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Ms F Towers
Review of Metrology Procedure
Independent Pricing and Regulatory Tribunal
PO Box Q290
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Dear Ms Towers

Review of Metrology Procedure

AGL Energy Sales and Marketing Limited (AGL) appreciates the opportunity to comment on the Review of the Metrology Procedure (the Review) being undertaken by the Independent Pricing and Regulatory Tribunal (IPART).

In its submission to the MIG on the Metrology Procedure AGL expressed concern that different thresholds for metering type six apply in Victoria and NSW. Specifically, requiring customers consuming between 100 MWh and 160 MWh per annum in NSW to install a type five meter to switch (and thus incurring the cost of the type five meter) will act as a barrier to entry for second tier retailers attempting to sell electricity to those customers.

In relation to specific issues raised in the Review, AGL provides the following comments.

4.1.4 Responsible Person Proposed Changes

It is proposed that where the parent has a type 1 – 4 metering installation or has a type 5 installation and consuming greater than 100MWh, the child's Responsible Person (RP) is the parent's LNSP.

It is important that the RP is familiar with the layout of the embedded network. In particular the RP will need to be familiar with the operation of the network including the location of all meters within the network. The RP will also need to be advised of all changes to the network (including changes in tenancy). The most obvious candidate is the embedded network operator. If the responsibility is placed with the LNSP then the amount of additional work could be significant. For example the LNSP will need to incorporate a new business process to keep itself familiar with all meter changes inside the embedded network. The problem with placing the responsibility with the embedded network operator is the requirement to be a registered network operator with NEMMCO.



There may also be an issue with cost recovery. For example will the LNSP be paid by the owner of the embedded network or by the customers who may already be paying for the service (or part there of) through their rent.

As an alternative option, the embedded network owner could be required to appoint a qualified party to undertake the responsibility, then that party and the owner could establish what procedures and costs (if any) that party would be paid. Qualified parties can be LNSP or Local Retailer of the parent.

4.1.10 Standing Data

The most appropriate party to issue NMI's for children in embedded networks and to register the NMI's in the MSATS System is the Responsible Person

4.2 Sample Meters

AGL supports the proposal that sample meters be settled in the market on the basis of accumulation meters.

4.3 Meter Reading Frequency

AGL supports a change to the meter reading period from "lock down period" to "every 14 weeks".

4.5 Estimated Reads

AGL supports the change to the definition of estimated read where an estimated read is treated as a substitute for a type 6 meter and an estimate for a type 5 meter.

4.6 Substitution Types

Where a substitution is used for the purpose of transfer (in the case of a type 6 meter) and a more accurate estimate is obtained, AGL's view is that it should not be used to adjust the original substituted data. This is on the basis that the cost of administration involved in fixing the error is likely to be greater than the cost of the error itself.

4.7 Changes to Inventory Tables

All changes to the inventory tables should be implemented as soon as practical. For example, in the case where a new subdivision is connected, or new light bulbs are installed in an area, the inventory tables should be changed in a timely manner.

If you have any questions regarding the above matters, please contact Mark Bowden,
Manager Retail Electricity Regulation, on 03) 9201 7066. or email mbowden@agl.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sandy Canale', with a stylized flourish at the end.

Sandy Canale
General Manager Customer Services