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Independent Pricing and Regulatory Tribunal
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Submission on IPART's Draft Report on Retailers' Metering Practices in NSW

Introduction

1. This is Vector Limited's (Vector) submission on the New South Wales (NSW) Independent Pricing and Regulatory Tribunal's (IPART) Draft Report on *Retailers' metering practices in NSW*, released for consultation in October 2018.
2. Vector continues to support the implementation of the *Power of Choice* reforms in NSW's metering market, "where the rollout of advanced meters is being driven by consumer choice, rather than by regulation". Consistent with the intent of these reforms, we believe the benefits from advanced meters are best delivered to NSW consumers in a competitive market.
3. This submission focuses on IPART's:
 - a. draft finding on the training requirements of Metering Coordinators; and
 - b. draft recommendation enabling Metering Coordinators and Metering Providers to deploy the resources necessary to undertake all the tasks associated with installing an advanced meter.
4. No part of this submission is confidential. Vector's contact person for this submission is:

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Metering Coordinator's training requirements

5. IPART identifies "a number of problems where poor coordination between metering parties is causing delays" (page 23 of the Draft Report). This includes the training that Metering Coordinators require NSW Accredited Service Providers (ASPs) and technicians to complete before they are allocated metering work. IPART describes the required training as "repetitive and may be uneconomic in some circumstances" (page 9).
6. Vector does not necessarily agree with the above assessment. As a Metering Coordinator, we ensure that the ASPs and technicians we engage undertake comprehensive training in Vector's systems and processes relating to the installation of advanced meters (including health and safety). As these systems and processes are unique to Vector, we therefore require each technician to achieve a level of proficiency to ensure that quality and safety are maintained before the technician is authorised to install advanced meters under Vector's Metering Provider accreditation.

7. The training developed and provided by Vector is based on the 'National Quality Framework, UEENEEG171A install, setup and commission interval metering' which is prescribed in the NSW Department of Industry 'Code for the Safe Installation of direct-connected whole current electricity metering in the NSW - 2016' under Part 15 of Schedule 6 of the *Electricity Supply Act 1995*. Vector requires all technicians to complete this training and be awarded a National Quality Framework Statement of Attainment.
8. Vector's approach is similar (but not the same) to the training that a distribution network service provider (DNSP) requires ASPs to undertake when ASPs request access to work on the DNSP's network. ASPs require much greater training as a part of the ASP scheme than Meter Installers, with a broader range of pre-approved authority work.
9. We note that IPART is not making specific draft recommendations on the training requirements required by Metering Coordinators for the reason that "the benefits of further regulatory intervention may not exceed the costs at this time" (page 23). We support this decision not only for cost-benefit reasons, but also for the reasons indicated above.

Enabling Metering Coordinators and Metering Providers to perform metering-related tasks

10. IPART has identified certain restrictions on Metering Coordinators and Metering Providers performing metering-related tasks as the biggest cause of delays in the installation of advanced meters in NSW. Vector believes that these restrictions are the result of pre-*Power of Choice* regulations that have not been updated to reflect the new arrangements in the National Electricity Market.
11. These regulations, namely the requirements surrounding the ASP scheme, were originally established to support providers of **contestable network services**. In the pre-*Power of Choice* environment, the ASP established both the supply line (connection to the distribution network) as well as the metering. Under the *Power of Choice* environment, the **contestable network services** are still provided by the ASP but the metering services are now performed by a contestable Metering Provider.
12. We believe that regulations that allowed the ASP to perform site isolation required for the provision of network services (and the consequential metering work) have not been carried over to the contestable Metering Providers.
13. These regulations have created material inefficiencies in delivering metering services to customers as Metering Providers work under the current regulations. This has resulted in jobs that require attendance by multiple parties on multiple occasions, resulting in higher costs and delays to customers. It also has meant that Metering Providers are employing techniques that are costlier, but are unnecessary. As long as the technician has achieved the competency requirements, uses the correct tools and equipment, and has undertaken a comprehensive risk assessment, there should be no requirement to be an ASP to undertake the work.
14. These impacts are unique to NSW. Metering Providers in other jurisdictions are not restricted by the same regulations in place in NSW.

Operating service fuse carriers

15. Vector supports IPART's draft recommendation allowing Metering Providers to operate any service fuse carriers required to de-energise a site for the installation of an advanced meter. This is subject to training and compliance with the relevant safety regulations.

16. We agree that this proposal will reduce costs for Metering Providers, who will not have to engage an ASP only for metering installation purposes. More importantly, it will minimise delays on the part of customers, who will not have to coordinate with and wait for another party (e.g. an ASP) at their premises.
17. IPART notes that this recommendation aligns NSW's practices with other jurisdictions such as Queensland and South Australia, where technicians can operate a broader range of fuses (page 19). We believe this will reduce costs for Metering Providers and customers (as indicated above), and avoid confusion for industry participants operating across jurisdictions and their customers.

Conducting live isolation work in very limited circumstances

18. Existing NSW health and safety regulations provide an exemption that allows ASPs to perform live isolation work in very limited circumstances, subject to meeting the required health and safety conditions.
19. We support IPART's draft recommendation to expand the above exemption so Metering Providers will also be allowed to perform live isolation work for the purpose of installing an advanced meter. We agree that to undertake this work, Metering Providers must be subject to training and must comply with the relevant health and safety regulations.
20. Specifically, we suggest that the NSW *Work Health and Safety Regulation 2017* (the WHS Regulation) be amended, as follows (additional text in red):

Division 4 Electrical work on energised electrical equipment

152 Application of Division 4

This Division does not apply to work carried out:

- (a) by or on behalf of an electricity supply authority. . . , or
 - (b) by a person accredited to provide contestable services. . . , or
 - (c) **by a person accredited to carry out metering works by a Metering Provider within the meaning of the National Electricity Rules, but only while that accredited person is providing metering services or carrying out other work authorised by a Metering Provider.**
21. We note that the WHS Regulation requires work to be undertaken by a competent person who has tools, testing equipment, and personal protective equipment that are suitable for the work. Equipment must be properly tested, maintained in good working order, and in accordance with a safe work method statement prepared for the work.
 22. Vector takes its health and safety obligations very seriously. Our policy is to conduct all metering work in a de-energised site. The only live work we contemplate in NSW is a safe isolation procedure, where there is no safer alternative available. When performing a live isolation procedure for the purpose of installing an advanced meter, our risk assessment could conclude that the presence of an Observer at the site is unnecessary. We therefore suggest that the current health and safety regulations be amended to reflect situations where an Observer is not required in the performance of a live isolation procedure, subject to the Metering Provider's risk assessment confirming this to be the case.
 23. It is reasonable to expect that the need for live isolation work will diminish over time, should Metering Providers be allowed to operate service fuse carriers to de-energise a site for metering installation purposes.

Installing ripple control relay devices

24. Vector supports IPART's draft recommendation allowing Metering Providers to install ripple control relay devices, where required, i.e. where load control circuits are built into the advanced meter. We agree that it is reasonable to have ripple control devices installed by non-ASP technicians. As noted by IPART, these devices: 1) do not require specialist equipment for installation, 2) are located on the customer's metering board, and 3) do not pose a risk to network assets (page 20).
25. Our experience to date has demonstrated that the inability of Metering Providers to install ripple control devices built into the advanced meter introduces a logistical issue that can cause metering installation delays. Under existing arrangements, Metering Providers must obtain these devices from the DNSP on a job-by-job basis as each device must be programmed for a specific tariff.
26. Given that parallel functionality for ripple control is now available from the advanced meter, it appears that the continued rollout of ripple control devices (that are not part of the meter) may become redundant over time. In light of this development, we suggest that IPART review the requirement by DNSPs for customers to install these devices, noting that two of the three DNSPs in NSW no longer require these devices and instead rely on the switching capability embedded in advanced meters.

Providing planned interruption notices on the spot

27. Vector recognises IPART's intent of reducing metering installation delays by recommending that Metering Providers be allowed to provide Planned Interruption Notices on the spot. However, we do not believe this proposal will achieve the desired outcome.
28. IPART's draft recommendation will allow the Metering Provider to issue Planned Interruption Notices to all affected customers when a shared fuse situation is identified, then notify the DNSP that an isolation will be performed.
29. Under the Retailer Planned Interruption notification obligations in the *National Energy Retail Rules*, the notice must advise the customer of the expected date, time, and duration of the interruption. The Metering Provider at the site will have no visibility of the date the DNSP is scheduled to do the job, and therefore will not be able to provide this information in the notice to the customer.
30. IPART also suggests that the Metering Provider could directly advise the DNSP of the situation via the B2B e-hub. This may be possible; however, under current B2B processes, a retailer would still be required to raise the appropriate B2B Service Order to request the DNSP to perform the "Temporary Isolation – Group Supply". This request is a commercial transaction between the retailer and the DNSP, which forms the basis for the DNSP's charges.
31. To deliver on the objective of the IPART review of reducing metering installation delays, we would support allowing Metering Providers to provide Planned Interruption Notices on the spot only where they are also allowed to do the interruption. Otherwise, this additional ability will impose additional costs on Metering Providers without any benefits to them and the affected customers.

Improving coordination between metering parties - access to locked meter boards

32. While Vector recognises IPART's decision and reasons not to make draft recommendations on access to locked meter boards, this remains a significant concern for us.

33. We are considering how current arrangements may be improved to address this matter without imposing significant additional costs on metering market participants and their customers. This could be in the form of new industry/commercial arrangements and/or proposed changes to regulations.

Concluding comment

34. We are happy to discuss with IPART any aspects of this submission.

Yours sincerely



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