Rules do not make allowances for metering malfunctions exceptions. The only option available within the MC's remit to maintain NER compliance is the exemption process.

However, AEMO's proposed approach has amended the existing metering malfunction exemption process in a manner which restricts the granting of MC metering malfunction exemption to a handful of use cases. This focus on MC record keeping has the potential to increase the MC's liability, as it:

- *Does not deliver a better malfunctioning framework to support faster replacements. Metering installations with dependencies on third parties will not get replaced faster;*
- *Openly acknowledges that the MC will be NER non-compliant for the scenarios they determine as out of scope (barriers which are beyond the MC remit);*
- *Removes the current transparency which is available to other financially impacted market participants via the MSATS metering malfunction exemption field; and*
- *Increases the accountability and potential liability on MCs, especially for situations where metering installations/remediations are beyond their control:*
    - *Increased risk relating to audits and compliance - increasing the administrative burden on the MC and their risk exposure to be penalised (Tier 1 and Tier 2 penalties); and*
    - *Without a formal exemption process, MCs may face challenges in demonstrating they've taken appropriate steps to remediate.*

PLUS ES proposes the following for AEMO's consideration to ensure an equitable outcome – derisking MC compliance and lessening the administrative burden for all stakeholders:

- *Allowing Metering Malfunction Exemption Extensions, especially for circumstances where the barrier is outside of the MC's control;*
- *Allowing Metering Malfunction Exemption Extensions for circumstances where logistically it is impractical to complete within the initially applied exemption timeframe;*
- *Implementing a tier exemption process with flexible timeframes which are reflective of the cause and the accountable party for the need of an exemption application whilst maintaining a level of formal oversight. For example, complex or potentially prolonged issues which are out the MC's control – a simplified, expedited process could be*

implemented. This could potentially require a rectification plan which requires all MCs to do x, y, z and when all has been exhausted a long-term extension is provided; and

- *AEMO standardised exemption process with clear guidelines and expectations for the various exemption triggers. This would streamline the exemption process.*

PLUS ES would welcome an opportunity to further engage with AEMO and market participants to consider well-deigned proposals to effectively minimise the operational and industry impacts of external prevention events. However, for the purpose and timeframes of this consultation, we do not support the current proposed amendments, particularly where they inappropriately shift compliance risk onto the MC. This approach is neither equitable nor sustainable, and we urge AEMO to reconsider its position.

4.1.2. AEMO's assessment

AEMO considers it necessary to place clear limitations on the use of metering installation malfunction exemptions to ensure the process remains consistent with AEMO's authority under the NER clause 7.8.10(a), and to encourage robust operational practices by MCs. Specifically, the exemption process must not become a substitute for effective monitoring, diagnosis, and site management practices expected of MCs in the ongoing management of metering installations.

MCs are expected to maintain processes and commercial arrangements that enable the timely rectification of metering installation malfunctions in accordance with the timeframes prescribed by the NER. Exemptions should only be sought in exceptional or extraordinary circumstances – not in routine or foreseeable situations – and should not be used as a default operational mechanism.

The NER requires MCs to submit a rectification plan as part of any exemption application. AEMO interprets a rectification plan to mean a concrete and actionable proposal, with clearly defined steps and timeframes, to resolve the malfunction. A valid plan must be based on a positive identification of the malfunction and a reasonable forecast of the time and means required to address it. The development of this plan implies that the MC has undertaken adequate diagnostics and site assessment prior to submitting the exemption application.

While it is acknowledged that some issues – such as the need for specialised equipment or skilled personnel – may only become apparent upon inspection or diagnosis, once the malfunction has been confirmed, the rectification process is generally within the MC's control. This includes the organisation of follow-up site visits and necessary coordination with the Financially Responsible Market Participant (FRMP), particularly where access requirements under the National Energy Retail Rules (NERR) apply.

In some cases, third-party involvement (e.g. a FRMP) may be required to resolve a malfunction. AEMO considers it reasonable to expect MCs to maintain standing arrangements with such parties to facilitate timely resolution. Where delays are experienced due to third-party processes beyond the MC's control, AEMO may consider these within the scope of the exemption process only where the underlying malfunction has been positively identified and rectification is not immediately possible.

4.1.3. AEMO's conclusion

AEMO has determined to make adjustments as follows:

Following stakeholder submissions, AEMO acknowledges that in rare and exceptional circumstances, additional time may be necessary to complete rectification where third-party processes are involved. In response, AEMO has extended section 2.2. of the Procedure to allow limited applications related to third-party dependencies. To balance operational transparency with the protection of personal information, the information required in such applications is limited to:

- The NMI to which the exemption applies;
- The nature of the malfunction identified by the MC; and
- The requested exemption expiry date, which must not exceed 15 additional business days beyond the standard rectification timeframe in the NER (i.e. a maximum extension of 100%).

Further revisions to the limitations and reasonable use of the exemptions process have been considered based on review of submissions:

The text related to unforeseen extraordinary events and hazardous or unsafe conditions have been removed in the updated draft, i.e.:

> ~~(c) Unforeseen extraordinary events, such as natural weather events, that were not predictable, preventable, or controllable, or that did not result from negligence by any party associated with the metering installation, and which are likely to affect the ability to rectify malfunctions and other metering activities for a significant number of NMIs, should not be the subject of an exemption application.~~
>
> ~~(d) If the metering installation malfunction is related to a hazardous or unsafe condition at an electrical installation, the MC must not apply for a metering installation malfunction exemption~~.

Hazardous and unsafe conditions at a metering installation are matters related to safety legislation, separate to AEMO procedures. The rationale for these exclusions was to clarify that metering installations that might be subject to a power outage or otherwise are de-energised (e.g. in the case of a natural weather event) are not themselves evidence that there is a metering installation malfunction.

Typically, events such as these will be initially identified by MCs as NMIs where remote acquisition of metering data is not operating. AEMO has updated the procedure to specify how remote communication failures should be treated as grounds for exemption, in the new clause 2.3 in the procedure to better clarify the intent in the now deleted clauses.

This update clarifies that the inability to remotely acquire metering data (while operationally significant) is not, on its own, a valid basis for an exemption from the metering installation rectification timeframes under clause 7.8.10(a) of the NER.

Remote communication failures may stem from a range of external factors not related to the condition or functionality of the metering installation itself, including but not limited to:

- Power outages to a premises,
- Mobile network or other telecommunications issues, or
- Failures in upstream data systems.

Where these issues are not caused by a metering installation malfunction, they do not meet the intent of the exemption framework. This revised position ensures the exemptions process is used only for circumstances involving actual hardware failure or degradation of metering installation components.

Further, this amendment aims to:

1. Uphold the integrity of the malfunction exemption process by ensuring that exemptions are only granted where genuinely warranted;
2. Promote rigorous root-cause analysis by MCs before seeking exemptions;
3. Encourage appropriate fault categorisation and avoid conflating data acquisition issues with metering installation malfunctions; and
4. Reduce the administrative burden associated with inappropriate or unnecessary exemption requests.

4.2. Metrology Procedure Part C – family sizes

4.2.1. Issue summary and submissions

The ASMD Rule requires AEMO to create Asset Management Strategy Guidelines. AEMO proposed in the Issues Paper to create a new guideline within the ambit of the Metrology Procedures, called Metrology Procedure Part C. The document would expand the current Alternative Testing and Inspection Guideline for Metering Installations in the NEM v2.0, accommodating matters such as LV CT arrangements.

A key element of Metrology Procedure Part C is moving away from AS1284.13 – Electricity Metering: In-service compliance testing. AEMO's proposal supports a Procedural approach for flexible, NEM-specific testing and inspection requirements, adapting quickly to new technologies. In AEMO's assessment, this flexibility is not achievable with AS1284.13.

Section 4.5 of Metrology Procedure Part C outlines population sizes and acceptance/rejection levels for each group to be tested, proposing a maximum population size of 35,000; this differs from AS1284.13. Intellihub requested removing this limitation.

Intellihub:

We strongly disagree with AEMO restricting the family size to 35,000 on the basis that family sizes must be chosen such that a family failure can be replaced within 70 business days.

We believe this is inconsistent with the intent of the AEMC's review and rule where the AEMC acknowledged that the '… size of a family is so large that it cannot be reasonably expected to be replaced within 70 business days' – see extracts in the Appendix below.

In addition, depending on the nature of the malfunction there is no benefit of having smaller family sizes because the impact will be appear across multiple families. It would be better practice to define larger families and depending on the nature of the malfunction define sub families.

Also, in practice if multiple families failed due to the same nature of malfunction then the MC may still experience resource challenges to replace within 70 business days or the additional 70 business days under an exemption. Therefore not allowing for flexibility in the family size and the exemption timeframe puts unreasonable and unpractical pressure on the MC.

We suggest AEMO remove the restriction of the family size and instead allow MCs to define their strategy that is most suitable for them, noting that AEMO will still have visibility and the right to approve or not approve the strategy.

4.2.2. AEMO's assessment

AEMO has adhered to AS1199.2 for defined lot sizes and sample sizes. However, AEMO has not included lot sizes more than 35,000 due to the NER requiring family replacements to be completed within 70 business days. Section 4.4 of Metrology Procedure Part C defines the characteristics for each population and the sub-population characteristics that a MC may apply to further disaggregate a population.

In the Draft Report, AEMO noted:

When developing asset management strategies, MCs should consider the cost-benefit relationship of population size and the potential risks associated with family failures when determining appropriate population sizes for testing. This consideration should be explicitly outlined in any proposed asset management strategy presented for AEMO's consideration – i.e. the ability for the MC to respond to a family failure in accordance with the timeframes for rectification specified in the NER.

AEMO maintains this approach as appropriate. The AEMC have established that family failures must be resolved within 70 business days, unless AEMO has approved an exemption. The exemption process represents a 100% increase over the timeframe required by the NER.

Metrology Procedure Part C allows redefining a population failure if there is supporting evidence that a specific characteristic is the cause of the original population failure. MCs should consider how each population is defined and consider the risks associated if the population fails.

4.2.3. AEMO's conclusion

AEMO will maintain a maximum sized population of 35,000 as described in section 4.5 of Metrology Procedure Part C.

5. Final report on proposal

Having considered the matters raised in submissions to the Draft Report, AEMO has determined to amend the Procedures in the form published with this Final Report.

Effective dates: 1 December 2025

New Procedure

- Metrology Procedure Part C

Procedures requiring amendment

- Metrology Procedure Part A[1]
- Guide to the Role of the Metering Coordinator
- Service Level Procedure: Metering Provider Services
- Exemption Procedure Meter Installation Malfunctions
- Metering Installation Exemptions Guideline
- Retail Electricity Market Procedures Glossary and Framework

[1] Metrology Procedure Part B version is updated to 8.0 to align to Metrology Procedure Part A

Appendix A. List of Submissions and AEMO Responses

Please review to the separate attachment regarding submissions.