

2 March 2022

Submitted via email: energy.consumerpolicy@dpie.nsw.gov.au

Dear Emily and Team,

Promoting innovation for NSW energy customers – Public Consultation Paper

PLUS ES welcomes the opportunity to provide feedback to the NSW Government's Promoting innovation for NSW energy customers – Public Consultation Paper.

PLUS ES is a registered Metering Co-ordinator (**MC**) and an accredited Metering Provider (**MP**) and Metering Data Provider (**MDP**) in the National Electricity Market (**NEM**). Our skilled, internal workforce provides metering services across Australia. Our customers range from small residential customers through to Australia's largest manufacturers and mining operators.

PLUS ES feedback on the below key points are:

- **Meter¹ cost to customers** – we have concerns with the proposed options as pricing with Retailers is commercially sensitive. This is confidential information of PLUS ES which a Retailer is not entitled to disclose to third parties.
- **Removal of barriers, streamlining operational efficiencies and maintaining customer protections** - we support initiatives that will help accelerate the pace of smart meters across NSW, help improve the efficiency and capability of the metering installation with digital technology and improve customer experience, so customers and participants can realise the benefits of smart meters. We also recognise that the benefits of smart meters have not yet been fully realised by customers and participants. However, as the number of smart meter deployments increases, we expect further investment across the industry that will allow these benefits to be realised.
- **DER in NSW** – we support that DER will play an important role ensuring a reliable, affordable and sustainable electrical system. The smart metering installation and its associated capabilities, including the metering data, is the foundation which underpins and

¹ Meter cost = is not simply the supply of the meter hardware by the whole suite of ongoing MP, MDP and MC services.

supports the energy industry's evolving dynamic operating requirements and future energy targets.

- Customer's digital journey – we support any initiatives which increase a customer's awareness about the electricity network and its components. Furthermore, digital tools utilised for customer communications, notifications and references will promote a more transparent and customer equitable electricity industry.

We have provided more detailed responses against the issues identified and questions posed in the consultation paper relevant to our organisation.

We also recommend, for further metering framework details and insight, that the DPE reviews [PLUS ES' submission](#) to the AEMC EM00040 – Review of the Regulatory Framework for Metering Services – Direction Paper.

PLUS ES would welcome further discussions in relation to this submission. If you have any questions or wish for further discussion, please contact Helen Vassos on 0419 322 530 or at Helen.vassos@pluses.com.au.

Sincerely,



Darren Ferdinands

Head of Metering – PLUS ES

**PLUS ES feedback to the NSW DPE's Promoting innovation for NSW energy customers –
Public Consultation Paper Issues**

PLUS ES Feedback

Issue 1. Meter Costs to customers

PLUS ES does not support the DPE's options of addressing the issues with respect to meter costs. We believe that exposing commercially sensitive information to customers or regulating costs in a competitive market would not deliver the outcomes the DPE is seeking.

Our reasoning includes the following points:

Commercial in confidence agreements: The contestable Metering Coordinator (MC)/Metering Provider's (MP) arrangements with both customers (Retailers) and suppliers (meter manufacturers) are commercially sensitive agreements. Generally, the Retailer is not entitled to disclose this confidential pricing to third parties without it being in breach of contract; similarly, an MC/MP will likely be in breach of its confidentiality obligations owed to suppliers under contract, where it is compelled to disclose its input costs.

Further, disclosure of customer pricing may cause significant damage to PLUS ES' relationships with retailers due to any price differentials (e.g. due to volume commitments) and may also allow competitors to gain an unfair advantage.

The price for the meter is not limited to the upfront cost of the metering hardware itself, but includes all of the ongoing functions associated with the metering service such as install, maintenance, reading, data processing and forwarding etc. Factors which contribute to the price variance include, meter volume commitments, cost to serve – regulated obligations² vs operational negotiated processes³ etc. The price in isolation does not give any appreciation to the legal risks that an MP might be assuming under the contract, or other regimes like service credit rebates.

Customer choice: The Power of Choice (PoC) framework does not allow a small customer to select their MC/MP. Even if the customer chose a Retailer, they could not request the MC/MP of their choice. The Financially Responsible Market Participant (FRMP) appoints the MC, and the MC then appoints the MP. To allow a small customer to elect an MC would require a rewrite of

² Regulatory/Market Obligations such as maintaining a functional and compliant metering installation, collecting/validating/publishing metering data for billing and market settlement purposes, etc.

³ Retailers via commercial agreements may request their MC/MP to meet their obligations pertaining to the metering installation such as planned interruption notifications to customers etc

the Metering Regulatory Framework.⁴

If the industry was to progress down such a path, this implementation would increase costs as agreements would have to be renegotiated, systems and processes would have to be amended etc. Ultimately these costs would be borne by the end consumer.

Lower costs: A customer seeking lower costs will more than likely choose the Retailer plan which reduces their overall invoice – In PoC, the customer chooses between electricity retailers and their offerings and does not choose the components that make up that retailer's cost. Metering is one of those costs the Retailer manages in conjunction with other costs components to arrive at the retail offering to the customer, typically dominated by kWh charges. The meter cost is not the determining factor in the Retailer's overall cost. Itemising the metering cost component when the customer cannot select the MC/MP just distorts this process.

In contrast, prior to PoC, the metering service was a regulated monopoly function carried out by the Network and it was only in this framework that the cost of metering was itemised separately and made public. We are no longer in this environment.

The Retail space is highly competitive, and the metering is just a component of the competition.

Regulated pricing guideline: PLUS ES does not support any initiative to introduce pricing guidelines for smart meter installations and potential meter board modification costs to assist in reducing bill shock, particularly for vulnerable households. Instead, such a move would have the opposite outcome by hindering competitive market dynamics and potentially contributing to higher costs.

A regulated approach will likely lead to inequitable cost outcomes between parties and reduce competitive tensions to provide additional services. Refer to our comments above in the *Commercial in confidence agreements* section.

Singling out metering costs: If the intent is for the customer to understand and make an informed choice with respect to their Retailer invoicing – then a fair and equitable measure would be for the Retailer to itemise all service provider components of the customer's bill not just singling out metering costs. i.e. this would also include the disaggregation costs of the IT service providers, the customer service provider etc

Alternatively, PLUS ES supports that an acceleration of the smart meter roll out would enable market forces to reduce the costs of metering. Though PoC was implemented 1 Dec 2017, it is still in its infancy, since only approximately 25% of the meter population has been replaced with a smart meter. PLUS ES supports that an acceleration of a smart meter roll out is necessary to lower the costs as this occurs when all spare economic capacity with regards to

⁴ PLUS ES would welcome the opportunity to have further discussions with the DPE.

meter manufacturing, logistics, install, and maintenance is maximised.

Issue 2. Meter Life and Redundancy Charges

PLUS ES supports both potential options proposed to address the issue for meter life and redundancy charges.

Mandate a retirement age of basic meters:

PLUS ES supports DNSPs metering assets not to exceed 20 years of age. For example, assets >20+ years:

- They have achieved the expected life of the asset
- They have an increased probability of malfunction, possibly resulting in a poor customer experience, invariably via costs, such as incorrect billing, estimation etc
- There is a continuing cost to serve related to the asset beyond its life expectancy which is inversely proportional to the benefits it can deliver⁵
- The industry has adopted smart meter competition and smart meter technology which will enable future innovation in the energy sector and drive network innovation and efficiencies for the DNSPs.

A predictable rate of roll-out of smart meters (and associated reduction in legacy BASIC/MRIM meters), would also assist the regulated Network businesses to plan and manage the transition of metering responsibilities to contestable MC/MPs more efficiently.

The DBs were deploying meters until 1 Dec 2017. If the mandated retirement age of the metering asset was the only driver for exchanging meters, we could potentially create a further barrier to smart meter roll out, i.e. having basic meters well past 2040 (2017 + 'X' – where X is the mandated retirement age of the basic meter).

The one challenge presented with this approach is the uncertainty of whether the DNSPs are aware of the manufacturing date of their meter models. In the absence of accurate manufactured date information, the retirement rule could be driven by the installation date of the meter or similar. The installation date could be associated to a brand new metering asset or a refurbished asset, for which the required replacement date could potentially be further extended.

Require Distributors to notify relevant parties when a family failure is identified in a meter population:

PLUS ES supports DNSPs to notify relevant parties when a family failure is identified in a meter

⁵ Contribute to a reduction of products that can be offered to customer, such as solar, remote energisations, usage profile data etc

population. Not only would this accelerate the smart meter roll out, but it will deliver further operational efficiencies and cost savings to the DNSPs by reducing the requirement to meter test and visit the sites for these family failure meters.

Meter replacement: A smart meter has an average life expectancy of 15 years. Factors which could affect the life expectancy are:

- Climatic conditions
- Battery and capacitor life

Barriers to meter replacement⁶: Barriers to meter replacement are:

- Site fixes, including switchboard upgrades –

In many instances, the customer does not know they are responsible for the meter board and its condition. Customer site defects have been a constant barrier to successful completions of metering installations, primarily due to the unexpected customer costs involved.

It is unfortunate that the costs eclipse the fact that, due to the metering installation, safety issues are being identified at a site which, left unchecked, could potentially have resulted in an extreme safety risk to the occupants due to their electrical infrastructure, e.g. Electric shock, fire at the premise, etc.

Customers requiring a metering installation especially on a regulatory mandated accelerated program could find themselves with potentially >\$1000 bills to rectify identified site defects or to make their electrical infrastructure compliant. This is in addition to the numerous site visit costs incurred by the MP.

To mitigate customer backlash and streamline the replacement of Type 5/6 meters, PLUS ES proposes that the NSW DPE consider options, such as the introduction of financial incentives that would encourage the upgrade of private electrical infrastructure, which would deliver timelier and more cost efficient smart meter installations.

A potential option would be for jurisdictional governments to provide financial support to alleviate the burden or barrier of customer site fixes. At a minimum, government financial support should be considered for vulnerable customers, who require a smart meter installed due to a mandated accelerated roll-out.

An example of this would be when the smart meter installer comes across a customer's meter board that contains potential hazards such as an asbestos meter panel or aged

⁶ Further details on the topic, please refer to [PLUS ES' submission](#) to the AEMC EM00040 – Review of the Regulatory Framework for Metering Services – Direction Paper.

wiring. In the longer term and across the industry, in these circumstances, it would be a better outcome for the customer and the industry if such installations were upgraded at the time of smart meter installation, to a point where the site is no longer hazardous, the meter can be installed and can be more easily maintained going forward. However, such sites are often abandoned as too difficult to complete because it is not commercially viable for the metering to be installed and the customer resists additional unexpected expenditure.

- **Tenancy of the customer at the site⁷** – landlord vs tenant. Tenants are dependant on the landlord to approve site defects rectifications as they incur the cost.
- **Access⁸** – Physical access vs customer refusal

Issue 3. Solar connection delays

PLUS ES supports that a combination of both options the DPE has proposed would deliver solar connection efficiencies for the customer. We have outlined our points below in more detail for your consideration.

Installation Timeframes: It is not possible to constrain the regulatory timeframes any more than what they are currently in the NER, whilst the current dependencies exist. As it is, the MP in certain scenarios is left with 1 bus day to schedule and install the meter to be complaint with the timeframes⁹. Factors which create dependencies and place constraints on the MP within the timeframe are:

- **MSATS systems and interpretations:** In most cases if a meter is a Type 5/6, the Retailer must nominate the new MC and the new MC must nominate the MPB. MSATS design imposes time delays for the metering parties to be nominated in the role, i.e. to nominate PLUS ES MC and MP – MSATS design requires 4 bus days
- If there is no agreed date with the customer, a planned outage notification must be received by the customer 4 bus days in advance of the meter exchange. If you add the delivery timeframe of a letter, you can see the business days add up very quickly which can lead to the customer waiting for an additional 3 weeks from the date they request a smart meter.

The inflexible timelines also make the process for the MP more inefficient, adding an additional cost burden to the MP. For that reason, PLUS ES advocate a more flexible 10-day deployment timeframe which we advocated in [PLUS ES' submission](#) to the AEMC EM00040 – Review of the

⁷ Further details on the topic, please refer to [PLUS ES' submission](#) to the AEMC EM00040 – Review of the Regulatory Framework for Metering Services – Direction Paper.

⁸ Further details on the topic, please refer to [PLUS ES' submission](#) to the AEMC EM00040 – Review of the Regulatory Framework for Metering Services – Direction Paper.

⁹ PLUS ES is happy to meet with the DPE to talk to the E2E installations timeline and all the associated components and dependencies.

Regulatory Framework for Metering Services – Direction Paper.

Installation delays: PLUS ES does not support that the delays are due to the MP scheduling and attending the site. Our experience has identified the following challenges which contribute to the delay of the customers metering installation:

- After the timeframe described above, the MP arrives to the site – usually after the solar installation has been completed, only to discover site defects such as meter board upgrades, lack of a tail left to connect etc. We cannot proceed with the completion of the metering installation unless the defects/issues are rectified, causing further delays to the customer.
- Customer is not aware that they require a smart meter to realise the benefits of their solar generation. In some cases, they become aware of it once they have received their invoice and question why they have not received their solar rebate.

Due to the above, PLUS ES has the below proposals for the NSW DPE's consideration to improve customer meter installation timeframes and reduce unexpected customer outcomes associated with solar connections:

- A requirement for the solar installer to explain to the customer the E2E solar installation requirements including the requirement of a smart meter
- The solar installer's customer agreement should include an indication/consent that they understand and accept that a smart meter is required for the solar installation
- Expanding jurisdictional requirements for the solar installer to complete a visual inspection of the customer's meter board and advise the customer and the Retailer of any potential concerns
- Providing the ability for the solar installer to request a meter installation on behalf of the customer enables potential efficiencies, such as the installer requesting the meter installation to align with the solar installation date or immediately after. The signature of the customer on the agreement is the consent.
- Ensuring that customer planned interruption notifications and other communications are digitalised and 'post' is the exception.

Issue 4. Meter Board Upgrades

PLUS ES strongly agrees that meter board upgrades pose a significant barrier to the timely and cost efficient installation of a smart meter. The costs seem to be the biggest hindrance followed by the challenges of multi-occupancy sites.

PLUS ES believes a review of the meter board prior to the installation such as a photo or a service report, could add some value but potentially would create further challenges – see our

considerations below on the topic. However, any benefit would be null and void if there is no way forward in resolving the site defects/meter board upgrades to enable meter installations.

PLUS ES do not support the proposed option of re-installing existing network meters on an upgraded meter board. This option does not deliver the best or most cost efficient outcome for the customer. We have advocated another potential option via our submissions to the AEMC Metering Regulatory Framework review. Details have also provided in the **multi-occupancy sites** section below.

PLUS ES strongly supports any DPE initiatives/reviews which will require owner's corporations to consider meter board upgrades as part of their 10 year Capital Works Fund Plan. In addition to earlier PLUS ES comments with respect to funding rectification of site defects, we propose the scope of the discussions are extended to include site defect rectifications – not only meter board upgrades.

Meter Board Upgrades: to achieve a cost efficient and streamlined metering installation, meter boards should not have a mandated replacement age. The condition of the meter board and its compliance to safety requirements should be the determining factors. For example, the presence of asbestos, can it safely accommodate the installation of the meter, etc.

It has been our experience that the age of the meter board does not necessarily directly translate to a required meter board upgrade.

Meter Board Survey:

- **Photos of the meter board –**
 - This could be a value add option for the Retailer/Metering Provider – ‘forearmed is forewarned’ as they say. Viewing the photos could pick up some obvious issues, however, the photos would not be definitive. They could potentially mitigate wasted truck visits if the meter board photos are of a quality. Things that could be determined from meter board photos:
 - Sizing of the board and space availability
 - Condition of the board
 - Possible isolation
 - Challenges in having customers taking photos of the meter board:
 - Retailers have been averse to asking customer to do things especially at the meter board due to safety reasons
 - The outside of the meter board may appear ok, but a potential defect/issue may exist behind the meter board

- Asbestos boards may not be obvious from a photo
- Current market and organisational systems are not built to incorporate attachments. There would be additional manual intervention required to manage the photos, additional costs to make the process more efficient (operational and system) and lengthier timeframes to allow a manual review of the photo/s.
- No liability should be associated with the task of reviewing meter board photos especially where defects and/or potential hazards are not visible.

- **Meter Board Survey Service:**

A meter board survey service presents more challenges and would add considerable costs to the end consumer. The industry benefits would be realised by a minority at best, and the expense incurred by many. Due to the below considerations, PLUS ES does not support a meter board survey service.

- **Costs:** The implementation, provision, and administration of such a service would incur costs. It will involve time and labour costs for site visits, including travel, and associated administrative such as updates to operational system/business processes etc. Ultimately, these costs are borne by the end consumer. Other factors which could potentially impact the size of the costs:
 - Visual inspection vs deep detail review – Is a visual inspection suffice or is there a requirement whilst on site to complete a detail safety review? The latter would increase the cost burden to the customer significantly given that a higher level of technical knowledge would be required.
 - Regional/rural visits for surveys – would be costly due to the remoteness of the area. The actual costs for the survey would deliver greater customer benefits if they were redirected to the costs of replacing a meter board rather than the survey service. That is, the cost of the single visit to a regional area and aborted job plus the subsequent visit could potentially pay for or contribute greatly to the costs of a meter board upgrade.
- **Potential to discriminate against customers requiring meter board upgrades:**

Making this survey available could contribute to cherry picking of sites or potential customers. If this survey were to be made available, to reduce such instances, it should be made available to the current FRMP and the existing or nominated metering provider¹⁰ to minimise any disadvantage to customers.

¹⁰ Current FRMP so as to not disadvantage churning customers and metering provider irrespective of their status would need to know to mitigate potential site issues.

Additionally, there is no value in the MP sharing the state of the meter board. MPs do not have authority to place a defect notice on a customer's site. In our experience, Retailers are reticent or shy away from encouraging their customers to comply with defects/issues for fear that the customer will churn to another Retailer. DNSP's generally do not want to get involved, as the meter board is part of the customer's electrical infrastructure.

- **Currency of the meter board survey:** Additional challenges to be considered and resolved:
 - Market participant vs customer obligation: Who will be responsible in maintaining the currency of the meter board survey.
 - In NSW, with the ASP scheme operational, ASP scheme would also require additional obligations to ensure information of meter boards is communicated and shared with the market.

Short of incurring ongoing costs how does one ensure the currency of the information? The meter board might be compliant and functional today but in 12 months a weather event has occurred to require it to be upgraded. Short of a site visit and an inspection there is no way identifying the upgrade requirement, especially as the meter board was inspected 12 months earlier.

Multi-Occupancy Sites:

These present a challenge even in the most simplistic form of metering installations and need to be considered in the forecast planning of any smart meter deployment.

Add to the multi occupancy scenario, switchboard upgrades, site defects affecting multiple customers, the question of who is responsible for the expense of these upgrades, multiple Retailers on the site, potential power interruptions for each customer for every meter installation required, then this scenario becomes a logistical challenge.

For this reason, PLUS ES proposes and strongly supports the **one in all in** approach for multi occupancy sites, identified by some participants as a potential option during the activities of the AEMC Metering Regulatory Framework Review.

The 'one-in, all-in' approach would be the most efficient and cost-effective industry option to resolve for multi-occupancy meter replacements. In summary, this would involve the MP identifying the multi-occupancy site, the DNSP affecting a group supply isolation on the site and the same MP installing meter isolation devices and smart meters, as required. This approach would streamline and simplify the multi-occupancy premise meter replacement process and more importantly could be implemented in a faster timeframe. The benefits are:

- Whilst the MP is on site, they could exchange all the Type 5/6 meters of the multi-

occupancy site

- If a new meter panel is required, this could be effectively managed by the MP
- The DNSP would be affecting the supply interruption; they could also notify all the impacted customers of the supply interruption, as all the customers would belong to the same DNSP.
- The customers of the multi-occupancy would only have their supply interrupted once, rather than multiple times for the metering requirements of their neighbours.
- Efficiency of scale, lowering costs of replacements for these sites, and accelerating the smart meter roll out
- Minimised time delays, due to:
 - Reduced coordination effort as there aren't multiple MPs having to co-ordinate with multiple Retailers
 - DNSPs would only make one trip to the multi-occupancy site to conduct the temporary isolation

Certain pre-requisites need to be met before this approach can be enabled:

- Principles need to be developed and underpinned by regulations, relating to factors such as: e.g.
 - Customer notifications of outages
 - No objections/barriers from Retailers
 - Preventing a monopoly environment/being anti-competitive
- Removal of barriers or clarifications - to provide the MP the details they require to perform the task i.e. the impacted participants, life support sites etc – review of existing rules and/or market procedures

For multi-occupancy premises with no fuse arrangements, the above proposal would apply without the meter isolation component.

Issue 5. Sample Meters

PLUS ES strongly supports that a smart meter already delivers comprehensive interval metering data, rendering the sample meter irrelevant and obsolete for the following reasons:

- There is only approximately 200 sample meters for each distribution network, whilst there are tens of thousands of smart meters distributed throughout the network area and the volume is constantly growing – this delivers a much larger pool of data than the small volume of sample meters for any metering analysis required

- The legacy sample meters read 30 min intervals and the data is then dissected to 5 min intervals – calculated not actual 5 min interval data. The smart meter with the implementation 5-min interval provides actual data for that trading interval.

With the implementation of Global Settlements (GS) and 5-min interval data, PLUS ES would question whether Controlled Load Profiles (CLP) are still required, let alone requiring sample meters to generate.

Costs: Additionally, there are costs associated in maintaining the sample meters for data otherwise readily available via remotely read smart meters:

- Maintenance of the meters - Replacing the meters to newer technologies
- Potentially requiring network devices which can cause space issues where there is no spare room on the meter board.

Issue 6. Consumer Protections for remote vs manual re-energisation and de-energisations

PLUS ES does not support either potential option which has been identified in the consultation paper. Obligations should be based on the activity undertaken rather than a general alignment of obligations between service providers i.e. DNSP vs Metering Provider.

The DNSP perform a **manual** de-energisation/re-energisation involving the supply point of the site. E.g. pulling a fuse, disconnecting at the pole or pit etc

The MP perform a de-energisation/re-energisation at their **metering installation** by closing/opening the contactor inside the meter. This can be achieved **locally** at the site or **remotely** with an 'over the air' command to the metering installation.

PLUS ES believes that a framework was established when the moratorium for remote energisations was lifted (Oct 2020).

The NSW regulatory requirements and associated Fair Trading guidelines combined with the NER and NERR obligations provide a robust framework for the MPs to follow.

Additionally, the contestable MP has a different operating model to that of the DNSP. System and operational processes are constantly evolving as the customer¹¹ requirements evolve. The commercially competitive nature of the MPs ensure that safety and the end customer protection or service are at the forefront of deliverables. PLUS ES have implemented processes above and beyond the regulatory obligations to ensure customer protections are maintained, irrespective of which role has the obligation.

Aligning the obligations for energisations, irrespective of the method used, may achieve the

¹¹ The customer could be the Retailer or the end consumer via the Retailer.

opposite required end state and diminish the benefits which digital technology could achieve, such as:

- Creating a barrier to reducing the costs to serve
- Reducing the customer's access to more timelier energisations
- Curtailing innovation aligned with technology.

Publishing the MP's timeframes for energisations: The service agreements the Retailers have in place with contestable MC/MP are commercial in confidence and could vary between MPs.

Additionally, the contestable MP has remote energisations enabled via communications to the meter. Energisations could potentially be actioned within a very short timeframe following a request. The DNSP on the other hand requires a lead time to action an energisation request as in all situations a site visit is required.

For such a requirement to deliver any value, one would assume that an end customer is aware of who their metering provider is, which is not the case with most customers. Above all, the small customer cannot directly choose their MP to change the outcome.

For the reasons above, PLUS ES does not believe that adding a regulation for the MP's energisation timeframes to be published by a Retailer would deliver any value.

MP notifying the Retailer of a refusal to de-energise a customer's premise at the Retailer's request:

The DNSP has a connection agreement with the customer at a site. Hence, they have a customer relationship which may or may not involve the Retailer. The DNSP may collect life support (LS) information about their customer, they may even directly receive EWON complaints due to a service they have performed or not performed for the customer.

The MC/MP does not have a direct relationship with the customer. They are a service provider to the customer's Retailer. The MC/MP is reliant on the Retailer to advise them that the customer is a LS customer and will only be aware of information that the Retailer provides them. Nonetheless, the MP will undertake the various checks they are able to complete with the information available to them.

There will be instances where the MP does not complete the de-energisation requested due to a number of factors such as, receiving a re-energisation from an incoming Retailer for a similar timeframe that the de-energisation was requested, the Retailer requesting a de-energisation request during the protected periods as identified in the NERR, etc.

The industry is using B2B Service Orders (SO) to request de-energisations and the B2B Procedures already require that the recipient of a SO send the Initiator a response advising if the

action has been undertaken or not. A regulatory requirement to achieve the same result would be redundant.

For the reasons above, PLUS ES does not support that this regulation needs to be included due to the nature of the customer relationships, information available to the MP and the existing B2B SO procedures.

Retailers are not required to provide compensation to their customers if a customer-initiated remote de-energisation is delayed and the customer receives usage charges as a result:

De-energisation of a meter (remote or local) does not mean all charges will cease for the customer. PLUS ES understands that unless the supply is de-energised at the fuse – not the metering installation - some DNSPs will continue to invoice for a daily supply charge.

The regulation would subjectively favour one form of de-energisation and potentially creating a barrier to the costs reductions a customer could have by using remote de-energisations.

PLUS ES recommends further investigation into the proposed inclusion and the downstream potential impacts. Additionally, PLUS ES proposes the DPE take into consideration the processes and challenges faced by the MP which are different to those of the DNSP. We would like to note that a remote de-energisation when received could take minutes to be actioned on the day requested. Factors which may impact the successful completion of the de-energisation request will most likely be the availability of telecommunications to the meter. This is generally within the scope of the telecommunications service provider and not within the control of the MP or the Retailer.

As the cause is unknown at the time of a failed remote de-energisation, it is treated as a communications fault/potential metering malfunction and the MP is required to roll a truck to try and resolve and complete the customer requested de-energisation.

The NERR are silent on when a metering provider can and cannot de-energise or re-energise a customer's premises: Whilst the NERR may appear silent on when the MP can or cannot energise a customer's premise, similar to NERR Clause 119 for the DNSP, the **NER** is not.

NER Clauses 7.3.2 (i)(2) and 7.3.2(i)(3) clearly outline when a MC (by default the MP which is the role which will undertake the energisation activity) may arrange for a disconnection and reconnection.

It is clear the MC/MP cannot undertake an energisation unless:

- Requested by participants with customer relationships such as the Retailer, the DNSP or the Exempt Embedded Network Service Provider in relation to a child connection point on its

network.

- Affected via remote access
- In accordance with jurisdictional electricity legislation
- If applicable, in accordance with the emergency priority procedures

For the reasons above, combined with the additional Retailer NERR obligations which the MP has adopted as a service provider of the Retailer, PLUS ES does not believe there is a gap nor a requirement for additional regulations.

The one barrier which PLUS ES considers does not afford the customer the same protections, is the advice and guidance received from the Department of Fair Trading with respect to actioning a meter re-energisation requested by a Retailer without a SMCP plan, where the meter has been remotely de-energised.

The only way this customer can be re-energised theoretically is by going to a Retailer with an approved SMCP plan or potential physically replacing the meter. This causes the customer delays in getting the energisation and accessing a product plan with the Retailer of their choosing (competition). The replacement of a perfectly functioning metering asset imposes further unnecessary costs on the industry which ultimately the end consumer ends up paying.

If permitted, the MP could advise those Retailers to send through a local re-energisation (via the meter) for the customer which would align with the requirements for a DNSP with the only exception being the DNSP re-energises at the service fuse and the MP energises via their metering installation.

Issue 8. DER in New South Wales

PLUS ES supports all 5 guiding principles to be included with respect to the coordinated integration of DER in New South Wales as outlined in the consultation paper.

We would also like to emphasise that any approach on a solution should be equitable, fair, automatic/system based, eliminating the requirement of manual/human interventions to achieve reliable, affordable, and sustainable DER outcomes. Any requirements above and beyond the national approach would ultimately lead to a NSW jurisdictional niche which has the potential to increase implementation and administration costs.

PLUS ES would like to recommend some practical measures for DPE's consideration to achieve a reliable, affordable, and sustainable electricity system:

- Interval targets dates – no big bang approach- with grandfathering for existing DER assets
- Standard based measures to avoid retrospective application
- Avoid burdening customers with additional costs when not required, as the industry is

dynamically growing and evolving, and technology becomes obsolete very quickly. i.e. regulating that a meter requirement for a new installation should be at a minimum 2 element where there is no existing need for the customer to have a 2nd element.

- Harmonisation or at least some level of consistency for DER assets – technical standards, thresholds, processes would drive industry benefits
- Providing/enabling incentives to maximise the potential of DER including but not limited to tariffs
- Cost recovery mechanisms for asset owners and industry participants to ensure protections and compensations
- Mitigation of duplicate or multiple devices – choice of technology does become obsolete and delivers multiple benefits instead of applying unique siloed options
- Upfront costs and material concerns – commercial models need to be tested to ensure their value add
- A government scheme/initiative to support the vulnerable and/or low-income customers to take advantage of the benefits without the expenditure of capital. The scheme should consider not just curtailment of solar generation assets but also the parallel option of controllable load being turned on to balance the network.

Issue 9. Enabling Flexibility and Dynamic Operating Envelopes

PLUS ES provides the following points for consideration:

- Installing solar systems that suit current consumption:
 - Education – There is a spectrum of education the Australian consumer needs with respect to solar installations and the impacts of excess generation back to the grid. Currently, the solar concept for the generic consumer is that solar is a viable clean/green energy source and could reduce their electricity bill or become an income earner for them. Most of them would not understand the challenges excess generation present to the network stability.
 - Expanding regulations to ensure solar installations meet the requirements of the customer. This could be a jurisdiction, or a network based guideline. Factors to also be considered in any regulated determinations is whether there is controlled load, a battery system or other DER assets on the property.
- Incentivising the installation of battery storage systems combined with dynamic and flexible tariffing options to balance the network load.
- Dynamic operating envelope – regulatory changes, visibility of generation and consumption data

- Realtime visibility of the dynamic operating envelope
- Promoting the shifting of the load during peak events
- Network solar soaker tariffs for DER incentive to shift load during an event
- Potential issues or barriers, including consumer protections, need to be considered if implementation of dynamic export limits is pursued. Consumer protections should enable a framework supporting equitable distribution of dynamic export limits, e.g. small customer generation vs large generators –

Additionally, if the regulations are too harsh on the dynamic export limit, then the end users could potentially investigate ways to mitigate these limits, such as disconnecting the communication link to the DER asset.
- Technical provider/actor of DER asset management authorisation –
 - Should not be determined by the customer especially for small customer installations – Any process which relies on the customer to make the decision on who or what will manage the control on their behalf is a poor outcome. Most customers do not know what they are agreeing to. There is an added complexity of customers churning sites (move in/move outs) and participants outside the Retailer will be unaware. That is, DER asset management activities should be site based.
 - A central party managing the control of DER assets on a specific site would make the process more efficient and cost effective, especially with respect to the customer.

Issue 10. Quality, Standards and Compliance

PLUS ES provides the following points for consideration:

- Inverters should comply to a national standard. They should be set correctly and have the correct capabilities activated on installation. The obligation should be on the installer and not on the customer.

The requirements should apply to new inverters. Legacy inverters should be grandfathered until an upgrade or service is required and the obligation again on the solar inverter agent to ensure compliance.

Consideration should be made to update the standard to have inverters automatically limit export proportionally based on voltage rise rather than the current on-off mechanism. This would likely result in less stress to the network and a fairer result for customers in a given area. This would be much simpler and efficient practices with better customer outcomes than introducing mandatory remote disconnect controls.
- DNSPs should be able to remotely access or communicate with DER assets on their

network. This should only be allowed in times of network instability and for curtailing export generation /load. This would require the following parameters defined to ensure equitable management of DER assets:

- Security protocols
- Agreed market signals
- Agreed Parties to trigger market signals
- At minimum cost recovery mechanisms for the asset owners to ensure equitable proportioning of investment and benefits
- Greater efficiency would be achieved if all new DER equipment installed were active and controllable when installed and in use. The installers paperwork must indicate that it was tested and active. This would also ensure that the correct infrastructure is in place to support DER. i.e. Wi-Fi at the premise etc. For instances where the solar connection precedes an internet connection, a potential option is to have an installer use a temporary connection to prove capability.

The standards would also have to cater for instances where internet connection is not viable to assist with DER asset control.

- Frameworks or measures to ensure DER systems are installed compliantly with relevant technical and quality standards:
 - Regulated standards for the technical standards and requirements.
 - An application/registration process should include the model number of assets and registration process

Issue 11. Improving The Visibility of Residential DER And Data Management

PLUS ES supports that the greatest efficiency for managing DER assets would be achieved by:

- A centralised register/database which is easy to access and populate - utilising the market system to manage these resources; not an in-parallel DNSP locally based system.
- Mandating requirements to ensure the installation and registration of DER assets
- AEMO as the industry's operator having the responsibility of this system
- Market notifications and signals need to be correctly forwarded to authorised parties in the market and visible
- Avoiding multiple devices and increased costs by maximising the smart meters capabilities before considering alternative options.

Issue 12. Community Batteries and Emerging Technologies

There is a significant issue as the DNSP no longer has a commercial relationship directly with the end customer, nor with the MP. It limits flexibility in these areas, but the market (except Vic) has chosen to go down this path.

Issue 13. EV Infrastructure In Existing Apartment Buildings

- One point that does not appear to have been considered is that for large numbers of cars, they are driven to work, and will not be at the residence during the day. The optimum time to charge a car will be during the daytime, not the night-time, when the sun is no longer shining. We need to get chargers installed in work carparks and shopping centres, rather than in apartments. The last thing the network wants is people driving home at 5 pm and plugging in to charge their EVs before going out later.

Issue 17. Access to information

PLUS ES supports any initiatives which will provide customers access to information on the electricity industry, including supply connections, metering and DER activities. All the information should be centrally located and readily accessible. The information should be in simple English to support all customer demographics.

Information for the NSW consumer with respect to electricity should be an initiative driven by the government and the Retailer. The MC/MP does not have a customer relationship and historically the Retailer had maintained the communications to their customers.

Issue 20: Digitalising engagement with DNSPs

PLUS ES would also like to increase the scope of the 'customer' definition to include other market participants not only the end consumer. Digitalising and using modern technology to improve the method the DNSP's use to communicate can only drive further operational efficiencies which potentially lead to lower costs. Some items for consideration:

- Improved planned outage co-ordination information interface with other market participants – more real time access and updates
- Visibility of planned DNSP specific supply interruptions available and defined by NMIs

Issue 22. Other Improvements

Access to metering installations especially with respect to DNSP PI keys: The DNSP requires a common lock to be used for electricity meter panels if they need emergency access. As the responsible party for the metering installation, the MP has the same need, yet at this point is struggling to get access to keys.

The general DNSP response is to contact the end customer, but this:

- Is not acceptable for the MP in an emergency, in the same way it is not acceptable for the DNSP
- Creates further customer delays in metering installations and malfunction rectifications and could potentially create delays in customer's energisation requests once the volume ramps up.

There have been ongoing discussions between DNSPs and MPs for over several years without an acceptable efficient resolution. This challenge is not unique to NSW jurisdiction and has been noted in submissions to the AEMC. An opportunity for the NSW jurisdiction to resolve if a national outcome cannot be achieved.

NSW Electricity Supply Act 1995 - Clause 55 Notice of Entry¹²

PLUS ES recommends the DPE reviews the above mentioned clause and the below proposed considerations to deliver operational efficiencies and better customer outcomes:

- Clause (3) to be amended to also exempt metering work which will not require a planned interruption to the customer's supply. This would align with the NERR notice requirements to the customer
- Clause (2) to be amended so that the date specified in the notice allows for a timeframe window, rather than a single expected date and aligns with the relevant NER and NERR requirements.

There are numerous factors which could impact the single schedule date. E.g. scheduled technician falls ill, scheduled jobs took longer than expected, bad weather, etc. This would require contacting the customer or failing that, send the customer a new notice further delaying the site visit by the appropriate timeframe for the customer to receive it.

This onerous requirement delivers operational inefficiencies for the service provider and increases the cost of the works.

¹² PLUS ES welcomes further discussions on the topic.