

# Power of Choice Procedures Working Group

## 2 March 2016 Workshop

### Meeting notes

#### 38 Attendees

<b>Name</b>	<b>Company</b>
Tim Sheridan	AEMO (Chair)
Lee Brown	AEMO
Noura Elhawary	AEMO
Roy Kaplan	AEMO
David Ripper	AEMO
Helen Stimpson	Active Stream
Kate Reid	AEMC
Mark Riley	AGL
Jenny Baltatzidis	AGL
Stephen Zok	Ausgrid
Jackie Krizmanic	Ausnet Services
Justin Betlehem	Ausnet Services
Tony Darby	Brave Energy
Dino Ou	Endeavour Energy
Tom Cole	Energex
Karly Train	Energy Australia
Georgina Snelling	Energy Australia
Randall Brown	Energy Australia
Tony Woolfe	Essential Energy
Inger Wills	intelliHub
Leon Viffand	Jemena
Nirav Raiguru	Jemena
Mara Tennis	Lumo/Red Energy
Aakash Sembey	Momentum Energy
Camille Hymer	Pacific Hydro
David Rofe	Powercor/Citipower
Mark Pilkington	Powercor/Citipower
Haiden Jones	Powershop
Mario Logha	Origin
David Woods	SA Power
Lance McMinn	Secure Australasia
Umesh Dutt	Service Works
Angus Nardi	Shopping Centre Council
David Sales	TasNetworks
Nicole Chaplin	United Energy
Verity Watson	United Energy
Opal Russ	Vector

### **Important note**

The intent of this document is to capture the commentary in summary form, from the POC Procedures Working Group (POC-PWG) workshop held on 2<sup>nd</sup> March 2016. The topics under discussion were led by the slides provided for the day and were presented by AEMO representatives. The information on the slides is not reproduced here, nor are the comments provided to the slides from the presenter, save for comments provided to summarise a discussion or in direct response to a question from an attendee.

Please note that procedure changes must be made in accordance with the NER Rules consultation procedures and therefore, all matters discussed at workshops and other meetings will be considered by AEMO and will assist in AEMO forming a position on various subjects but should not be taken as a representation, warranty or agreement, express or implied, as to the final procedure changes.

### **Purpose of the workshop**

As a result of the final determination of Metering Competition and Embedded Network, AEMO needs to update relevant existing Procedures or create new ones as required in the new rule. The aim of the workshop is not to litigate the rules, but rather to focus on topics where AEMO needs further input and information from industry Participants to update the Procedures. The assumption is that the audience of the workshops has reasonable amount of expertise on the topics discussed in the workshop. Topics will be presented based on the presentation slides followed by an open discussion on each topic without time limits. Once the topic is discussed a summary will be provided to the audience at the end of each topic. If new topics come up which are not included in the meeting agenda then they might be considered as future topics in future workshops.

### **Topics under discussion**

1. Minimum Services Specification
2. Embedded Networks
3. Metrology Requirements Revisited
4. Metrology Part A – Jurisdictional Matters

## **Topic 1: Minimum Services Specification**

- AEMO referred to the rules to clarify that the scope of the minimum services specification is only related to the capability of the metering installation itself, and it is not related to the end-to-end service levels between the requestor and the supplier of the service.
- Participants questioned why AEMO is only considering two service categories (as presented in the slide presentation pack) (instant service, and scheduled service) in the minimum services specifications as opposed to the five service categories which AEMO has proposed in the Minimum Functionality and Shared Protocol advice paper back in 2014. AEMO clarified that it has used these two as they are the two extremes of the services categories identified (i.e. one requires very fast services to be performed, the other a service to be performed at some point in the future) and has used them purely for context when considering the minimum services specification.
- AEMO clarified that as per the rules the minimum services specification does not include the performance of the backend communication systems, rather the components of the metering installation itself, as described in the rules.
- The group discussed that any mapping of an end-to-end service from requestor to supplier and the performance standards and service levels associated with that is for commercial agreements between parties and is outside the scope of AEMO's role and the minimum services specification.
- Participants questioned whether the minimum services specifications will be binding. For example, if the MSS specifies that service levels for remote disconnection is 30 mins and participants decide to use metering installation with remote disconnection service level of 1 hour, will that be allowed under the rules and the MSS procedure?
- AEMO clarified that the minimum services specifications are mandated and binding and that participants will have to install metering installations that have the capability to deliver the minimum services specification.
- AEMO clarified their understanding that the minimum services specifications metering installations are only related to new or replacement metering installations for small customers, installed from 1 December 2017.
- The group consensus was that the service level and performance standards proposed by AEMO needs to be modified to reflect the real technical capability of the metering installations, as follows:
  - The service levels for all services to be a minimum of 1 minute.
  - Modify the performance standard for all services from 98% to 99.5%.
  - Remove the accuracy requirement from all services, as it is irrelevant and unnecessary.
  - Modify the availability for all services to be 24/7, as the metering installation should be available 24/7.
- Some participants suggested that relevant aspects of the minimum services specification should be based on the Standards Australia review for electricity metering which commences in March 2016.
- AEMO clarified that the development of the MSS procedure is independent from any Australian Standards process and that if standards change, they will be considered and if appropriate, adopted in the rules and Metrology Procedure at that stage.
- Participants questioned what "completed" means in the service levels and performance standards of the on-demand meter read. AEMO clarified it means that the data has been read

and collected by the meter and is ready to be sent by the meter (i.e. the metering installation has performed all of its processes and commands to perform the service).

- Some participants suggested that AEMO does not need to create new procedure for the minimum services specifications, and that it can be included within the Metrology Procedure: Part A. AEMO indicated that it is considering the framework for all AEMO Procedures as a result of the changes from competition in metering and embedded networks.
- The group noted that currently there is an existing issue relating to a new retailer requesting a reconnection service, and that the date of the request does not always align with the date of the transfer CR start date in MSATS.

#### Specific questions:

*Do stakeholders have any comments on the proposed technical requirements for the minimum services specification?*

- Participants agreed with the proposed addition of “for each connected phase” that AEMO made to the technical requirement of the poly-phase metering device, although there were comments that the rule requirement to which this relates may be irrelevant and unnecessary.
- No issues were raised regarding AEMO’s proposal to include the requirement for full 4 quadrant metering to be installed.

*Can stakeholders provide any additional technical requirements and justification for their inclusion, for AEMO to consider?*

- Participants suggested the following new technical requirements to be considered:
  - Temperature alarm to be specified as a technical requirement for the metering installation enquiry service. The temperature alarm is used for producing an alarm when the meter becomes overheated and it needs to be investigated – AEMO highlighted that this had been considered in the AEMO advice to the COAG-EC in November 2014, but that it would be considered again.
  - Auto disconnect should be a mandatory technical requirement of every meter. Auto disconnect occurs when it is not safe to have the supply connected – AEMO recommended that stakeholders consider raising the matter within the pending Standards Australia process.
  - Frequency (Participants were invited to provide more details to AEMO on this requirement) – AEMO recommended that stakeholders consider raising the matter within the pending Standards Australia process.

#### Summary:

- The content of the minimum services specification was discussed at length – AEMO clarified that the rule limits the definition of service levels, performance standards and technical requirements to the metering installation itself.
- General consensus amongst the group that a service level of 1 minute and a tighter performance standard were required to align with the clarified scope.
- AEMO’s proposed technical requirements were broadly considered as positive.
- Stakeholders raised 3 additional technical matters for AEMO to consider in the procedures.

## Topic 2: Embedded Networks

- The group noted that currently in MSATS the LR of the child NMI who is the FRMP of the parent NMI, is the one who applies for the child NMIs from the DNSPs, and creates the child NMIs and maintains them in MSATS.
- The group also noted that in practice this is not always the case, and in some instances the FRMP of the child NMI is the one who applies for the child NMI from the DNSP.
- AEMO clarified that the purpose of the EN rule change is to resolve such issues by having a responsible party (the ENM) obligated by the rules to perform those roles.
- Participants questioned if AEMO will publish a list of the ENMs details on its website. AEMO indicated that most likely this will be the case.
- AEMO clarified that deciding when an ENM needs to be assigned is left for the AER to determine.

### Specific questions:

*Do stakeholders have comments or views regarding:*

*Allocation of NMIs to ENMs?*

*Identification of a parent NMI?*

- The DNSPs indicated that they don't need to know when NMIs are allocated to ENM for embedded Network child NMIs.
- Participants discussed that a NMI allocation requirement would be that NMIs allocated to ENMs should be distinct from the NMIs allocated to the DNSPs.
- Some participants suggested that NMI allocation should be based on the host LNSP.
- Some retailers indicated that they use NMIs to identify which area or region the NMI belongs to, they have no issue if the NMI is distinct when allocated to ENMs and DNSPs but they see necessity in having a way to identify which area/region that the NMI belongs to, whether it is allocated to the ENM or to the DNSP.

*When child moves off-market:*

*NMI status – D or C?*

*Data stream change to inactive*

- The group noted that currently some DNSPs change the NMI status to 'X' when the NMI moves off-market, and other DNSPs change it to 'D' when the NMI becomes off-market.
- The group discussed creating a new status 'C' for "Child" or 'O' for "Off-Market" to indicate that a child NMI is off-market. This was considered as suitable solution as it will enable the service providers to identify a move to off-market and allow them to determine how to manage the installation ongoing.
- Some retailers indicated that they like to have new status for the NMI as this allows for easy discovery of the NMI and for determining if a child NMI is off-market.
- The general view expressed by the group was that data streams should be inactive if the child moves off-market, with some MDPs indicating that whether the data stream is active or not, they still read the meter. Others participants indicated that if the data stream is inactive, then the

meter read should stop and data shouldn't be sent to MSATS. AEMO confirmed that no data was required for settlements where the NMI has moved off-market.

*NMI requirements when an existing market NMI moves within an embedded network (i.e. is there any justification for the creation of a new NMI)?*

- The group noted that as per the EN rule change, DNSPs post 1 December 2017 should have nothing to do with child NMIs, and once a market NMI moves within an embedded network, the DNSP should be removed from that NMI and only be left at the parent NMI which will have an embedded network identifier to mark it as a parent NMI.
- The group expressed differing views with regards to keeping the market NMI when it moves within the embedded network or creating a new one:
  - Retailers, MPs, MDPs and some DNSPs preferred leaving the NMI and changing its status when market NMI moves within an embedded network, as it is a long and costly process to abolish a NMI and create a new one. Also if the NMI is abolished, then any retrospective transfers will not be able to occur. However if the NMI is retained, so is the ability to apply retrospectivity in MSATS.
  - Two DNSPs indicated a clear preference for the abolishment of the market NMI and the creation of a new NMI when a market NMI moves within an embedded network. This is on the basis that the market NMI has characteristics which relates the NMI to the network it belongs to, and that keeping the same NMI and using it as an on-market child NMI in an embedded network will create confusion between the DNSPs, the ENMs, and for the retailers. The proposition was made that when a customer becomes a child in an embedded network the connection point has changed and therefore a new NMI has to be created, and that from a system's perspective the market NMI belongs to the DNSP and it was designated to be used by the DNSP only, and hence it should not go to the ENM.
  - Some participants expressed the view that regardless of creating a new NMI or retaining the old one, there is a preference for participants to identify which area or region the NMI belongs to.

### **Topic 3: Metrology Requirements Revisited**

- Participants questioned why VIC AMI meters needs to be converted to type 4 metering installations and which clauses in the rules obligate this to occur?
- The AEMC clarified that their intention was for VIC AMI meters to become type 4 meters, and that the derogation in 9.9(c) of the NER expires on 1 December 2017.
- Participants raised the issue of transitional arrangements and how the initial MC who is the DNSP only applies to type 5 and 6 metering installations, and if VIC AMI meters are converted to type 4 then the DNSP being the initial metering coordinator will not work in that case.
- Participants also noted the absence of any transitional arrangements in the rules mandating that all VIC AMI meters need to be converted to type 4.
- AEMO recommended that any party who has a concern on interpretation of the rule, such as described by the Victorian DNSPs, liaise with the AER to confirm how they need to proceed.
- Participants raised the question of whether VIC AMI meters need to meet the minimum services specifications.

- AEMO and the AEMC clarified that only new and replacements meters for small customers installed from 1 December 2017 need to meet the minimum services specification, and hence VIC AMI meters don't need to meet the minimum services specification.
- Some participants noted the removal of the VIC AMI derogations means that DNSPs cannot install new type 5 VIC AMI meters after 1 December 2017, and that it doesn't mean converting VIC AMI to type 4 meters, as they have other characteristics which matches type 5 meters like storing 200 days of data.
- The group noted that if VIC AMI meters are to be converted to type 4 meters then a market readiness activity needs to be considered.

Specific questions:

*Should AEMO consider any special treatment regarding VIC AMI metering installations with regard to the requirements of the Metrology procedures?*

- AEMO indicated that the rules provide AEMO scope to consider alterations to the requirements of the Metrology Procedures, and that AEMO could consider 'grandfathering' the requirements for VIC AMI meters in the Metrology Procedures.
- There was broad consensus that it would be logical for AEMO to make this consideration, as there would be limited benefits in forcing additional changes on legacy VIC AMI metering installations, systems and accreditation.
- Following a question from the group, AEMO confirmed that a case had been provided at the POC workshop on 2-3 February for there to be a simple method for the identification of VIC AMI installations in MSATS (potentially at the meter installation type level).

**Topic 4: Metrology Part A – Jurisdictional Matters**

- AEMO clarified that they cannot make any changes to jurisdictional items in the metrology procedures unless the COAG-EC instructs AEMO to do so.
- Participants questioned when will AEMO be able to amend jurisdictional items in the metrology procedures? AEMO indicated that if instructions are received from the COAG-EC by mid-July 2016 to change these jurisdictional items then AEMO can amend the Metrology Procedures Part A and Part B by the determination release dates.
- Participants asked AEMO to provide examples of the most material issues when it comes to jurisdictional metrology? AEMO provided examples of changes to terms and definitions of child and parent connection points, and reversion polices.
- The group noted that the VIC AMI derogation expires in 1 December 2017 unless it is reapplied through the COAG-EC.
- AEMO clarified that the definition of review date in the Metrology Procedures means expiry date according to the rules.