Endeavour Energy

12 January 2017

Dr Anthony Marxsen
Chairman
Australian Energy Markets Operator
GPO Box 2008
Melbourne Vic 3001

By email: poc@aemo.com.au

Dear Dr Marxsen

RE: AEMO – Power of Choice Procedure Changes (Package 2) – Second Stage Consultation (13 December 2016)

Endeavour Energy welcomes the opportunity to provide feedback on AEMO's second stage consultation on Power of Choice Procedure Changes (Package 2).

AEMO's consultation process follows the Australian Energy Markets Commission (AEMC) Power of Choice program which implemented a number of rule changes designed to promote competition in metering and other emerging energy services. In particular, the following amendments were made to the National Electricity Rules (NER):

- National Electricity Amendment (Expanding competition in metering and metering related services) Rule 2015.
- National Electricity Amendment (Embedded Networks) Rule 2015.
- National Electricity Amendment (Meter Replacement Processes) Rule 2016.

As a consequence of these rule changes, AEMO is required to amend existing procedures and develop several new procedures. AEMO has developed and consulted on the first package of procedures earlier in 2016 and have published their final determination for the first package on 31 August 2016. AEMO has now created or amended more procedures for the second package and are now consulting on this package of procedures.

Broadly, we support the amended and new procedures for the second package and consider they collectively give effect to the AEMC's Power of Choice reforms. We are pleased that AEMO has decided to allow for a NMI to be de-commissioned when a connection point moves from a distribution network to an embedded network, and vice versa.

This is a challenging work programme and timeframe and we appreciate the consultation undertaken by AEMO to date. Our detailed comments on each of the amended or new procedures are attached and in the manner requested by AEMO. We would welcome the opportunity to work collaboratively with AEMO and other stakeholders in developing these procedures further.

If you have any queries or wish to discuss this matter further please contact Glenn Ryan, Project Director Metering and Customers at Endeavour Energy on (02) 9583 7591 or via email at glenn.ryan@endeavourenergy.com.au.

Yours sincerely

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METERING COMPETITION
EMBEDDED NETWORKS
METER REPLACEMENT PROCESSES

POC PROCEDURES CONSULTATION (PACKAGE 2)

SECOND STAGE PARTICIPANT RESPONSE TEMPLATE

***Participant**: Endeavour Energy*

***Completion Date**: 12 Janurary 2017*

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1. Glossary and Framework

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments

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

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Clause	Heading	Participant Comments
1.2	Definitions and Interpretation	Procedural improvement: There are a number of terms that are defined within this document instead of the Glossary and Framework document. For ease of referencing we would suggest that these defined terms be documented in a table in this section. If this is not accepted then we would suggest that AEMO explain that words in bold within brackets are a defined term.
3.2	Review of Capability for Ongoing Compliance	Procedural improvement: The term Breach is a defined term and should be used consistently. We suggest that clause 3.2 be reworded to: “If an MP, MDP, ENM or MC has not remedied the Breach referred to in the Notice of Breach within 7 days after the issue of the notice, AEMO will conduct

		a review to assess the relevant MP, MDP, ENM or MC's capability for ongoing compliance with the NER or applicable procedures under the NER as required by clause 7.4.4(c)(2) of the NER, or clause 7.7.3(c)(2) (**Review**)."
3.3	Determination of Type of Breach	Procedural improvement: The term Breach is a defined term and should be used consistently without having to try to redefine it within a sentence. We suggest that clause 3.3.3.b be reworded to: "a Breach that has resulted in the MP, MDP, ENM or MC incurring civil penalties or other sanction under the NEL;" Procedural improvement: The term Breach is a defined term and should be used consistently. The term jurisdictional is not a defined term therefore should not be capitalised. We suggest that clause 3.3.3.c be reworded to: "a Breach of a jurisdictional requirement in the metrology procedure;"
3.4	AEMO action following Review	Procedural improvement: The options available to AEMO should include a combination of subparagraph i, ii and iii. We suggest that clause 3..4.1.a.iv be reworded to: "any combination of the above."

3. Exemption Procedure (Metering Installation Malfunctions)

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Clause	Heading	Participant Comments
2.3	AEMO's Determination	Procedural improvement: The leading in paragraph and clause 2.3.d contradict each other. We suggest rewording the leading in paragraph to: "AEMO must:" We suggest rewording clause 2.3.d to: "determine whether to approve the application and communicate that determination to the applicant by the end of the fifth business day from receipt of the application or the second business day from receipt of additional information requested (whichever is the later)."
2.4	Matters taken into Consideration	Procedural improvement: AEMO has made the draft MP's rectification plan mandatory with every exemption application. For avoidance of any confusion we suggest rewording clause 2.4.g to: "a draft of the MP's rectification plan; and"
2.5	Grant of Exemption	Procedural improvement: AEMO has made the draft MP's rectification plan mandatory with every exemption application. For avoidance of any confusion

		we suggest rewording clause 2.5.a to: “The Current MC must provide the final version of the MP’s rectification plan in the form specified in section 3 for the rectification of the metering installation malfunction by a specified date. The Current MC must notify all affected Participants of the final version of the MP’s rectification plan” Procedural improvement: Endeavour Energy supports having a requirement to notify affected participants, including the LNSP, of the granting or extending of an exemption. To make the notification more effective a notification SLA should be defined. Also the format of the notification should be defined to ensure consistency in the communication and a notification for revoking an exemption should be included. We suggest rewording clause 2.5.d to: “The Current MC must notify all affected Participants of the grant of the exemption or any extension to that exemption within 1 business day of receiving the approval from AEMO. The notification must include the application form, the MP’s rectification plan and AEMO’s letter of approval.” We suggest rewording the last paragraph of clause 2.5 to: “If the Current MC fails to meet any condition specified in the grant of the exemption, AEMO may revoke the exemption by notice to the Current MC and all affected participants.”
3.1	Timing	Procedural improvement: AEMO has made the draft MP’s rectification plan mandatory with every exemption application. For avoidance of any confusion we suggest rewording clause 3.1 to:

		"The Current MC must provide the MP's rectification plan with its application for exemption. If the final version of the MP's rectification plan is not available then a draft must be provided and the final version must be provided to AEMO in accordance with 7.8.10(c) of the NER, by the date specified by AEMO in its notice of exemption to the Current MC."
Appendix A.	APPLICATION FOR EXEMPTION	Procedural improvement: To prompt the applicant to consider who the Other affected participants to consider are we suggest rewording row 12 to: "Other (e.g. NSP2, EENSP etc):"
Appendix B.	APPLICATION FOR EXTENSION	Procedural improvement: To prompt the applicant to consider who the Other affected participants to consider are we suggest rewording row 12 to: "Other (e.g. NSP2, EENSP etc):"

4. MSATS Procedures: National Metering Identifier

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments
2.2	Issue of NMIs by LNSPs and ENMs	Procedural improvement: Clause 2.2.a is difficult to read with the inclusion of the ENM. We suggest splitting this clause into two separate clauses as follows: "For each new connection point the FRMP must apply to the relevant LNSP for a NMI prior to assuming responsibility for the connection point, and the LNSP must issue a NMI to the FRMP for that connection point from the LNSP's allocated list." "For each child connection point the FRMP must apply to the relevant ENM for a NMI prior to assuming responsibility for the child connection point and the ENM must issue a NMI to the FRMP for that child connection point as provided by AEMO."
9.2	NMI Decommissioning	Procedural improvement: Endeavour Energy supports the change to de-commission the NMI when a connection point moves from a distribution network to an embedded network and vice versa. We also note that at the AEMO workshop on 20/12/2016 AEMO highlighted that in updating the draft procedure the intent was to "… clarify the conditions that require a NMI to be made extinct and those that do not allow for an extinction of the NMI". For

		avoidance of any doubt and for a consistent market approach it should be made clear that this obligation is mandatory. We suggest rewording clause 9.2.a to: “A NMI in the metering register must be recorded as de-commissioned in the metering register when:” Procedural improvement: For avoidance of any doubt it should be made clear that the application of clause 9.2.b is at the discretion of the LNSP. We suggest rewording clause 9.2.b to: “When a NMI is allocated to a builder’s temporary supply, the same NMI may be re-used for the permanent supply once construction is completed, as determined by the LNSP provided:” Procedural improvement: Clause 9.2.c.iii is highlighting two different scenarios. We suggest splitting this into two separate clauses. Procedural improvement: The second scenario highlighted in clause 9.2.c.iii should make it clear that this scenario only applies if both services are not concurrently operational. We suggest rewording the second scenario of clause 9.2.c.iii to: “a relocation of the meter enclosure without changes being made to the location of the measurement transformers provided both services are not concurrently operational;”
10.1	Data Delivery to AEMO (MSATS System)	Procedural improvement: net energy is only applicable to interval metering data. We suggest rewording clause 10.1.b to:

		"*Interval metering data* is always provided as net energy flow to MSATS."

5. Qualification Procedure

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3.5.	Pre-Production Assessment	Procedural improvement: Clause 3.5.1 contradicts clause 7.17.1.d, 7.17.1.e and 7.17.1.f of the NER which places an obligation on the ENM to comply with the B2B Procedures and use the B2B e-Hub unless agreed otherwise with other B2B Parties. We suggest rewording the first paragraph of clause 3.5.1 to: “After accreditation and registration, MPs (except Category A), MDPs (except Category C) and ENMs will require access to AEMO’s MarketNet, MSATS and the B2B e-Hub”
4	Maintenance of Accreditation and Registration	Grammatical error: Second paragraph of Clause 4 should state: “All costs associated with the reviews carried out by AEMO in accordance with a service level procedure will be met by the relevant MDP, MP or ENM on an incremental basis, including all disbursements.”

6. Service Level Procedure – Embedded Network Manager

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments

7. Unmetered Load Guideline

Please delete any rows where there are no participant comments

Clause	Heading	Participant Comments

8. Other Issues Related to Consultation Subject Matter

Document	Clause	Heading	Participant Comments