Agenda item 2 – Overview of the working group and scope of the review

Advisory stakeholder working group

STAKEHOLDER ADVISORY WORKING GROUP

- Purpose: the AEMC will consult with the working group throughout the review to allow stakeholder views to be appropriately considered

- Membership: representatives of consumers, businesses, governments and market bodies; membership is attached

- Frequency of meetings: on average once a month

- Format of meetings: meetings to be held in person where possible; papers and discussion points will be prepared by the AEMC and/or consultants engaged by the AEMC; items will be presented for discussion and comment; all members can propose to add items to the agenda and to propose to invite guest speakers where appropriate

- Chairperson: chaired by Rory Campbell, AEMC Senior Director

SCOPE OF REVIEW & DELIVERABLE

- **Scope:** there are three components within the scope of the review (there are likely to be overlap and interdependencies across the three components):

    i.   Establishing the framework for open access to smart meters

    ii.   Determining the elements of the framework that should be subject to regulation

    iii. Determining the framework or process for the adoption or development of common communication standards

- **Deliverables:** the AEMC's deliverable to SCER is

    – An implementation plan on how to put in place recommendations (including giving consideration to how arrangements could be applied in Victoria); may include a draft rule change request

RELATED WORK

- There are a number of other areas of ongoing reform related to this review

- These include:

    - Under the NEL – SCER's consideration of the extent of regulation required for services other than the 'sale of electricity'
    - Under the NERL – SCER's consideration of smart meter amendments and associated changes to the NERR on customer protection and safety
    - Under the NER – upcoming rule changes to introduce metering contestability, and on third party access to metering data

- These other areas of reform are outside the scope of this review, but will be taken into consideration to the extent appropriate

- Also note that extensive work in related areas have also been completed such as through the National Stakeholder Steering Committee and National Smart Metering Program
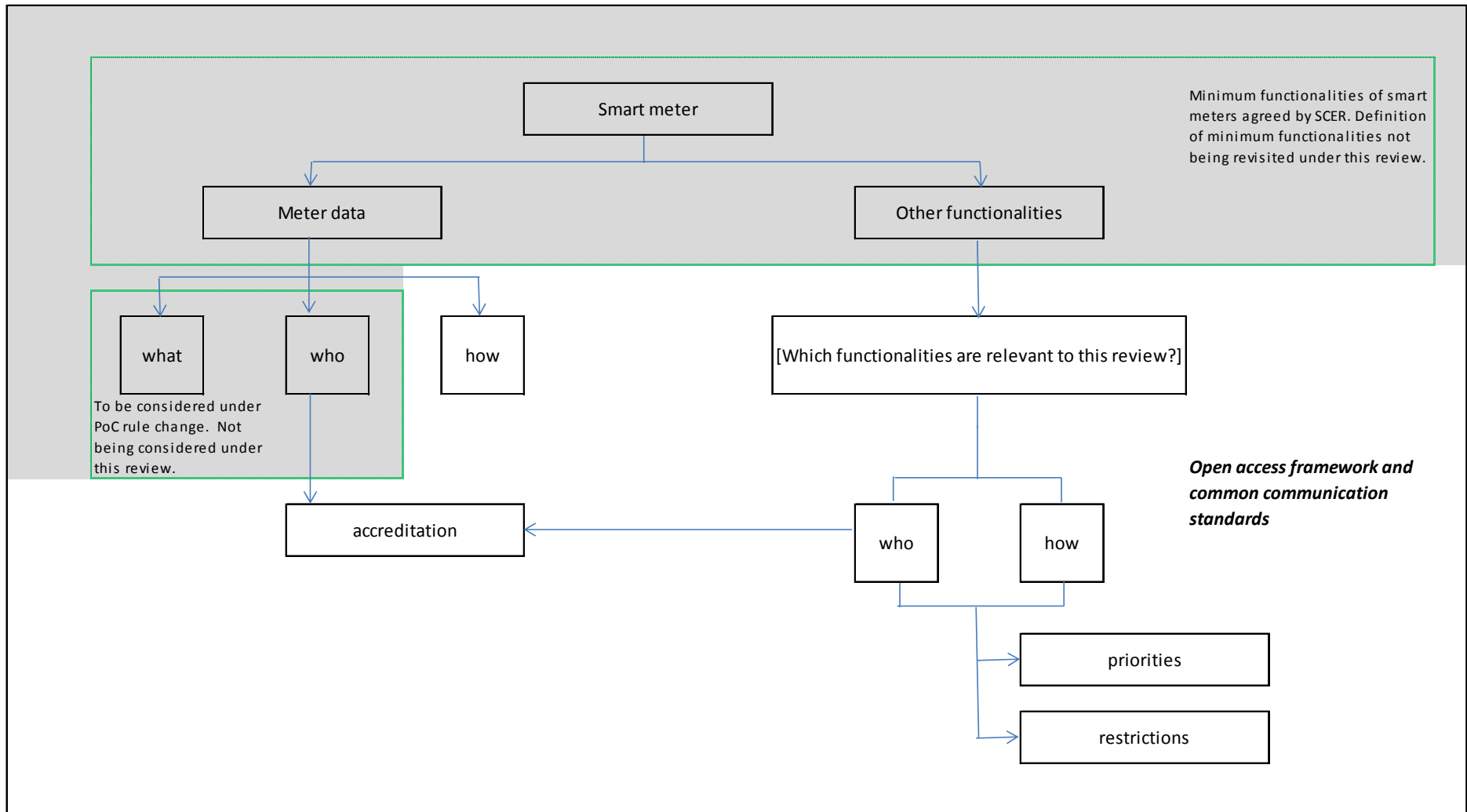
Diagram 1 – Open access framework

Smart meter

Minimum functionalities of smart meters agreed by SCER. Definition of minimum functionalities not being revisited under this review.

Meter data

Other functionalities

what

who

how

To be considered under PoC rule change. Not being considered under this review.

[Which functionalities are relevant to this review?]

Open access framework and common communication standards

accreditation

who

how

priorities

restrictions

Diagram 2 – Regulatory framework

National Electricity Law and/or National Energy Retail Law

sale of electricity

retailer authorisations

SCER to consider. Not within the scope of this review.

other services?

extent of regulation required

National Energy Retail Law

smart meter amendments

Upcoming NERL and NERR changes to be made by the SA Minister. Not within the scope of this review.

National Electricity Rules

Metering Coordinator

metering contestability

PoC rule change. Not within the scope of this review.

customers

third parties

retailers

distributors

others?

National Energy Retail Rules

customer protection and safety

How to incorporate third parties into the NER/NERR

What risks are faced by customers as a result of open access to smart meter functionalities. What are the customer protection issues that have not already been addressed

Contestability of providing services to customers

Do minimum contract terms need to be defined. What are the charges for accessing functions
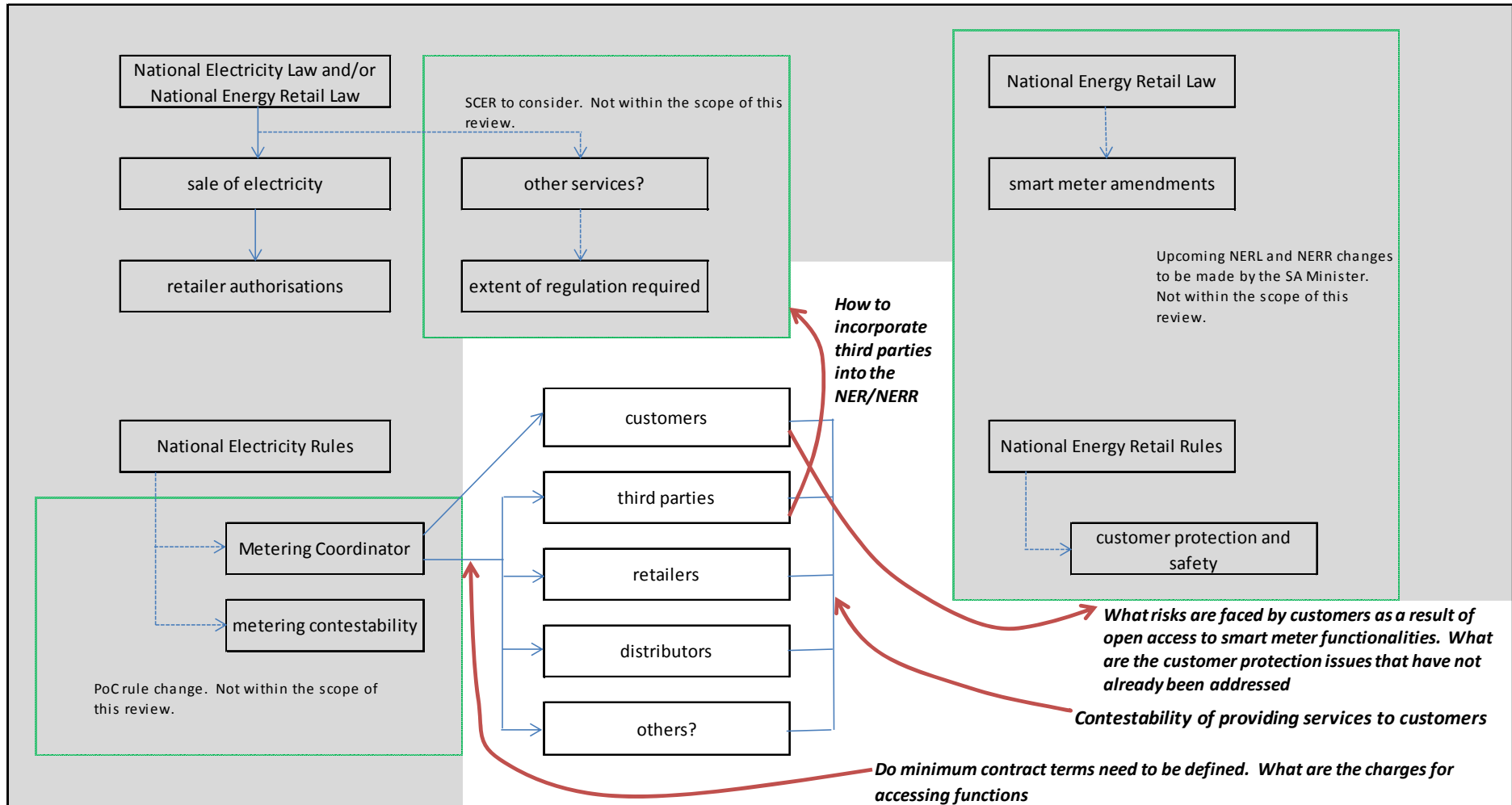
ASSESSMENT FRAMEWORK AND PRINCIPLES

In undertaking this review, in addition to the NEO, the AEMC will have regard to the following assessment framework / principles

- Promoting competition where it is appropriate to do so

- Protection of consumers

- Proportionality

- Allowing the continued development and innovation of DSP services

- Allowing necessary market functions to be appropriately managed (e.g. emergency control)

- Competitive neutrality

COMMON COMMUNICATION STANDARDS

- With respect to common communication standards to support open access, we are to:

    – Recommend a framework for adopting common communication standards giving consideration to international developments; or

    – If international developments are not sufficiently convergent, develop an approach for establishing common communication standards.
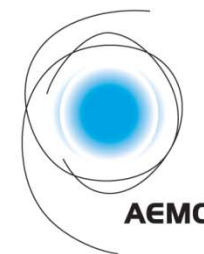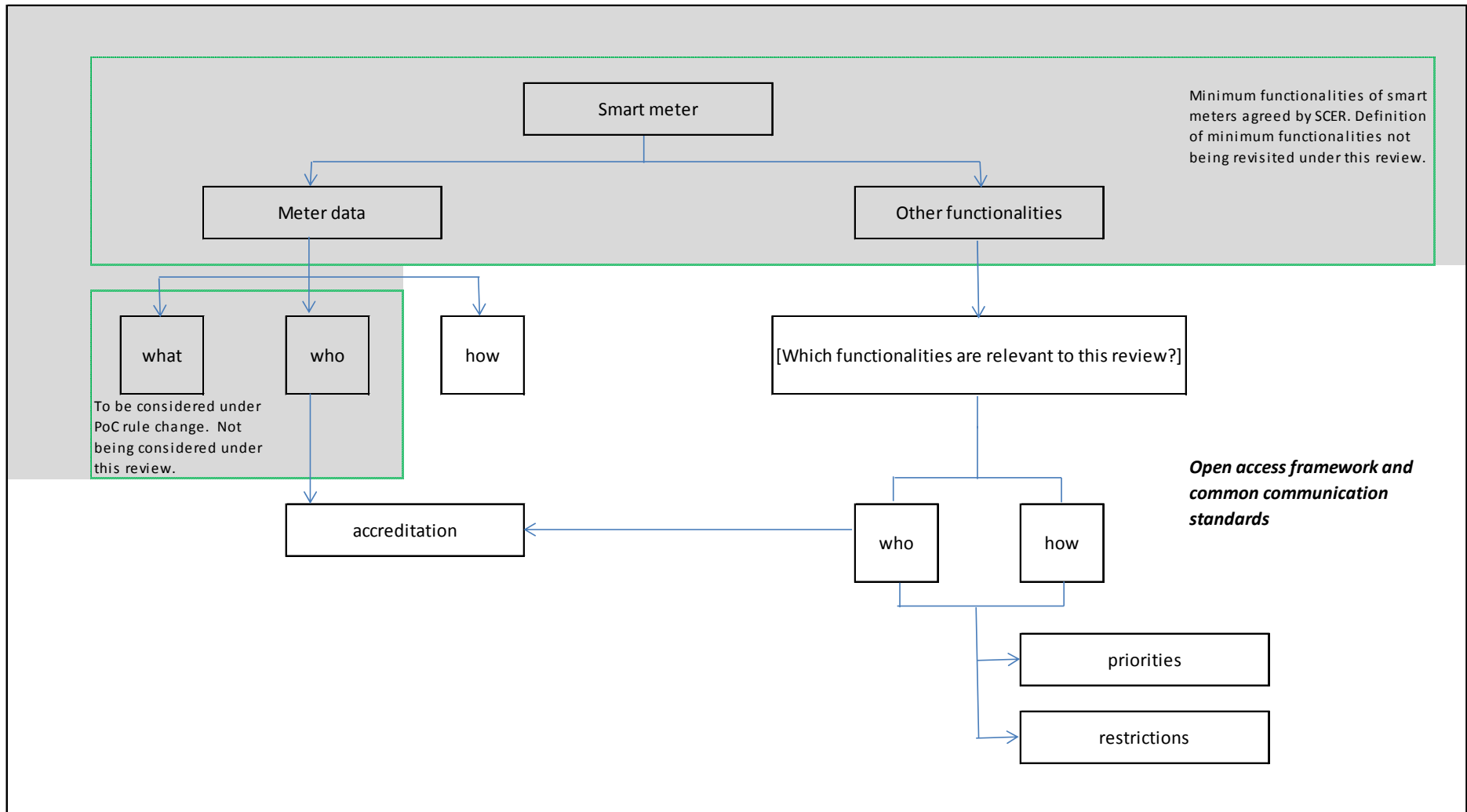
Agenda item 5 – Open access framework: issues for discussion

Advisory stakeholder working group

Diagram 1 – Open access framework

Smart meter

Meter data

Other functionalities

Minimum functionalities of smart meters agreed by SCER. Definition of minimum functionalities not being revisited under this review.

what

who

how

To be considered under PoC rule change. Not being considered under this review.

[Which functionalities are relevant to this review?]

Open access framework and common communication standards

accreditation

who

how

priorities

restrictions

OBJECTIVES

- To establish an open access framework to apply for the NEM

- Once principles and features of the framework have been established, consider implementation requirements where appropriate

QUESTIONS AND ISSUES FOR COMMENT

- A number of questions in relation to the open access framework has been identified for further consideration and discussion

- For consideration and feedback today:

  - Are these the correct questions to be asking?
  - What other questions or issues should be investigated?
  - Undertake preliminary discussion of possible answers to the questions raised.

RELEVANT FUNCTIONALITIES OF SMART METERS

- Are all functionalities of smart meters relevant for consideration?

- Who has access to each of the functions?

- Are some functions only to be used by one party?

- How is access provided?

SECURITY ARRANGEMENTS

- What are the access security arrangements for authorised parties?

- What are the key issues when considering security and authorisation requirements?

- Who should review security arrangements?

- Where does security apply?

ACCREDITATION ARRANGEMENTS

- What accreditation is required for the various parties?

- What are the potential requirements for accreditation?

- Who would carry out the accreditation?

- What would accreditation allow a party to do?

- What happens when a party loses accreditation?

ARRANGEMENTS FOR THE HAN (Home Area Network)

- What are the appropriate arrangements for the use of the HAN?

- Who is going to be given access to the HAN?

- Who is responsible for issuing certificates?

SMART METER FUNCTIONALITIES
## minimum functionality specification

The final report for the Power of Choice review proposed that the minimum specification for any new smart meter installed should be the National Stakeholder Steering Committee smart meter infrastructure minimum functionality specification, which was endorsed by SCER. The functions under this specification are:

1. Measurement And Recording (S7.1);

2. Remote Acquisition (S7.2);

3. Local Acquisition (S7.3);

4. Visible Display On Meter (S7.4);

5. Meter Clock Synchronisation (S7.5);

6. Load Management Through A Controlled Load Contactor Or Relay (S7.6);

7. Supply Contactor Operation (S7.7);

8. Supply Capacity Control (S7.8);

9. Home Area Network using Open Standard (S7.9);

10. Quality of Supply and Other Event Recording (S7.10);

SMART METER FUNCTIONALITIES
minimum functionality specification (2)

11. Meter Loss Of Supply Detection (S7.11);

12. Remote Meter Service Checking (S7.12);

13. Meter Settings Reconfiguration (S7.13);

14. Software Upgrades (S7.14);

15. Plug and Play Device Commissioning (S7.15);

16. Communications And Data Security (S7.16);

17. Tamper Detection (S7.17);

18. Interoperability For Meters/Devices At The Application Layer (S7.18);

19. Hardware Component Interoperability (S7.19);

20. Meter Communications: Issuing Messages And Commands (S7.20);

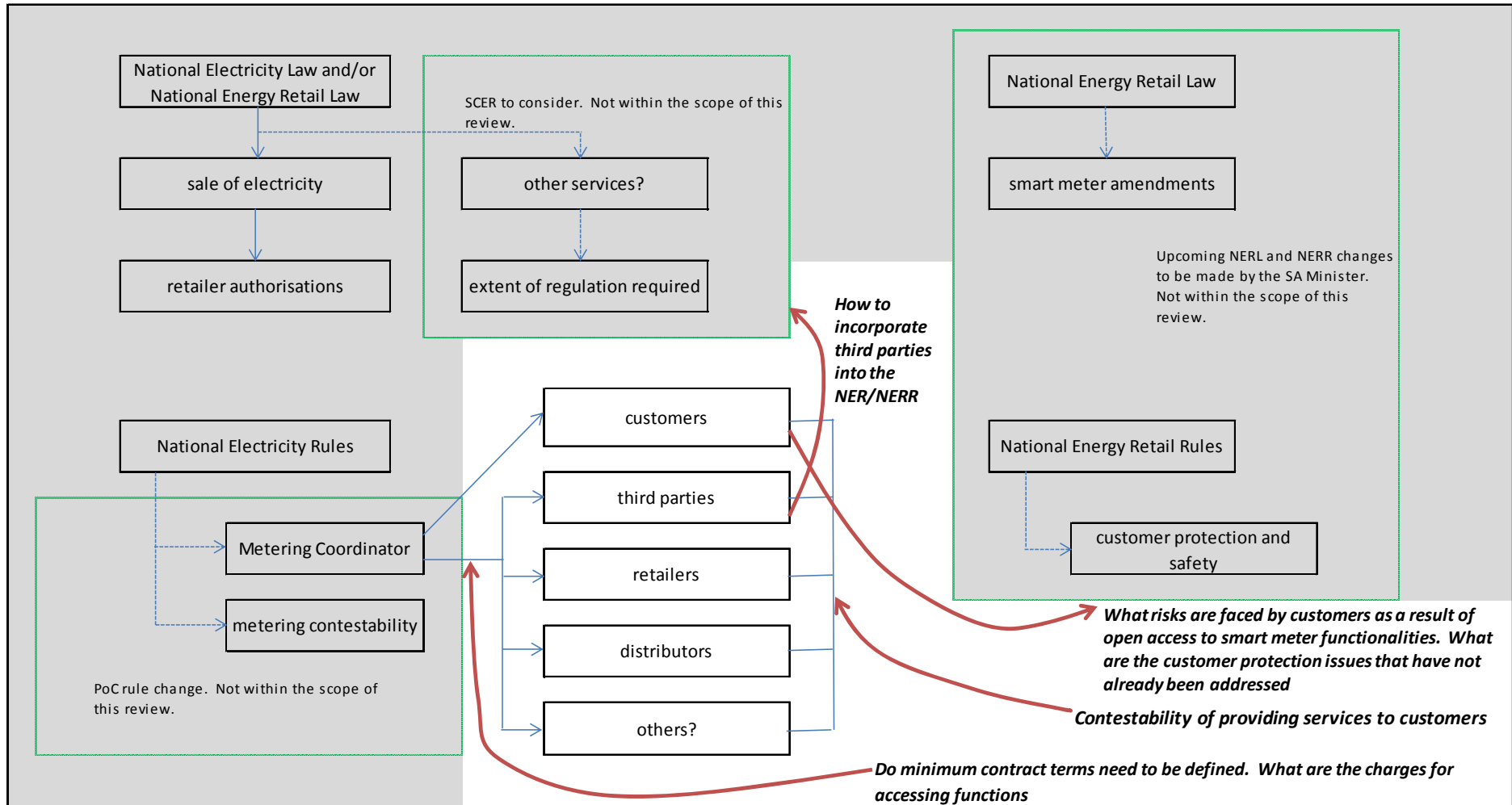21. Customer Supply (Safety) Monitoring (S7.21).
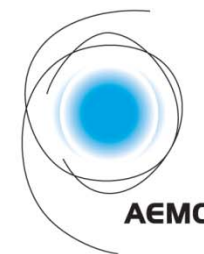
Agenda item 6 – Regulation of DSP energy services: issues for discussion

Advisory stakeholder working group

Diagram 2 – Regulatory framework

National Electricity Law and/or National Energy Retail Law

→ sale of electricity

→ retailer authorisations

SCER to consider. Not within the scope of this review.

other services?

→ extent of regulation required

How to incorporate third parties into the NER/NERR

National Energy Retail Law

→ smart meter amendments

Upcoming NERL and NERR changes to be made by the SA Minister. Not within the scope of this review.

National Electricity Rules

Metering Coordinator

metering contestability

PoC rule change. Not within the scope of this review.

- customers
- third parties
- retailers
- distributors
- others?

National Energy Retail Rules

→ customer protection and safety

What risks are faced by customers as a result of open access to smart meter functionalities. What are the customer protection issues that have not already been addressed

Contestability of providing services to customers

Do minimum contract terms need to be defined. What are the charges for accessing functions

OBJECTIVES

- To establish the regulatory framework to apply to allow open access

- Once principles and features of the regulatory framework have been established, consider implementation requirements where appropriate

QUESTIONS AND ISSUES FOR COMMENT

- A number of questions in relation to the regulatory framework has been identified for further consideration and discussion

- For consideration and feedback today:

  - Are these the correct questions to be asking?

  - What other questions or issues should be investigated?

  - Undertake preliminary discussion of possible answers to the questions raised.

METERING COORDINATOR

- What are likely to be the issues that could arise in the relationship between the metering coordinator and the parties accessing a smart meter's functions?

- What are the potential for disputes between these parties?

- Is the current dispute resolution process under the NER sufficiently robust?

CONSUMER PROTECTION

- What risks are faced by customers when access is provided to functionalities of their smart meters?

- To what extent, if any, would the existing customer protection mechanisms apply?

- Should the NER or NERR include minimum contract terms for the engagement of a metering coordinator by a customer (or a retailer)?*

- If minimum contract terms should be included, what are the key factors?

*We are assuming that a new role of metering coordinator will be introduced that is consistent with recommendations as outlined in Chapter 4 of the Power of Choice Final report. The metering coordinator would be engaged by a retailer on a consumers behalf (or directly by the consumer) and it would be responsible for the day-to-day coordination of the meter provider and the meter data provider.

USE OF SMART METER FUNCTIONS

- Should parties pay to access the smart meter functions?

- How would the charges be determined?

- Would there be sufficient competitive pressures on charges?

- What are the impacts of the existing regulatory framework on any potential charges?
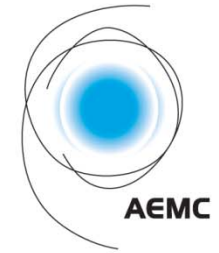
Agenda item 7 – Proposed meeting schedule

Advisory stakeholder working group

PROPOSED MEETING SCHEDULE

- The following meeting schedule is proposed

- Meetings to be held in person in Sydney

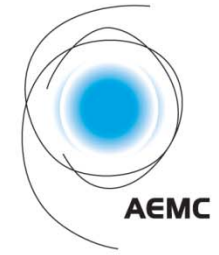| Proposed meeting dates |
| --- |
| Thursday, 31 October 2013 |
| Thursday, 14 November 2013 |
| Thursday, 5 December 2013 |
| Thursday, 6 February 2014 |
| Thursday, 27 February 2014 |
| (if required) Thursday, 6 March 2014 |

Agenda item 8 – Project milestones

Advisory stakeholder working group

PLANNED MILESTONES

Milestone	Date
Draft report publication	December 2013
Public forum	Late January/ Early February 2014
Final report submit to SCER	31 March 2014
Final report publication	14 April 2014