



# Removal of Controlled Load Profile - NSW

Draft Report – Expedited consultation for the National Electricity Market

**Published: 11 April 2024**

[aemo.com.au](https://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

© 2024 Australian Energy Market Operator Limited. The material in this publication may be used in accordance with the [copyright permissions on AEMO's website](#).

## Explanatory statement and consultation notice

The publication of this draft report (**Report**) commences AEMO's expedited consultation (**Consultation**) on the proposal (**Proposal**) to amend the following relevant determinations (**Documents**), effective 1 September 2024, to remove the NSW jurisdictional metrology material (**Material**) related to controlled load profiles (**CLPs**) under the National Electricity Rules (**NER**):

- Metrology Procedure: Part A.
- Metrology Procedure: Part B.
- MSATS Procedures: MDM Procedure.
- MSATS Procedures: CATS Procedure.
- Standing Data for MSATS document.

### Consultation notice

If a person considers that AEMO should follow the standard rules consultation procedure (in respect of this Proposal), then the person can submit a request for AEMO to do so (**Procedure Change Request**) within 10 business days after publication of this Draft Report.

The Procedure Change Request must be sent to [nem.retailprocedureconsultations@aemo.com.au](mailto:nem.retailprocedureconsultations@aemo.com.au) by 5:00pm (Sydney time) on **26 April 2024**.

In accordance with NER 8.9.3(b), the Procedure Change Request must include reasons why the person considers the Proposal is not a Non-material Proposal as defined in NER 8.9.1.

AEMO invites written submissions from interested persons in respect of this Draft Report to [nem.retailprocedureconsultations@aemo.com.au](mailto:nem.retailprocedureconsultations@aemo.com.au) by 5:00pm (Sydney time) on **10 May 2024**.

Submissions may include alternative or additional proposals which you consider may better meet the objectives of this Consultation and the national electricity objective in section 7 of the National Electricity Law. Please include supporting reasons.

Before making a submission (including a Procedure Change Request), please read and take note of AEMO's consultation submission guidelines, which can be found at <https://aemo.com.au/consultations>. Subject to those guidelines, submissions will be published on AEMO's website.

Please identify any parts of your submission that you wish to remain confidential, and explain why. AEMO may still publish that information if AEMO does not consider that information to be confidential, but will consult with you before doing so. Material identified as confidential may be given less weight in the decision-making process than material that is published.

Submissions received after the closing date and time will not be valid, and AEMO is not obliged to consider them. Any late submissions should explain the reason for lateness and the detriment to you if AEMO does not consider your submission.

Interested persons can request a meeting with AEMO to discuss any particularly complex, sensitive or confidential matters relating to the Proposal. NER 8.9.1(k) sets out the details. Meeting requests must be received by the end of the submission period and include reasons for the request. AEMO will try to accommodate reasonable meeting requests but, where appropriate, we may hold joint meetings with other stakeholders or convene a meeting with a broader industry group. Subject to confidentiality restrictions, AEMO will publish a summary of matters discussed at stakeholder meetings.



# Contents

<b>Explanatory statement and consultation notice</b>	<b>3</b>
<b>1. Stakeholder consultation process</b>	<b>6</b>
<b>2. Background</b>	<b>7</b>
2.1. Context for this consultation	7
2.2. NER requirements	7
2.3. The national electricity objective	7
<b>3. Proposal discussion</b>	<b>8</b>
3.1. Description of proposal	8
3.2. How the proposal meets the objectives	9
<b>4. Draft determination</b>	<b>9</b>
4.1. Draft determination	9
4.2. Effective date	9
<b>Appendix A. Glossary</b>	<b>10</b>

## 1. Stakeholder consultation process

As required by the NER, AEMO is consulting on the Proposal in accordance with the expedited rules consultation procedure in NER 8.9.3.

This Draft Report uses terms defined in the NER, which are intended to have the same meanings. The glossary of additional terms and abbreviations is in Appendix A of this Draft Report.

AEMO's process and expected timeline for 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 expected timeline**

Consultation steps	Dates
Draft Report published	<b>11 April 2024</b>
Procedure Change Request deadline	<b>26 April 2024</b>
Submissions due on Draft Report	<b>10 May 2024</b>
Final report published	<b>31 May 2024</b>
AEMO intends to publish a Final Report on the Friday the 31st of May with an effective date of 1 September 2024. This allows for the minimum 3 month period from publication of the final report till the Metrology Procedure becomes effective.	
Final Report effective date	<b>1 September 2024</b>

AEMO's webpage in respect of the Proposal – <https://aemo.com.au/en/consultations> -- will contain all previous published papers and reports, written submissions, and other consultation documents or reference material (other than material identified as confidential).

## 2. Background

### 2.1. Context for this consultation

The Federal Minister for Climate Change and Energy has written to AEMO.

In this regard:

- The Energy Minister Sub-Group (**EMSG**) considered a request from the NSW Government to amend the Material in the Metrology Procedure.
- The EMSG agreed to amend the Material in the Metrology Procedure.
- The amendments will remove:
  - the requirement that AEMO develops a CLP in NSW from the Metrology Procedure; and
  - accordingly, the requirement that NSW distributors must maintain 200 sample meters at residential and small business sites to collect data for a CLP on their network.
- The removal of this requirement has been broadly supported in the public and targeted stakeholder consultation which has already been undertaken.
- The NER requires that the Material in the Metrology Procedure must be submitted to AEMO by the Ministers of the Ministerial Council on Energy.
- Accordingly, the EMSG has requested AEMO to undertake the expedited rules consultation procedure in the NER to implement the amendments.
- This EMSG request to AEMO is on the basis of the conclusion that the amendments are minor, non-material amendments which are unlikely to have a significant effect on the NEM, or on the relevant activities of the relevant Registered Participants (**Participants**).
- AEMO considers that this conclusion is supported further by:
  - AEMO-Participant discussions to date in respect of the Proposal;
  - the transitional arrangements to implement the Proposal;
  - the declining use of the CLP due to the roll out of interval meters; and
  - the fact that the Proposal requires no changes to AEMO IT systems that would affect the systems of the Participants.
- AEMO has been requested to provide its final report to the EMSG by 1 June 2024.

### 2.2. NER requirements

NER 7.16.1 requires AEMO to maintain the procedures specified in NER Chapter 7 (except for procedures under NER 7.17) 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 determination 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—
  - (i) for reducing Australia’s greenhouse gas emissions; or
  - (ii) that are likely to contribute to reducing Australia’s greenhouse gas emissions.

### 3. Proposal discussion

The Proposal reflects the Power of Choice reforms.

In this regard, NSW distributors have identified that the maintenance of sample meters is becoming more difficult to manage over time, because:

- The Responsible Person is no longer exclusively responsible for metering Small NMIs in NSW.
- Sample Meters are being removed and replaced with interval meters on a new and replacement basis.
- Fewer sites are available for distributors to use for sample meters as the interval meters replace Type 6 meters over time.
- Consequently, sample meters are being changed out regularly.
- Accordingly, NSW distributors are required to source a new site from a diminishing pool of candidate sites.

#### Questions

**1. Do you have any comments to make in relation to the proposal?**

**2. Do you have any comments to make regarding the fast-tracked approach to the procedure consultation?**

**3. Are there any other comments you would like to make in relation to the proposal?**

#### 3.1. Description of proposal

The NSW distributors can use the three month period between 31 May 2024 and 1 September 2024 to transition the NMIs that are associated to the CLP to an alternate profile. This will allow the profile change to coincide with the read cycle for each NMI. Once there are no longer any NMIs associated with the relevant CLP, the distributor can remove the sample meters from the CLP.

This approach uses existing MSATS change requests. Accordingly, no system or schema changes are required to support the Proposal, either by AEMO or the Participants. Transitioning the NMIs as they are read means there is no need to use estimates (for the majority of NMIs). All participants with a relationship to the NMI are notified through the MSATS notification process. The MSATS notifications do not occur all at once (noting that there are approximately 625,000 NMIs with a CLP in NSW).



### 3.2. How the proposal meets the objectives

AEMO has been requested by the Federal Minister for Climate Change and Energy to amend the Procedures to remove the Material related to NSW CLPs from the Metrology Procedure.

## 4. Draft determination

### 4.1. Draft determination

AEMO has prepared a draft of the Documents to reflect the Proposal, as published with this Draft Report in mark-up format from the current version.

AEMO's draft determination is to amend the Documents in that form.

### 4.2. Effective date

AEMO's proposed effective date for the determination is **1 September 2024**.

## Appendix A. Glossary

Term or acronym	Meaning
CLP	Controlled Load Profile
EMSG	Energy Minister Sub-Group
NER	National Electricity Rules
NMI	National Metering Identifier