

Date: 09 September 2021 Branch: Operational Technology –
Metering Services

To: The Economic Regulation Authority

From: Horizon Power – Metering
Services Manager

Subject: **Approval of the Horizon power Metering Service Level Agreement**

1. Purpose

Horizon Power is required to develop a Metering Service Level agreement in line with the Pilbara reforms and particularly the Pilbara Networks Access Code. This report describes the actions taken by Horizon Power in complying with Division 6.2 of the Electricity Industry (Metering Code) 2012, the Code.

2. Process undertaken prior to the Submission of Documents to the Economic Regulation Authority, (ERA).

With the development of the Pilbara Reforms and the Pilbara Network Access Code, (PNAC), the Metering Service Level Agreement has been developed in line with the requirements of the Part 6 of the Code.

The Document has been socialised to possible PNAC participants and to the Public of Western Australia for their review and commentary. An email was sent to all known participants in the Pilbara Reform process on the 18th of September 2020, with the document attached. This email appears in Appendix 1 attached.

The review of the document was also advertised in a number of newspapers in Western Australia and the dates these adds were run is also in a table in Appendix 1. The document was also published as draft on the Horizon Power website.

All notification to the public and possible participants required comments regarding the drafts to be returned to Horizon Power by the close of business on the 15th of October 2020.

Horizon Power received one response to the notices from Alinta on the 15th of October 2020 and that response appears in Appendix 2.

Horizon Power reviewed the response from Alinta and considered the suggested changes in line with the Code, the Customer Transfer Code 2016, the intended lower cost “Light Handed” regulatory regime, the PNAC and the Pilbara Network Rules. Horizon Power also considered the Governments view that costs should be kept as low as possible.

Given the majority of the above documents were not finalised till the end of June 2021, and given Horizon Power intended to meet compliance with any additional requirements, these

document has only recently been finalised. The results of Horizon Power's review of the Alinta's suggested changes have been recorded in a matrix which appears in Appendix 3 of this document.

3. Compliance with the Code

Horizon Power has complied with requirements of the Code, Divisions 6.1 and 6.2 and is seeking the ERA review and approve the Metering Service Level Agreement.

Should the ERA require any further information or clarification, please contact Horizon power Metering Service Manager via email; greg.will@horizonpower.com.au or by phone on 08 6310 1611.

Kind regards,

A handwritten signature in black ink, appearing to read "Phil Western".

Phil Western
Manager Operational Technology

Appendix 1.

The electronic notifications were sent to the following people/entities who had been involved in the Pilbara reform Activities.

Kathryn.Barrie@energy.wa.gov.au; Summa.McMahon@energy.wa.gov.au;
economics@cciwa.com; chamber@cmewa.com; Jacinda.Papps@alintaenergy.com.au;
patrick.creaghan@atco.com; meath.hammond@bhp.com; fmgl@fmgl.com.au;
anika.serer@ashburton.wa.gov.au; Council@porthedland.wa.gov.au;
troy_forward@transalta.com; Shannon.orourke@woodside.com.au;
chris.richards@riotinto.com; sarah.clancy@riotinto.com; hugh.smith@atco.com;
Amy.Stanley@atco.com; Julian.hill@royhill.com.au; Greg.hawkins@royhill.com.au

The Electronic notice is below and included the documents attached.

Hello All,

Horizon Power has reviewed its approved and published Communications Rules under Part 6, Documentation, of the Electricity Industry (Metering) Code 2012.

It has also established a draft Metering Service Level Agreement under Part 6, Documentation, of the Electricity Industry (Metering) Code 2012 for the provision of metering services in the Horizon Power Pilbara Networks.

Also in accordance with Part 6, Documentation of the Electricity Industry (Metering) Code 2012, Horizon Power is seeking the input from Code Participants and other interested parties to the amended Communications Rules and draft Metering Services Level Agreement.

Horizon Power invites interested parties to make submissions on the amended Communications Rules and the draft Metering Service Level Agreement. The period for public comment closes on Wednesday the 15th of October 2020.

The documents are attached here for your convenience.

Submissions can be forwarded to:
Mr Greg Will
Horizon Power
PO Box 1066, Bentley DC WA 6983
or greg.will@horizonpower.com.au

Kind Regards,
Advertisement in Newspapers

Date	Publication	Booking Status	Proof	CIB/IFA	Order No.	Lead/KeyNo.	Cost
16/06/2020	PELARA NEWS (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$247.27
16/06/2020	PORT HILLIARD NORTH WEST TELEGRAPH (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$248.33
16/06/2020	WEST AUSTRALIAN (Australia - Sydney) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$1,200.85
23/06/2020	PELARA NEWS (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$243.27
23/06/2020	PORT HILLIARD NORTH WEST TELEGRAPH (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$248.33
24/06/2020	PORT HILLIARD NORTH WEST TELEGRAPH (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$248.33
23/06/2020	PELARA NEWS (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$243.27
24/10/2020	PELARA NEWS (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$243.27
14/10/2020	PORT HILLIARD NORTH WEST TELEGRAPH (Indonesia) - Public Notice - Government Notice	Awaiting Client Approval	View Proof	View IFA			\$248.33

HORIZON POWER *energy for life*

Communications Rules and draft Metering Services Level Agreement

Horizon Power has reviewed its approved and published Communications Rules under Part 6, Documentation, of the Electricity Industry (Metering) Code 2012.

It has also established a draft Metering Service Level Agreement under Part 6, Documentation, of the Electricity Industry (Metering) Code 2012 for the provision of metering services in the Horizon Power Pilbara Networks.

Also in accordance with Part 6, Documentation of the Electricity Industry (Metering) Code 2012, Horizon Power is seeking the input from Code Participants and other interested parties to the amended Communications Rules and draft Metering Services Level Agreement.

The draft documents are attached to this advice available at <https://horizonpower.com.au/contractors-suppliers/contractors/metering-services/>

Invitation for submissions
Horizon Power invites interested parties to make submissions on the amended Communications Rules and the draft Metering Service Level Agreement.

Submissions can be forwarded to:
Mr Greg Will
Horizon Power
PO Box 1066, Bentley DC WA 6983
or greg.will@horizonpower.com.au

Submissions close 4:00 pm (WST) Thursday, 15 October 2020.

For further information, please contact:
Greg Will Ph: 08 6310 1611
greg.will@horizonpower.com.au

Appendix 2.



15 October 2020

Mr Greg Will
 Horizon Power
 PO Box 1066, Bentley DC WA 6983

Transmission via email to: greg.will@horizonpower.com.au

Dear Mr. Greg Will

MODEL SERVICE LEVEL AGREEMENT AND COMMUNICAITON RULES

Alinta Energy appreciates the opportunity to provide feedback on Horizon Power's draft Model Service Level Agreement and Communication Rules. Alinta Energy broadly supports the substance of these documents but raises the following issues and suggested solutions for Horizon Power's further consideration.

Additionally, Alinta Energy would appreciate an opportunity to discuss with Horizon Power how certain aspects of the MSLA and Communication Rules will be operationalised, including how the metering services will be invoiced. This is to ensure that Alinta Energy's billing and reconciliation systems will be compatible.

Model Service Level Agreement

Section	Issue	Recommendation
Schedule 2 – Classification of metering services	Schedule 2 does not offer a service for customers to change their meter read route. This is a common request in Alinta's experience.	Alinta requests that Schedule 2 include a service for customers to change their meter read route.
Schedule 2 – Classification of metering services	Alinta Energy seeks further information about how the services will be invoiced, including how the "Corresponding Reference" codes will be used.	Alinta requests a meeting to discuss how the services will be invoiced, and the invoice template to ensure that its billing systems can be made compatible.
Schedule 2 – Classification of metering services	Services provided by ad-hoc requests, including meter exchanges and re-energise and de-energise services, are classified as reference services rather than accessory services.	Alinta recommends that these services be classified as Accessory Services, considering they will be provided on request and not as part of the reference service.

Appendix 2 (Cont).

DMS #:

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Section	Issue	Recommendation
3.3 Request for Metering Services	3.3 does not explicitly allow users to request cancellation of services under the agreement, nor to specify a preferred time and date for the service.	Alinta suggests the following additions: The User may request the provision of <u>or cancellation of Metering Services</u> under this Agreement, by submitting to Horizon Power a Service Order in accordance with the Code and the Communication Rules. <u>The User may request a preferred appointment date and time and Horizon Power must make reasonable endeavours to perform the Metering Service at that preferred date and time.</u>
5.1 Invoices	There is no requirement for the invoices to state what service each charge is for.	Alinta suggests the following addition: Horizon Power must, within 10 Business Days after the end of an Accounting Period, issue to the User a Tax Invoice for the Accounting Period showing: <ul style="list-style-type: none"> (a) all amounts payable by the User to Horizon Power under this Agreement for the Accounting Period; and (b) <u>the NMI, the due date, the Metering Service ID, where available, or a brief explanation for the amount payable where the Metering Service or fee is not specified in Schedule 5; and</u> (c) all outstanding amounts as at the end of the Accounting Period and interest payable on those amounts; and GST payable on those amounts under clause 5.6. Alinta also suggests that metering services are billed with other network services, if possible.

Appendix 2 (Cont.)

DMS #:

Please fill

Section	Issue	Recommendation
<p>7. Liability</p>	<p>There is no clause stating that HP is liable where the user incurs costs due to HP not providing the service, nor that either party should take reasonable actions to mitigate any loss or damage for which indemnity may be claimed.</p>	<p>Alinta suggests adding the following section from Western Power's MSLA:</p> <p><u>7.X Failure to Provide Service</u> <u>Where Horizon Power fails to provide Metering Services to the User in accordance with this Agreement, due to Horizon Power's Default under this Agreement or negligence, then Horizon Power is liable for the direct additional costs incurred by the User as a result of Horizon Power's failure or negligence other than any direct additional costs that the User has a contractual or other legal entitlement to recover from a Customer.</u></p> <p><u>7.X Liability for Direct Damage</u> <u>Subject to the terms of this Agreement a Party who:</u> <u>a) is negligent; or</u> <u>b) commits a Default under this Agreement,</u> <u>is liable to the other Party for, and must indemnify the other Party against, any Direct Damage caused by, consequent upon or arising out of the negligence or Default.</u></p> <p><u>7.X Duty to Mitigate</u> <u>A Party must take such action as is reasonably required to mitigate any loss or damage to it for which indemnity may be claimed under this Agreement or otherwise.</u></p>
<p>Schedule 5 – fees, Cancellation fees</p>	<p>The Network Operator is not obliged to use reasonable endeavours to avoid incurring costs where a user cancels a service.</p>	<p>Alinta suggests adding the following section from Western Power's MSLA:</p> <p><u>Where a User requests the cancellation of a Metering Service Order in accordance with this Agreement, Horizon Power must use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred</u></p>

Appendix 2 (Cont.)

Section	Issue	Recommendation
8.4 Failure to minimise delays	Alinta Energy suggests that there may be broader consequences for a party not seeking to minimise the delay in the performance of the Affected Obligations.	Alinta recommends the following edit: If an Affected Person fails to comply with clause 8.2(a)(ii)(B), then the only consequence of that failure is that the FM Period is reduced by the period of any delay in the performance of the Affected Obligation attributable to that failure.

Communication Rules

Section	Issue	Recommendation
Standing Data	The Standing Data may not include all the information a retailer requires to bill customers. This will need to be confirmed once reference services are agreed.	Alinta recommends the following components are included in Standing Data: <ul style="list-style-type: none"> - CMD values - An identifying flag for Grouped & Multiple Point of Supply NMI groupings (including the grouping # and the other NMIs in the group) - An identifying flag where a non-standard network tariff/contract exists. - The NMI's network tariff history. Alinta recommends that the Standing Data section is revisited once the Reference Services are established to ensure that no unnecessary fields are retained, nor that any necessary fields are omitted for billing purposes.
Standing Data	Items #23-#26 in the partial SD are not provided in the full SD.	That these items are included in the Standing Data.
Section 2.1	There is no obligation for the Network Operator to notify the customer of the retailers they may contract with when the customer is connecting to the network.	Alinta suggests that the Network Operator be obliged to notify a customer of the retailers that are eligible to supply that customer when the customer is connecting to the network.
Section 2.5 Re-energise Section 2.4 De-energise		Alinta suggests that these be referred to as "remote" energise and de-energise.
Section 2.8		First sentence - replace "disconnection" with "reconnection".

Appendix 3.

Metering Service Level Agreement			
Section	Issue	Recommendation	Action
Schedule 2 – Classification of metering services	Schedule 2 does not offer a service for customers to change their meter read route. This is a common request in Alinta’s experience.	Alinta requests that Schedule 2 include a service for customers to change their meter read route.	The reads are being sent daily to the retailer. Given this, the retailer should be able to bill the customer on any day. There is no need to request a route change. The recommendation is not adopted.
	Alinta Energy seeks further information about how the services will be invoiced, including how the “Corresponding Reference” codes will be used.	Alinta requests a meeting to discuss how the services will be invoiced, and the invoice template to ensure that its billing systems can be made compatible.	see 5.1 Invoices below in which HP has fully responded. See Below.
	Services provided by ad-hoc requests, including meter exchanges and re-energise and de-energise services, are classified as reference services rather than accessory services.	Alinta recommends that these services be classified as Accessory Services considering they will be provided on request and not as part of the reference service	No change to the proposed MSLA because the service are recorded as "Reference Services" in the Reference Services Document. The recommendation is not adopted.

<p>3.3 Request for Metering Services</p>	<p>3.3 does not explicitly allow users to request cancellation of services under the agreement, nor to specify a preferred time and date for the service.</p>	<p>Alinta suggests the following additions: The User may request the provision of or cancellation of Metering Services under this Agreement, by submitting to Horizon Power a Service Order in accordance with the Code and the Communication Rules. The User may request a preferred appointment date and time and Horizon Power must make reasonable endeavours to perform the Metering Service at that preferred date and time.</p>	<p>Agreed The recommendation is adopted.</p>
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<p>5.1 Invoices</p>	<p>There is no requirement for the invoices to state what service each charge is for.</p>	<p>Alinta suggests the following addition: Horizon Power must, within 10 Business Days after the end of an Accounting Period, issue to the User a Tax Invoice for the Accounting Period showing:</p> <p>(a) all amounts payable by the User to Horizon Power under this Agreement for the Accounting Period; and</p> <p>(b) the NMI, the due date, the Metering Service ID, where available, or a brief explanation for the amount payable where the Metering Service or fee is not specified in Schedule 5; and</p> <p>(c) all outstanding amounts as at the end of the Accounting Period and interest payable on those amounts; and GST payable on those amounts under clause 5.6.</p> <p>Alinta also suggests that metering services are billed with other network services if possible.</p>	<p>(a) Horizon Power must, within 10 Business Days after the end of an Accounting Period, issue to the User a Tax Invoice for the Accounting Period showing:</p> <ul style="list-style-type: none"> i. the total amount payable by the User to Horizon Power under this Agreement for the Accounting Period; and ii. GST payable on that amount under clause 5.6. <p>(b) Each Tax Invoice issued by Horizon Power Pilbara Network under clause 5.1(a) will be accompanied by a worksheet, detailing how the amount stated in the Tax Invoice was determined by Horizon Power Pilbara Network, including line items for:</p> <ul style="list-style-type: none"> i. each contestable NMI serviced; ii. Relevant Metering Service ID, where available, or a brief explanation for the amount payable where the Metering Service or fee is not specified in Schedule 5 <p>The recommendation is adopted.</p>
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<p>7. Liability</p>	<p>There is no clause stating that HP is liable where the user incurs costs due to HP not providing the service, nor that either party should take reasonable actions to mitigate any loss or damage for which indemnity may be claimed.</p>	<p>Alinta suggests adding the following section from Western Power's MSLA: 7.X Failure to Provide Service: Where Horizon Power fails to provide Metering Services to the User in accordance with this Agreement, due to Horizon Power's Default under this Agreement or negligence, then Horizon Power is liable for the direct additional costs incurred by the User as a result of Horizon Power's failure or negligence other than any direct additional costs that the User has a contractual or other legal entitlement to recover from a Customer.</p> <p>7.X Liability for Direct Damage Subject to the terms of this Agreement a Party who: a) is negligent; or b) commits a Default under this Agreement, is liable to the other Party for, and must indemnify the other Party against, any Direct Damage caused by, consequent upon or arising out of the negligence or Default.</p> <p>7.X Duty to Mitigate A Party must take such action as is reasonably required to mitigate any loss or damage to it for which indemnity may be claimed under this Agreement or otherwise.</p>	<p>This request was reviewed by the Horizon Power Legal teams with the result that no changes are to be made.</p> <p>The recommendation is not adopted.</p> <p>The reasons for this are as follows:</p> <ul style="list-style-type: none"> • In regards to clause 7.1 of the WP SLC – in circumstances where Horizon Power or the User is negligent or is in breach, the relevant party will be liable to the other at law. This would be for all relevant damages, except to the extent that clause 7.1 of the Horizon Power SLC steps in – that is, either party is not liable to the other for Indirect Damage suffered, however arising. This must be retained. • In regards to clause 7.2 of the WP SLC – I am not sure what that clause is trying to achieve and it may have the effect of cutting across clause 7.1 of the Horizon Power SLC. On this basis, I recommend it is not adopted.
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<p>Schedule 5 - fees, Cancellation fees</p>	<p>The Network Operator is not obliged to use reasonable endeavours to avoid incurring costs where a user cancels a service.</p>	<p>Alinta suggest adding following section from Western Power's MSLA: Where a user requests the cancellation of a Metering Service Order in accordance with this Agreement Horizon Power use reasonable endeavours to ensure that the previously requested work it not carried out and costs are not incurred.</p>	<p>Agreed The recommendation is adopted.</p>
<p>8.4 Failure to minimise delays</p>	<p>Alinta Energy suggests that there may be broader consequences for a party not seeking to minimise the delay in the performance of the Affected Obligations.</p>	<p>Alinta recommends the following edit: If an Affected Person fails to comply with clause 8.2(a)(ii)(B), then the only consequence of that failure is that the FM Period is reduced by the period of any delay in the performance of the Affected Obligation attributable to that failure.</p>	<p>This request was reviewed by the Horizon Power Legal teams with the result that no changes are to be made. The recommendation is not adopted. In regards to below wording, clause 7.4(c) of the Draft provides that "A Party must take such action as is reasonably required to mitigate any loss or damage to it for which indemnity may be claimed under this Agreement or otherwise.". On that basis, no amendment is required in this regard.</p>

Appendix 4

<p>Metering Code, Small Use Customer Code and Customer Transfer Code Requirements</p>	<p>MSLA Compliance</p>
<p>(1) A model service level agreement must at least:</p>	
<p>(a) specify the metering services that the network operator (i) must provide (which must include at least all the metering services that this Code, the Code of Conduct and the Customer Transfer Code require the network operator to provide); and (ii) may provide, to other Code participants on request, and</p>	<p>The Horizon Power Metering Service Level Agreement, MSLA, includes services that ensure the MSLA is compliant with Part 5 of the Metering Code 2012.</p> <p>The MSLA meets all of the Requirements of the Code of Conduct for the Supply of Electricity to Small Use Customers 2018.</p> <p>The MSLA meets all of the requirements of the Customer Transfer Code including the recent amendments from the Pilbara Reform process.</p>
<p>(b) for each metering service referred to in clause 6.6(1)(a), specify: (i) a detailed description of the metering service; and (ii) a timeframe, and where appropriate other service levels, for the performance of the metering service, and</p>	<p>The MSLA complies with this clause by listing all services available, (the same services that are available for Horizon Power Retail), and the time frames for delivery of each of the services. These services also meet the requirement of “Good Electricity Industry Practice” and Australian Standards.</p>

<p>(c) subject to clause 5.21(9), specify the maximum charges that the network operator may impose for each metering service referred to in clause 6.6(1)(a); and</p>	<p>The MSLA includes pricing for all “Extended Metering Services” which are metering services that do not form part of the Reference Metering Services nor of the Accessory Metering Services both of which are covered under the Reference Tariff for which all details are included in “Schedule 5 – Fees”.</p>
<p>(d) if any of the charges specified under clause 6.6(1)(c) is variable, provide details of the methodology and cost components that will be used to calculate the variable charge including (where applicable) hourly labour rates, distance-related costs and equipment usage costs; and</p>	<p>Where any charge is variable the calculation method is identified and explained in “Schedule 5 – Fees”.</p>
<p>(e) provide that the charges which may be imposed under a service level agreement may not exceed the costs that would be incurred by a network operator acting in good faith and in accordance with good electricity industry practice, seeking to achieve the lowest sustainable costs of providing the relevant metering service; and</p>	<p>These requirements are covered within “Schedule 5 – Fees”.</p>
<p>(f) require the network operator to publish, annually, a list setting out for each metering point on the network either:</p> <ul style="list-style-type: none"> (i) each date for a scheduled meter reading in the coming year; or 	<p>The meter read schedule is published annually on the Horizon Power website at the below link.</p> <p>https://www.horizonpower.com.au/contractors-suppliers/contractors/metering-services/</p>

<p>(ii) the reading day number to apply for the current year, and specify the procedures by which, and frequency with which, this list may be revised; and</p>	<p>The published meter reading schedule is reviewed annually in line with the Code.</p>
<p>(g) specify the procedures for a Code participant to make a request for metering services (“metering service order”) and the procedures for dealing with a metering service order. {Note: Without limiting clause 6.6(1), a model service level agreement must, at least:</p> <ul style="list-style-type: none"> (a) specify service levels (including timeframes) under clause 3.11(2); (b) specify test and audit service levels under clause 5.21; (c) contain a mandatory charging provision under clause 5.21(9); (d) specify the service levels (including timeframes) for the provision, installation, operation and maintenance of metering installations under clause 3.5(1); (e) specify a time limit for the purposes of clause 5.13(2); (f) specify service levels (including timeframes) for metering repairs.} 	<p>“Schedule 4 and Schedule 5” detail the compliance with these obligations.</p>