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Australian Energy Market Commission
Level 5
201 Elizabeth Street
Sydney NSW 2000

5 February 2015

**RE: Landis+Gyr Submission :
EMO0029 AEMC's EM Consultation Paper - Implementation advice on shared market protocol**

Dear Mr Owen

Landis+Gyr welcomes the opportunity to deliver this submission in response to the AEMC's Consultation Paper – Implementation advice on shared market protocol (dated 18 December 2014).

Landis+Gyr iterates its support for accountability, transparency, inclusion of all the NEM market participants, including metering co-ordinators / providers / agents, in the governance, objectives, principles and operating architecture of the shared market protocol. This aligns with the AEMC's Power of Choice stated intent to support consumers by facilitating coordination across the supply chain; define roles and responsibilities for the interaction of different parties; and ensure sound investments in the appropriate technologies are made by all to meet market needs.

Landis+Gyr's submission herewith provides commentary on the questions posed by the AEMC.

1. Governance

i. Governance Options

In support of broad participation, Landis+Gyr proposes a 'hybrid' model involving a working group of selected industry representation, without decision making power or voting rights, to propose recommendations to AEMO. Under this 'hybrid' model, the AEMO will have the role of the decision-maker and will determine if the recommendations are equitable by 'sounding out' the wider accredited / registered market participants through 1st level consultation. This

will facilitate a process where the shared market protocol participants have a 'say', stay informed and remain assured that the level of operating costs remains reasonable.

ii. An objective and principles for decision-making

Landis+Gyr agrees with the Commission that the B2B objectives and principles would not be appropriate as they exclude the broader range of users who will be operating under the shared market protocol.

The principles of the shared market protocol need to ensure that that cost of operations in terms of compliance to processes, procedures and technical requirements do not burden and/or discriminate against any market participant. This aligns with the NEO objectives of 'efficient operation and use of electricity services for the long term interests of consumer'.

In addition, Landis+Gyr notes that the B2B principle of 'protecting the confidentiality of commercially sensitive information' needs to remain relevant under the shared market protocol.

2. Interactions with the minimum specification

Landis+Gyr maintains that the shared market protocol should provide for services that are listed as mandatory in the minimum specification and common services that are not mandatory under the minimum specification. This will enable all market participants to transact under a 'single' shared market protocol avoiding duplication, waste and delays from further consultative processes; inefficiencies arising from bilateral arrangement; and the inability to process non-mandated functions arising from consumer churns.

3. Roles and responsibilities

Landis+Gyr believes that access to the shared market protocol should be mandatory for accredited and authorised market participants (such as Retailers, Distributors and Metering Co-ordinators) to support the services required for mandatory and common services under the minimum specification. Market participants should be able to transact outside the shared market protocol for services required to support 'value-added services' under the minimum specification.

Other third-parties who need data access must be subject to the relevant consideration of their role(s) and the shared market protocol principles to ensure everyone's rights are protected.

In summary, Landis+Gyr proposes that all parties (roles) should be accredited and/or authorised by AEMO for access to shared market protocol. This will mitigate the risk of any potential security and privacy breaches and facilitate equitable distribution of benefits.

4. Transition from B2B to the shared market protocol

Landis+Gyr's position is that the shared market protocol should be made available as soon as possible for all AMI transactions. It is assumed that the current B2B e-hub will continue to be maintained until the shared market protocol is fully operational.

Landis+Gyr suggests that the AEMO undertake a review to determine if the current B2B e-hub platform poses any impediments or constraints, for example scalability and operating performance level, with the introduction of new AMI transactions from other states.

At time of writing, it is difficult to provide any further feedback until details of shared market protocol advice is made available in February 2015.

In conclusion, Landis+Gyr's submission focuses on transparency, broad industry participation and a cost effective approach for effective commercial outcomes which benefit consumer choice.

If there is any aspect of this submission you would like to discuss in greater detail, please contact Peter Birk on +61 2 9690 7464.

Yours Sincerely



Peter Birk
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