

D01/11808



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To: ACCC**Facsimile: (02) 6243 1260****Attention: Mr Louis Tirpcou****Date: 15/09/2000**

From : Mr Norman Jip**Number of pages including this form (5)****Telephone (02) 9284 3490****Facsimile: (02) 9284 3050**

Group/Section/Branch
Corporate Development/Regulatory Affairs

Dear Louis

Please find a copy of TransGrid's resubmitted paper as invited by the ACCC on the Full Retail Competition Code Change Proposals originally sent to NECA earlier in July this year. An e-mailed version will also be forwarded today for your convenience.

Regards

Norman Jip
A/Manager - Regulatory Affairs

15/9/00

**TransGrid**

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Dear Paul

National Electricity Code Changes: Full Retail Competition – TransGrid re-Submission

Thank you for the opportunity to re-submit our original comments on the proposed code changes consultation put forward by NEMMCO to NECA during July this year.

Please find attached TransGrid's original submission to NECA on this matter. I have also organised a facsimile copy for your reference, addressed to Mr Louis Tirpou.

I trust these comments are of assistance in providing the ACCC with relevant concerns emanating from the proposed NEMMCO code changes primarily to Chapter 7 of the Code, in conjunction with the impending introduction of full retail competition.

Yours sincerely

Norman Jip
A/Manager - Regulatory Affairs

15/9/00





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FAXED

Dear Paul

**Code Change Panel: Full Retail Competition - Minimalist Changes - Chapter 7
TransGrid Submission**

Thank you for the opportunity to offer comments on the proposed code changes consultation put forward by NEMMCO upon Minimalist Code Changes - Chapter 7.

I trust these comments are of assistance in providing NECA with relevant concerns emanating from the proposed NEMMCO code changes to Chapter 7 of the Code, in conjunction with the introduction of full retail competition.

Please find attached TransGrid's submission to NECA on this matter.

Yours sincerely

Philip Gall 25/7/2000

Philip Gall
Manager/ Regulatory Affairs



General Comments

In January and February of this year, TransGrid responded to two NEMMCO consultation papers, which discussed code changes to Chapter 7. As far as TransGrid is aware no submissions on those consultation papers have been published. In terms of public feedback and provision of participant submissions appropriate procedural transparency seems not to have occurred on this occasion.

TransGrid has ongoing concerns with issues of safety, site security, access management, worker competency and avoidance of unnecessary risks that might eventuate as a result of inappropriate and hastily considered code changes, as part of the processes underpinning the tight deadlines associated with the introduction of full retail competition.

Furthermore, it should be noted that previous consultation processes and proposed code changes have not satisfactorily addressed the issue of meter churn due to changes of *financially responsible market participants (retailer of choice selected by non-market participants)*. In this regard, TransGrid is also concerned with the accuracy of the statement upon meter churn rates, on page 4 of the Code Change Panel Report.

Specific Comments & Concerns

- > TransGrid notes Clause 7.3.1(f) as proposed gives the Metering Provider the right to access the Metering Installation in accordance with clause 5.3.7(e). Clause 5.3.7(e) as proposed requires the TNSP to inform NEMMCO of the arrangements for the metering provider to obtain physical access to the metering installation.

Both of the above changes are entirely unsatisfactory and ignore TransGrid's previously suggested comments. A NSP (or any site owner) must have the right to set reasonable access requirements to address issues such as competency to work within the location, compliance with High Voltage safety rules, site security, character of individual etc.

The code needs to provide that the Metering Provider will secure access through a process of negotiation with the NSP taking into account the reasonable requirements of the NSP. The negotiations should take place in good faith and if agreement cannot be reached then the code dispute resolution procedures should be available to the parties.

TransGrid firmly believes that NEMMCO only needs to know that access has been secured, it does not need to know all of the details of the agreement. TransGrid would suggest that it is far more practical to institute a change in roles and responsibilities whereby the metering provider should confirm to NEMMCO that access is secured to a metering installation since they are the party that requires the physical access. Currently, a Metering Provider Access Agreement is being developed, setting out the terms and conditions with which third party Metering Providers will be required to comply, before access to metering installations located at TransGrid sites will be granted. TransGrid suggests that a *copy of the signed agreement should then satisfy NEMMCO's need to be informed of the access arrangements.*

- > Proposed clause 7.2.1(b) would appear to be a mechanism for NEMMCO to review and possibly change the role of the *responsible person*. If so, then this clause would be better reassigned as clause 7.2.6 (c) under the heading of "Review of role of responsible persons".
- > Proposed clause 7.3.1(a)(9) (B) stipulates a requirement for facilities on site to store data for a minimum period of 200 days if a communications link is not capable of delivering data on a daily basis and the metering installation includes measurement element(s) and a datalogger at the same site. This clause should allow a much lower minimum period where alternative processes can be agreed between NEMMCO and the *responsible person* to ensure data from the metering installation is provided in accordance with the performance standards for data delivery included in this chapter.

There are a number of meters that have in-built dataloggers installed and that will not comply with this requirement. Provided they are read regularly and within their data storage capacities, the metering database should be appropriately populated. Market resettlement is limited to a maximum of 6 months (183 days); therefore data maintained in the metering installation that exceeds this period would appear to have little relevance.

- > Proposed clause 7.3.1(ba)(1) empowers NEMMCO to prepare, publish and revise the metrology procedure for type 1, 2, 3 and 4 metering installations. There is no requirement for consultation, yet changes to the metrology procedure could have significant cost impacts to jurisdictions, participants and service providers. Changes to the metrology procedures should be subject to similar review mechanisms as employed for changes to the Code.
- > Clause 7.3.6(a) identifies who is responsible for the cost of providing metering data and settlements ready data to the *Local Network Service Provider, Local Retailer* and NEMMCO. However, there are no performance criteria specified in Chapter 7 or the MDA Service Level Rules as to the timeliness of the delivery of this data. This is critical for LNSP's, who rely on this data for TUOS billing. Bills cannot be completed until all Network data is received from the MDA's. The lost interest income for TNSPs may be up to \$50,000 for each day TUOS billing is delayed.
- > In reviewing the Glossary – the new definition "telecommunications network" introduces the concept of an alternate telecommunications network that has been approved by NEMMCO. What will be the basis for approving alternate telecommunications networks? Will NEMMCO establish and publish guidelines setting out the criteria upon which alternate telecommunications networks will be assessed and approved?

Should you wish to discuss any matter raised in this submission, please contact TransGrid's Manager – Regulatory Affairs on (02) 9284 3434.