



CitiPower Pty
ACN 064 651 056
www.citipower.com.au

Head Office: 40 Market Street Melbourne Victoria
Telephone: (03) 9683 4444 Facsimile: (03) 9683 4499 DX 433 Melbourne
Postal address: Locked Bag 14090 Melbourne Victoria 8001 Australia



Powercor Australia Ltd
ACN 064 651 109
www.powercor.com.au

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Mr John Pierce
Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
Sydney NSW 2000

Lodged online at :www.aemc.gov.au

Dear Mr Pierce

Draft Rule Determination

National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2010

Thank you for the opportunity to comment on the Draft Rule Determination *National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2009*

CitiPower and Powercor Australia (Powercor) are Victorian electricity distributors who are registered by AEMO as Network Service Providers and will be directly affected by the outcomes arising from this proposal.

CitiPower and Powercor support the general intention of the proposed Rule changes however; there are a number of concerns about the details of the proposal which are highlighted below with more detailed comments set out in the attached table for your consideration.

Responsible Person Role

CitiPower and Powercor agree with the Commissions analysis that obliging the LNSP to respond to a request for an offer to be the Responsible Person would not be likely to contribute to the National Electricity Objective in relation to the provision of metering data for type 1-4 metering installations. However, it would be efficient for a single point of responsibility (Responsible Person) for appointing both the Metering Provider and the Metering Data Provider to ensure the compatibility of these increasingly complex functions and to ensure the efficient resolution of any issues related to either metering provision or metering data provision.

This issue could be resolved by:

- creating the role of Metering Data Provider under the Rules as proposed by AEMO;
- removing the obligation on the LNSP to respond to a request from a Market Participant to offer to act as the Responsible Person under clause 7.2.3(c);
- require the Responsible Person to appoint both the Metering Provider and the Metering Data Provider.¹

This approach does not preclude an LNSP from offering to act as the Responsible Person but it preserves the single point of responsibility for services to be provided by the Metering Provider and the Metering Data Provider.

Separate Service Level Procedures for Metering Data Provider

The draft Rule proposes the creation of a separate head of power for Service Level Procedures instead of rolling them into the Metrology Procedures. CitiPower and Powercor have previously expressed concerns about the overlap/duplication this creates with respect to the Metrology Procedure. This concern has been recognised by the AEMC in recommending that AEMO conduct a review to create more coherent arrangements in the future.

However, the head of power created for the Service Level Procedures will ensure that they persist separately, albeit in a coherent form, beside the Metrology Procedure with an arbitrary boundary between them which is unnecessary.

To achieve coherence without overlap and duplication will not be easy. The head of power for the two procedures have similarities and it is not clear how the subtle differences will be interpreted to provide for the separation of Metrology Procedures and Service Level Procedures. See example provided at clause 7.14.1A in the table below.

Also, the proposed arrangements would require a consultation process to establish the Service Level Procedures followed by a further consultation process to achieve coherence. This is very unlikely to be as efficient as a single consultation process to incorporate the new requirements into the Metrology Procedure.

Please do not hesitate to give me a call on (03) 9683 42982 or email to rherrmann@powercor.com.au if you require any further information in relation to this matter.

Yours sincerely



Rolf Herrmann
Manager Regulation

¹ clause 7.2.2. provides for the Market Participant to elect to be the Responsible Person or to seek an offer from the LNSP to act as the Responsible Person.

Draft Rule Determination

National Electricity Amendment (Provision of Metering Data Services and Clarification of Existing Metrology Requirements) Rule 2010

Section / Clause	CitiPower and Powercor Comment
New Clause 7.1.3 Obligation to establish, maintain and publish procedures.	<p>Proposed Sub clause (a) makes AEMO responsible for the establishment and maintenance of procedures specified in Chapter 7 except for procedures established and maintained under Rule 7.2A.</p> <p>The clause seems to be unnecessary as it duplicates obligations under clauses 7.2.8 with respect to MSATS procedures and clause 7.14 with respect to Metrology Procedures.</p>
New Clause 7.1.3 Obligation to establish, maintain and publish procedures.	<p>Proposed Sub clause (b) requires AEMO to establish procedures in accordance with the Rules Consultation Procedures.</p> <p>This clause seems to be unnecessary as it duplicates obligations under clauses 7.2.8 (b) with respect to MSATS procedures and clause 7.14 (b) with respect to Metrology Procedures.</p>
New Clause 7.1.3 Obligation to establish, maintain and publish procedures.	<p>Proposed Sub clause (c) states that the IEC is responsible for the establishment and maintenance of procedures specified in Rule 7.2A. This may be overstating the role of the IEC which makes recommendations to AEMO who must carry out those recommendations without alteration except in very limited circumstances. See 7.2A.2</p>
7.2.1 Responsibility of the Responsible Person	<p>CitiPower and Powercor agree with the Commissions analysis that obliging the LNSP to respond to a request for an offer to be the Responsible Person would not be likely to contribute to the National Electricity Objective in relation to the provision of metering data for type 1-4 metering installations. However, it would be efficient for a single point of responsibility (Responsible Person) for appointing both the Metering Provider and the Metering Data Provider to ensure the compatibility of these increasingly complex functions and to ensure the efficient resolution of any issues related to either metering provision or metering data provision.</p> <p>This issue could be resolved by:</p> <ul style="list-style-type: none"> • creating the role of Metering Data Provider under the Rules as proposed by AEMO; • removing the obligation on the LNSP to respond to a request from a Market Participant to offer to act as the Responsible Person under clause 7.2.3(c); • require the Responsible Person to appoint both the Metering Provider and the Metering Data Provider.² <p>This approach does not preclude an LNSP from offering to act as the Responsible Person but it preserves the single point of responsibility for</p>

² clause 7.2.2. provides for the Market Participant to elect to be the Responsible Person or to seek an offer from the LNSP to act as the Responsible Person.

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	<p>services to be provided by the Metering Provider and the Metering Data Provider.</p> <p>This clause would need to be re-drafted if the AEMC is persuaded that the Responsible Person should be responsible for appointing both Metering Providers Metering Data providers. See comments under Responsible Person Role in the covering letter.</p> <p>Proposed Sub Clause (a) proposes a very broad head of power which extends to include any procedures authorised under the Rules without restriction to matters of metering or metrology. It is necessary to specify exactly which procedures are relevant to the role of the Responsible Person.</p> <p>Proposed Sub Clause (b) requires AEMO to publish guidelines in relation to the role of the responsible person. The need for this guideline is not clear. The Rules should clearly set out the role of the Responsible Person.</p>
7.2.2 Responsibility of the Market Participant	<p>Proposed Sub Clauses (c) and (d) establish the Market Participant as being responsible for engaging a Metering Data Provider. As discussed elsewhere in this submission, CitiPower and Powercor believe it would be much more efficient for a single point of responsibility (Responsible Person) for appointing both the Metering Provider and the Metering Data Provider to ensure the compatibility of these increasingly complex functions and to ensure the efficient resolution of any metering issues, related to either metering provision or metering data provision.</p> <p>Any data provided to AEMO under clause 7.2.2(d)(2) should also be provided to the LNSP.</p>
7.2.3 Responsibility of the Local Network Service provider	<p>The proposed amendments to add clauses 7.2.3(c) and (d) are not required if the Responsible Person is responsible for appointing both the Metering provider and the Metering Data Provider as proposed above. They should be redrafted to place the respective obligations on the responsible person and relocated to section 7.2.1</p>
7.2.3 Responsibility of the Local Network Service provider	<p>New clause 7.2.3(k)(1) refers to the “metrology procedures and procedures authorised under the Rules.” This provision is unnecessarily broad, the specific procedures should be referenced.</p>
7.2.3 Responsibility of the Local Network Service provider	<p>New clause 7.2.39(l) requires AEMO to establish guidelines in relation to the role of the LNSP. It is not clear why guidelines are required, the role should be clearly set out in the Rules and the Procedures. Consider deleting clause 7.2.3(l)</p>
7.2.5 Role of the Responsible Person	<p>The proposed amendments to clauses 7.2.5(d)(1) and (2) proposes to substitute “metrology procedures and procedures authorised under the rules”. This reference to “procedures authorised under the Rules” is too broad and the required procedures should be referenced directly. For example, a procedure made under another chapter of the rules would become an obligation of the Responsible Person.</p>
7.4.2A Qualifications and registration of Metering Data Providers	<p>Clause 7.4.2A(d) refers to Guidelines to be published in respect of the accreditation of Metering Data Providers. The provision then goes on to require the adoption of the guidelines by Metering Data providers to be included in the qualification process in accordance with S7.6.1(b), which</p>

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	actually deals with accreditation. This does not make sense. The clause could be amended to exclude the obligation on Metering Data Providers to adopt the guideline, the guideline should be restricted to the process to be used for accreditation.
7.4.3 Deregistration of Metering providers and Metering Data Providers	The current clause 7.4.3 triggers action to de-register only if the breach is material. The materiality requirement has been overlooked in the proposed drafting of the new clause and should be reinstated.
7.9.4 Errors found in metering tests, inspections or audits.	New clause 7.9.5(c) requires the FRMP to arrange for a suitable substitution of incorrect metering data. This should refer to the Metering Data Provider or, if the arguments supporting the proposed role of the Responsible Person to cover both Metering Provider and Metering Data Provider, the Responsible Person.
7.11.1 Metering Data	The proposed new clause 7.11.1(e) provides “Despite anything to the contrary in the Rules, AEMO may obtain metering data directly from a metering installation for the settlement process.” In some cases it may be impractical for AEMO to carry out such a function, for example if there are proprietary communications systems associated with the metering installation. Care should be taken to ensure this enabling provision does not form the basis for a requirement, perhaps through the accreditation process, that effectively prevents the use of proprietary communications systems on the grounds that AEMO will not be able to access data directly as contemplated by this provision.
7.12 Time Settings	<p>The proposed clause 7.12(a) requires the Metering Provider to “maintain the time in the metering installation” at certain times such as when the meter is installed, tested or maintained. The use of the words “maintain the time in the metering installation” infer that the time must also be maintained in between the discrete activities referred to and which form part of the obligation on the Metering Data Provider under proposed clause 7.12(f).</p> <p>Proposed clause 7.12(a) should be amended by deleting the words “and maintain the time”.</p>
7.14.1A Requirements of the service level procedures	<p>The draft Rule proposes the creation of a separate head of power for Service Level Procedures instead of rolling them into the Metrology Procedures. CitiPower and Powercor have previously expressed concerns about the overlap/duplication this creates with respect to the Metrology Procedure. This concern has been recognised by the AEMC in recommending that AEMO conduct a review to create more coherent arrangements in the future.</p> <p>However, the head of power created for the Service Level Procedures will ensure that they persist separately, albeit in a coherent form, beside the Metrology Procedure with an arbitrary boundary between them which is unnecessary.</p> <p>To achieve coherence without overlap and duplication will not be easy. For example, the Metrology Procedure must include:</p> <ul style="list-style-type: none"> • “the timeframe obligations for the extraction or delivery of metering data from a metering installation for the purpose of settlements” and • “the performance standards for metering data required for the purpose of settlements”.

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	<p>At the same time the Service Level Procedures must set out obligations including:</p> <ul style="list-style-type: none"> • “requirements for the systems and processes for the collection, processing and delivery of metering data by metering data providers” and • “the performance levels associated with the collection, processing and delivery of metering data” <p>These are very similar requirements and it is not clear how the subtle differences will be interpreted to provide for the separation of Metrology Procedures and Service Level Procedures.</p> <p>Also, the proposed arrangements would require a consultation process to establish the Service Level Procedures followed by a further consultation process to achieve coherence. This is very unlikely to be as efficient as a single consultation process to incorporate the new requirements into the Metrology Procedure.</p>
S7.4.3 Capabilities of Metering Providers for metering installations types 1,2,3 and 4	<p>The proposed new clause S7.4.3(f) is drafted very broadly with reference to the Rules and procedures authorised under the Rules. Consider restricting the application to Chapter 7 of the Rules and list the relevant procedures or similarly restrict the procedures to those authorised under the Rules.</p>
S7.4.4 Capabilities of Metering Providers for metering installations types 5 and 6	<p>The proposed amendment to clause S7.4.4(a) is drafted very broadly with reference to the Rules, the metrology procedure and procedures authorised under the Rules. Consider restricting the application to Chapter 7 of the Rules and list the relevant procedures or similarly restrict the procedures to those authorised under the Rules.</p> <p>It is not clear why the drafting provides a distinction between the metrology procedure, which is specifically listed, and other procedures which are referred to generally. It would be preferable to list the procedures relevant to the provision.</p>