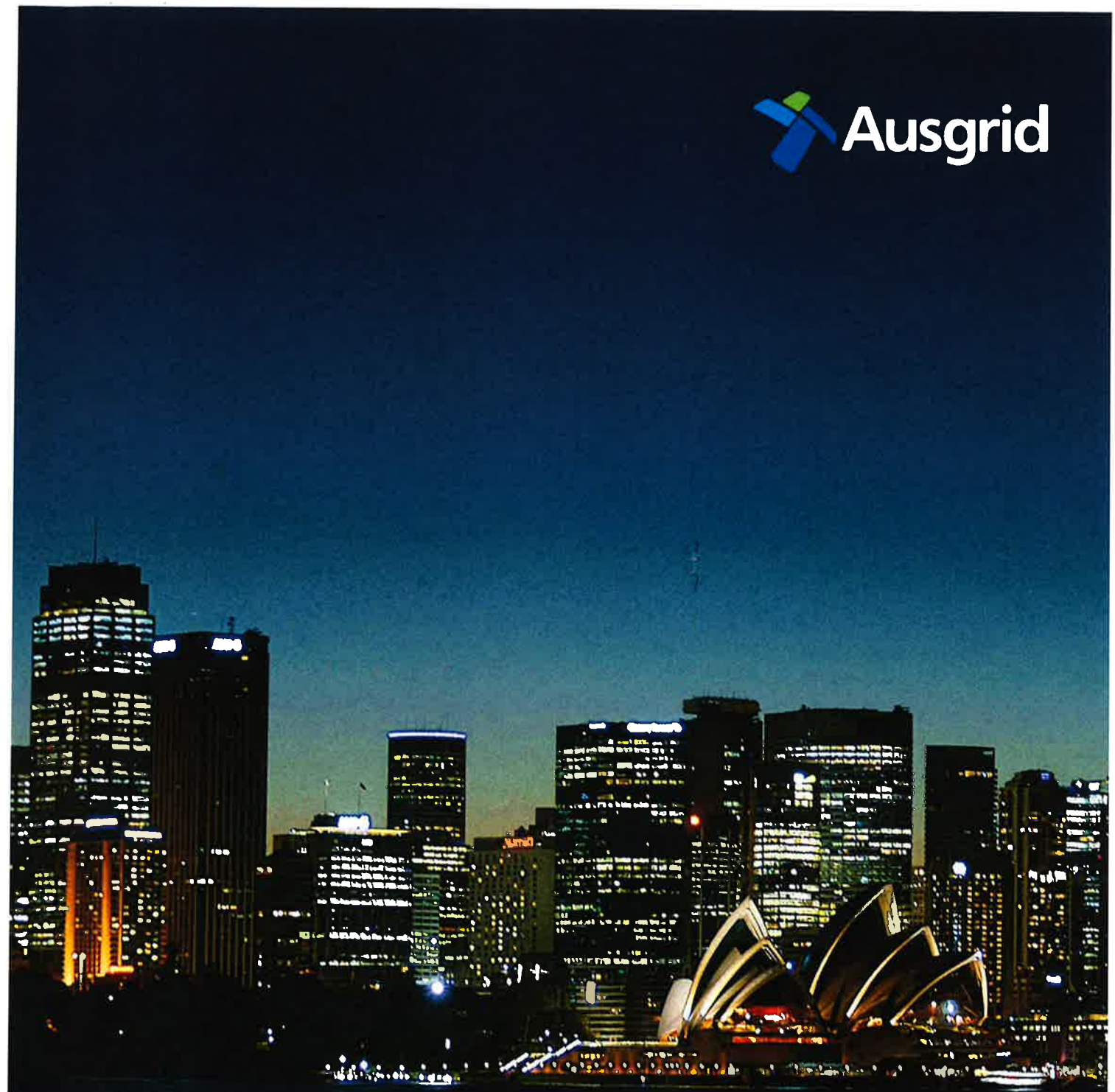

Ausgrid Submission

IPART review of retailers' metering practices in NSW

November 2018

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2 November 2018

Attn: Ms Melanie Mitchell
IPART
PO Box K35
HAYMARKET POST SHOP NSW 1240

Lodged online

Dear Ms Mitchell

Ausgrid is pleased to provide this submission to the Independent Pricing and Regulatory Tribunal (IPART) review of retailers' metering installation practices (the review).

Ausgrid recognises the importance of positive customer outcomes in the provision of meters and welcomes the IPART review of metering practices in NSW. Ausgrid supports any recommendations that improve the customer experience while ensuring that the safety of the customer, the public, and meter installers is maintained.

In its draft report, IPART recognised the interaction between its review and the Australian Energy Market Commission's (AEMC) recent draft rule determination on meter installation timeframes. Ausgrid has also made a submission to that review, emphasising the importance of adequate communication between the retailer and the customer's appointed agent.

This submission provides views on a number of issues that are of interest to Ausgrid, including meter installation practices and the role of Accredited Service Providers (ASP) in meter installations.

Ausgrid is supportive of recommendations that improve the customer experience, whilst ensuring that the safety of the customer, the public, and meter installers is maintained.

Ausgrid is committed to working with IPART to develop solutions for the issues raised as part of its review. Should IPART have any questions in relation to this submission, please contact Chris Hatch, Head of Asset Engineering Policy & Standards on [redacted]

Yours sincerely

[redacted]

Richard Gross
CEO

Restrictions on provision of metering related tasks

IPART's draft report makes a recommendation in relation to metering works and the provision of information to customers about applying for a new meter. Section 3 of the IPART report considers opportunities to *"remove restrictions on Metering Coordinators and Providers undertaking metering-related tasks"*. Furthermore, it states:

That a Level 2 ASP accreditation may be an excessive requirement for certain metering works and, subject to safety regulations, a lower level of accreditation should be available, so that Metering Providers can deploy the resources necessary to undertake all tasks associated with installing a meter including:

- *Operate any service fuse carriers required to de-energise a site for a metering installation*
- *Conduct live isolation work, where necessary*
- *Install ripple control relays, where required, and*
- *Provide planned interruption notices to affected customers on the spot.*

This submission focuses on the risks associated with whole current metering and the potential impacts of changes to current work practices and compliance requirements. Working on and near network assets has an inherent level of risk, and this risk is minimised through the current ASP authorisation framework.

ASP Accreditation and Authorisation Requirements

The *"Code for Safe Installation of direct-connected whole current electricity metering in NSW"* (the 'Code'), applies to *"metering providers who provide, install or replace advanced meters in NSW for the purposes of Part 15 of Schedule 6 of the Electricity Supply Act 1995"*. The Code highlights a number of tasks that are identified as "Prohibited". To overcome restrictions on some prohibited tasks as defined in this Code, we understand that some Metering Providers seek ASP accreditation and authorisation or must engage third party ASPs to complete these tasks.

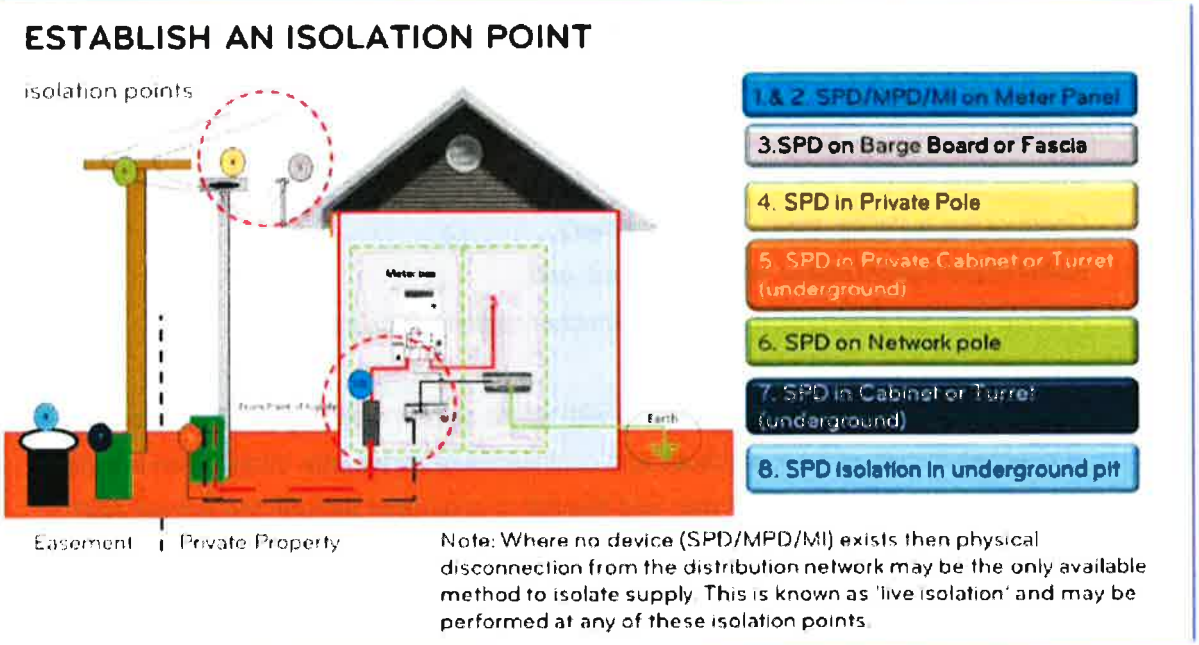
In this context, the draft report outlines that the current ASP accreditation and authorisation processes *"may exceed the minimum training requirements"* necessary to undertake certain metering works.

The current ASP scheme and Ausgrid's ASP authorisation process provides a framework to allow ASPs to be trained and authorised to ensure a level of competency for workers when working on or near the network for contestable works. This includes assurance that workers are trained in the Ausgrid's Electrical Safety Rules (ESR) and other industry safety training. Where customer metering work requires work on or near Network Operator equipment, all work is required to comply with the Code, the Network Operator's ESR, and any associated training and authorisation frameworks.

Operating any service fuse carriers

A recommendation within the draft report is to consider the operation of any fuses, including those located on Network Operator poles or within cabinets, turrets or underground pits.

Figure 3.1 The range of different isolation points



Data source: Vector.

Diagram 1, extracted from draft report, page 19.

There are various isolation points to enable potential safe work to replace meters in a deenergised situation. Ausgrid has reviewed the recommendation and considers potential scope to allow the operation of Service Protection Devices in situations 1-5 (on customer premises) in *Diagram 1* if supported by appropriate training and regulation. However, Ausgrid opposes the operation by Metering Providers of Service Protective Devices in situations 6-8 in diagram 1, and notes this work should be in accordance with all the Network Operators requirements including ESR's, training and authorisations.

By restricting the application of operating fuses on Network Operator assets, including those installed on poles or within cabinets, turrets or underground pits, exposure to both operational and safety risks will be mitigated. This includes risks associated with the inadvertent operation of Network Operator equipment resulting in the unintended interruption to supply for other customers, potentially including life support customers.

Working on energised electrical equipment

Consideration for the principles of So Far As Is Reasonably Practicable (SFAIRP) is required in any risk assessment as outlined in the WHS regulation 2017.This should be included in reviewing all options in the draft report on how to perform meter replacement works. If working on customer installations that are energised and within an earthed environment, control of the risks for live work should be managed to SFAIRP. If the draft recommendation to change relevant safety regulations is undertaken, clear responsibility for an auditing and compliance framework will need to be established to ensure consistency and compliance to these requirements by Metering Providers.

Notification

Chapter 3 of IPART's report identifies the potential for Metering Coordinators / Metering Providers to undertake the notification of all customers affected by multi-occupancy shared fuse scenarios. Ausgrid is supportive of any proposals which improve the customer experience in these situations. However, Ausgrid understands that for the above proposal to work, a number of controls need to be established to avoid unintended consequences.

It is important to ensure that the protection for customers under the National Electricity Customer Framework (NECF) are not eroded by this approach, particularly for life support customers. With multiple metering providers able to interrupt customers from different retailers, there are likely to be increased risks of NECF breaches. There is a potential for increased regulatory oversight of retailer obligations under the NECF.

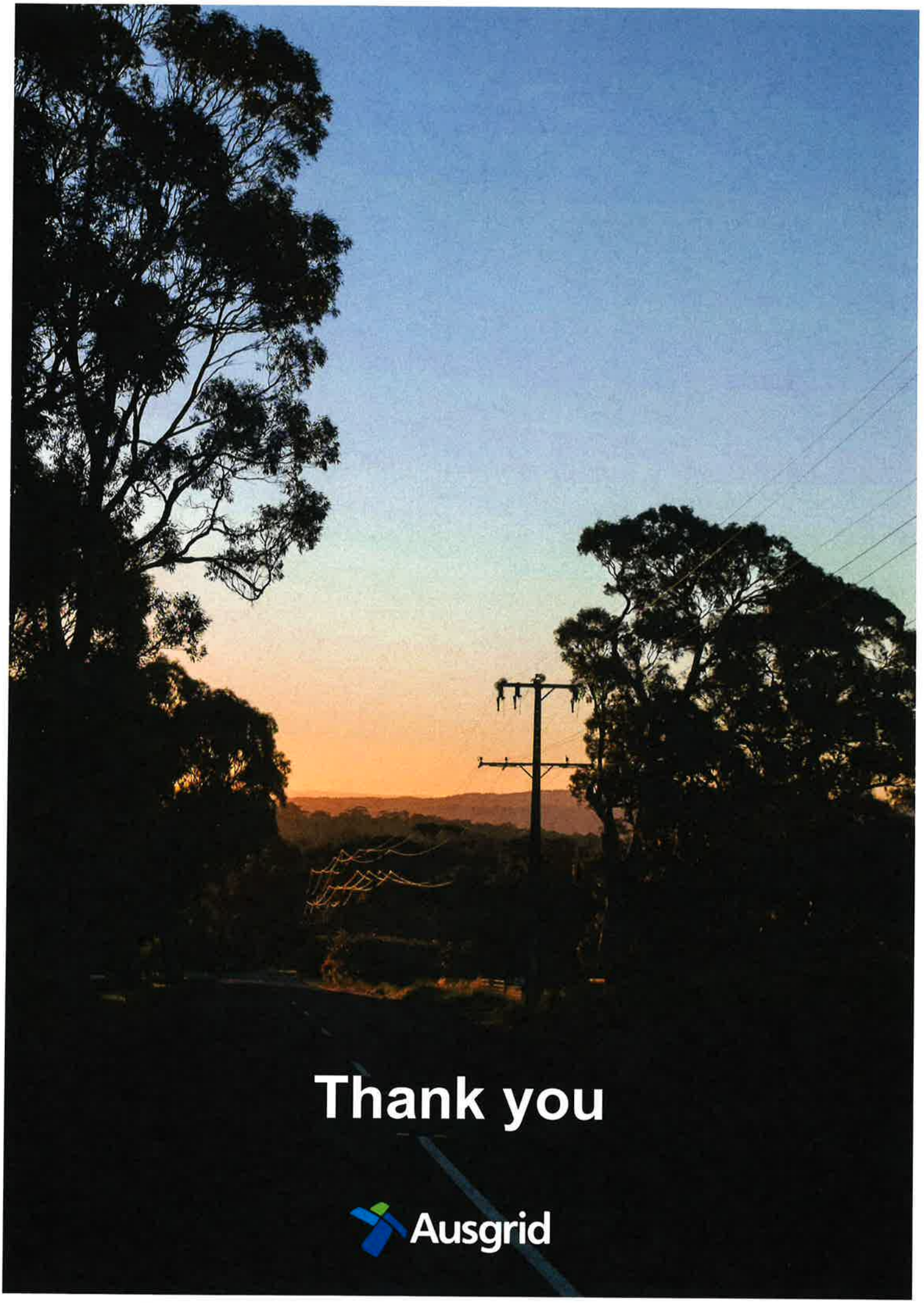
In addition, DNSPs are likely to bear the administrative burden and associated costs of resolving customer queries when notifications are not correctly undertaken, or in the event customers are unaware of the work even if notification has been undertaken in accordance with regulatory requirements. One option for consideration to manage the administrative impacts if this regime is implemented, could be to introduce a requirement on metering providers to record on their service orders all NMIs or site meter numbers which were isolated during the meter replacement. This would provide an audit trail in the event of customer query or NECF breach investigation.

Early identification of metering installation issues

It is suggested in the report that there are no incentives for DNSPs and retailers to share information on site issues such as shared fuses, asbestos panels, poor condition wiring, barge board fuses. In general, DNSPs do not have records relating to information on customer installations recorded in their systems. Therefore, any regulatory change to incentivise DNSPs to share this information is unlikely to achieve the stated aims.

Customer locks

Ausgrid supports the IPART conclusion regarding access to customer metering locks. It is inappropriate for Ausgrid to give metering providers access to master keys for customer sites where individual metering providers may or may not have assets. It is appropriate that metering providers or retailers negotiate directly with those customers for access as required.


Thank you
Ausgrid