

Western Power Metering Model SLA

Response to Stakeholder Submissions

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Western Power Metering Model SLA - Response to Stakeholder Submissions

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Executive Summary

The development of Western Power's proposed Model Service Level Agreement (**MSLA**) for metering services has been based on a series of market engagements commencing with a Retailer Forum on 23 March 2017, and three rounds of formal feedback. Synergy's most recent submission to the ERA on 20 November 2017 forms the basis of this updated submission to the ERA.

A critical item raised by retailers during Western Power's MSLA engagement process in August and September 2017 was a desire to be more closely consulted on Advanced Metering Infrastructure (**AMI**) implementation planning. Western Power has since met with retailers individually, and proposed an Industry Working Group on AMI be formed in January 2018.

Key Issues

As noted, Western Power and Synergy have been engaging on metering services as both a "business as usual" activity during AA3 and from March 2017, specifically in regards to Western Power's proposed Access Arrangement 4 metering services – the culmination of this engagement being Western Power's AA4 proposal and the updated proposed MSLA.

Western Power and Synergy have discussed aspects of Synergy's MSLA submission in a number of meetings during December 2017, with the view of clarifying stated positions and working through identified issues. However, a number of issues remain unresolved and both Western Power and Synergy request the Economic Regulation Authority (**ERA**) make a determination on these matters. These key issues are outlined in section 2 of this submission.

Updated MSLA

In response to Synergy's submission and following subsequent meetings between the businesses, Western Power has updated the MSLA where positions have been agreed. Attachment A to this submission is the updated proposed MSLA, whilst Attachment B demonstrates the changes made as a result of this consultation process.

1. Introduction and Approach

This submission forms Western Power's further submission to the ERA on its proposed MSLA.

The proposed MSLA has been developed in conjunction with Western Power's 4th Access Arrangement (AA4) proposal, with the scope of services, form of price control and expenditure forecasts intrinsically linked.¹

Inputs to the proposed MSLA have been developed via engagement with Code participants, which commenced with a Retailer Forum on 23 March 2017, and has included three rounds of formal feedback:

1. Following the Retailer Forum in March 2017
2. Following the MSLA Forum and in response to the proposed MSLA (version 1) in September 2017
3. In response to the proposed MSLA (version 2) as published by the ERA

Synergy's most recent submission to the ERA on 20 November 2017 forms the basis of this updated submission – which constitutes version 3 of the proposed MSLA. Following receipt of this submission, Western Power has met with Synergy representatives on three separate occasions.

As a result of the submission and these follow-up meetings, Western Power and Synergy have worked to find an agreed position where possible on changes made by Western Power and issues raised by Synergy. However, a number of positions remain unresolved, and require a determination by the ERA. These issues have been explicitly defined throughout this submission.

1.1 Structure of this submission

This submission is provided in 3 parts, specifically:

- This Response to Stakeholder Submissions Report, comprising:
 - Section 2 defines the key overarching issues that Synergy has raised and Western Power's response to these issues. A portion of these issues remain unresolved and have been highlighted as requiring an ERA determination.
 - Appendix A outlines Western Power's itemised response to Synergy's detailed submission. A number of further issues have been highlighted as requiring an ERA determination.
- Attachment A – which is version 3 of the proposed MSLA.
- Attachment B – which is the marked-up copy of version 3 of the proposed MSLA, demonstrating changes made from version 2 to version 3.

¹ This is due to the fact that the MSLA includes both revenue-capped reference services (services included in AA4) and non-revenue capped non-reference services (fee-based services that function outside of the access arrangement). Any adjustment to the scope or form of price control within the MSLA will necessitate an adjustment to the Access Arrangement proposal.

2. Overarching Issues

Western Power has responded to Synergy's list of "overarching issues" by summarising its understanding of Synergy's position in a breakout box for each issue, and stating its position. For ease of use, where required, Western Power has made a note of the specific issue the ERA must make a determination on in bold text.

2.1 AMI deployment

Synergy position from 20 November 2017: Synergy's position is that they have limited visibility of Western Power's proposed AMI implementation components, including technology selection.

Synergy raises further specific issues with:

- Communications Technology – Synergy considers that Western Power's unilateral selection of communications technologies to support AMI is inconsistent with the enhanced technology provisions of the Metering Code
- Regulatory Considerations – Synergy queries whether Western Power is compliant with section 6.6(1)(e) of the Metering Code, which describes the requirement for Western Power to price metering services at the efficient cost of delivering such services

As part of its 28 September 2017 MSLA submission to the ERA, Western Power committed to providing greater visibility and ongoing engagement into implementation planning, timeframes and transition activities.² Since this date, Western Power has met with retailers individually, and proposed an Industry Working Group on AMI be formed in January 2018.³ A draft Terms of Reference is currently under development for the Industry Working Group.

This working group will function in addition to business-as-usual retail market operations forums, which will also include AMI implementation planning in the context of retail market transactions.

Communications Technology

Synergy consider that the use of communications infrastructure is a matter governed by retailer requested enhanced technology features under the Metering Code. Western Power disagrees with this, and considers its AMI proposal (including communications infrastructure) is fundamentally driven by, and aligns with, the objectives of both the Access Code and the Metering Code. Further, Western Power considers it is the enhanced technology features as *services* that the Metering Code seeks to facilitate access to, and not the assets selected by Western Power to deliver such services. The use of such assets should represent efficient expenditure as per the New Facilities Investment Test in the Access Code.

Western Power considers that the efficiency of proposed capital and operating expenditure to deliver the metering communications requirements is a matter for the AA4 determination process, including any potential ex post review of capital expenditure at the completion of the period.

Synergy contemplate that certain communications infrastructure technology selections may limit the ability for enhanced technology features to be reasonably requested and obtained. Western Power considers that

² In response to submissions from Alinta, Change Energy, Perth Energy and Synergy.

³ Namely Alinta, Amanda Energy, Change Energy, ERM Power, Perth Energy and Synergy.

this is not accurate. The communications infrastructure is the mechanism for communicating with the meter to facilitate services enabled by the meter – however “communications” is not a service in its own right. In practice, a range of communications methods will be used to most efficiently enable remote metering services including enhanced technology features.

Regulatory Considerations

In regards to specific regulatory considerations that query Western Power’s compliance with section 6.6(1)(e) of the Metering Code, this clause states that the MSLA must at least:

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

Western Power considers its proposal meets the requirements of section 6.6(1)(e) of the Code. Western Power notes that it has historically under recovered on extended metering services provided under the MSLA, as demonstrated in Table 1 below.

Table 1: Extended Metering Services – historical revenue and costs⁴

Year Ending	\$'millions	2013	2014	2015	2016	2017	TOTAL
Extended Metering Services (EMS)	Revenue	8.659	5.246	5.747	5.278	7.213	32.145
	Expenditure	-11.143	-5.817	-7.002	-6.469	-7.492	-37.926
	Loss	-2.485	-0.571	-1.255	-1.191	-0.279	-5.781

Western Power’s pricing review of services defined as Extended Metering Services in the MSLA has sought only to price these services at the efficient cost of providing such services, such that revenue would recover only the expenditure incurred to deliver such services.

The pricing of individual services defined in the MSLA has not been amended subsequent to Synergy’s 20 November 2017 submission.

ERA determination required: Western Power requests the ERA make a determination on the pricing of Western Power’s MSLA services in accordance with section 6.6(1)(e) of the Code.

2.2 MSLA Coverage

Synergy position from 20 November 2017: Synergy has requested separation of services that are specific to Western Power’s metering and network functions – seeking for services they consider non-metrology services to be defined as reference services within the Access Arrangement (and therefore should be included within revenue-cap reference tariffs).

⁴ Excludes capital expenditure and capital contributions associated with extended metering services

Western Power does not consider it necessary to distinguish between metrology and non-metrology services under the MSLA. Western Power considers that all services it provides are *covered services* as per the Access Code and that all services included in its proposed MSLA are relevant to the metering of a connection point

The Access Code sets out the parameters under which Western Power services are classified – necessarily as either *covered services* or *excluded services*. Western Power has no agreed *excluded services* with the ERA. Similarly, the Access Arrangement sets out the form of regulation for reference and non-reference services. This is depicted pictorially in Figure 1.

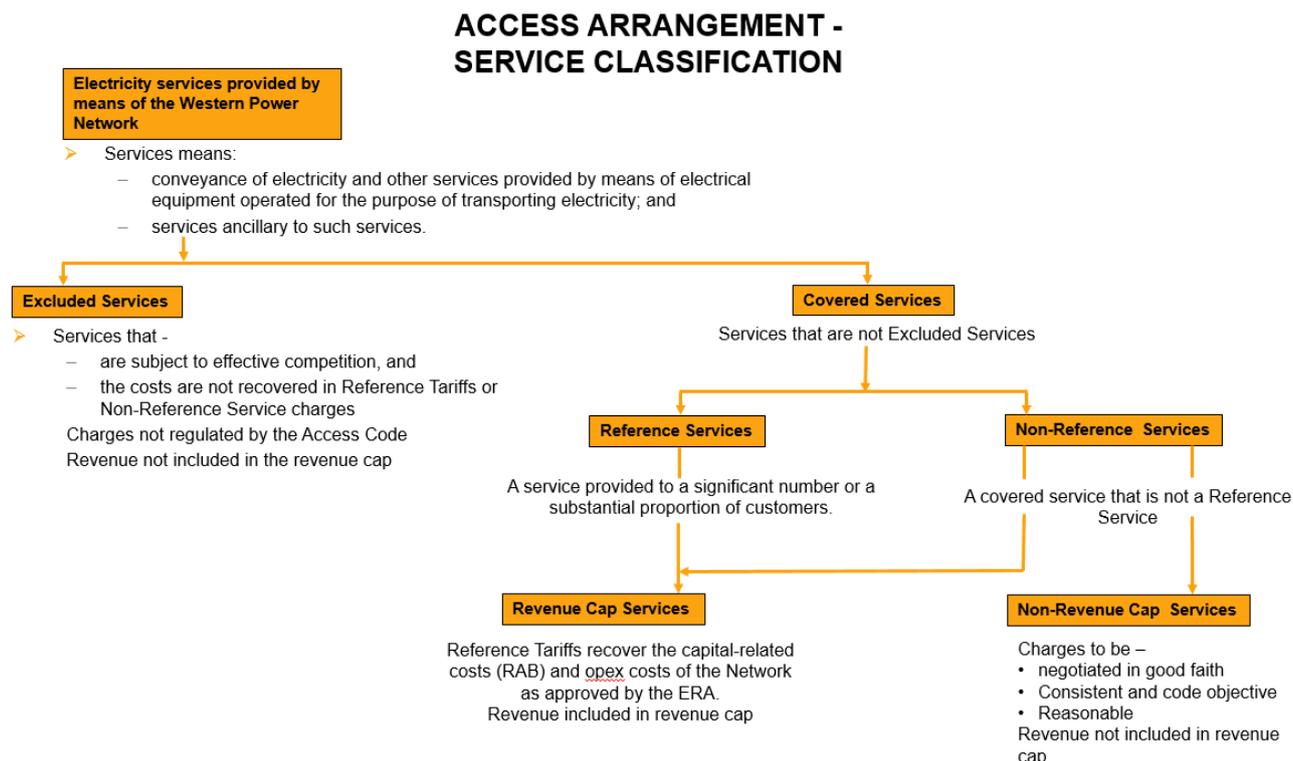


Figure 1: Access Arrangement service classification pathway

Synergy’s submission (page 18) states that Western Power has wrongly assumed that non-reference services currently defined in the MSLA that are reclassified as reference services must be bundled. Synergy contends that reference services can be fee based.

Western Power disagrees with this statement. Chapter 6 of the Access Code sets out the requirements on Western Power defining its price control approach for the services offered. In AA4, as per previous Access Arrangements, Western Power has proposed a revenue cap for reference services (and some non-reference services) and fee-for-service approach for those non-reference services that are not included in the revenue cap. These ‘non-revenue cap non-reference services’ include services defined as extended metering services under the MSLA, whilst standard metering services are provided as ‘revenue-capped reference services’ and recovered via tariffs.

Western Power has structured its standard metering service to include the basic metrology functions to enable the market to function, consistent with the objectives of the Metering Code and in line with section 5.2(b) of the Access Code.

It is Western Power’s position that it is the form of price control that is the key criteria applied to each service (noting again that *all* services provided are regulated as covered services), and not the reference or non-reference classification that is material. As such, differentiating between metrology and non-metrology services is not a requirement of the Access Code nor Metering Code, and applying the appropriate price control to ensure services that are effectively “bundled” within the reference tariff meet the pricing and service access objectives of both Codes – that is, that the service meets the criteria of a reference service (or does not) and that the where distinguishable, customers only pay for the services they specifically require (the User pays approach).

Following a meeting on 7 December 2017, subsequent to Synergy’s submission to the ERA, Synergy provided Western Power with a clarified position on the form of price control (and by extension the reference or non-reference service classification) preferred for specific services included within the MSLA. Western Power and Synergy have proposed alternate views on the form of price control for some services currently included in the MSLA. This is summarised in Table 2 below:

Table 2: MSLA service classification proposed by Western Power and Synergy⁵

Service	Western Power proposal	Synergy submission
ASP-1 - De-energise (Non-AMI Meter)	Fee for service	Reference Tariff
ASP-2 - Re-energise (Non-AMI Meter)	Fee for service	Reference Tariff
ASP-3 – Supply abolishment	Fee for service	Reference Tariff
MP-1 – Meter installation and energisation	Reference Tariff	Fee for service
MDP-7 – Historical energy data provision	Reference Tariff ⁶	Fee for service
MDP-13 - De-energise (AMI Meter)	Fee for service	Reference Tariff
MDP-14 - Re-energise (AMI Meter)	Fee for service	Reference Tariff

Western Power considers that reclassification and inclusion of services within the revenue-cap non-reference service tariffs would expose both Western Power and Synergy to unnecessary forecasting risk – noting that the majority of these services are charged for as incremental opex, with no adjustment for actual expenditure made year on year.

Where Western Power may over-forecast a bundled service, such as de-energisation or re-energisation, Synergy and its customers would be exposed to higher costs than they otherwise would have faced. Where Western Power under-forecast a bundled service, it would face significant financial implications under both

⁵ Excludes MDP-5 and Synergy’s proposed MDP-15 – Western Power’s response to Synergy’s request is specifically detailed in Appendix A

⁶ This was amended from fee for service following stakeholder consultation

opex expenditure and the opex incentive regime that applies – particularly where volume fluctuations occur, as is common.

Additionally, Western Power considers that this approach aligns with the requirements of clause 5.1(2)(c) of the Metering Code, which states:

to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering service containing only those elements of the metering service which the Code participant wishes to acquire.

Western Power considers this service classification as aligning with this requirement, where standard metering services form the minimum requirements for the market to function, and providing for services classified as extended metering services considered elements of metering service that Code participants will require on an ad-hoc basis. The proposed classification seeks to, as much as reasonably practicable, limit cross-subsidisation between those customers that require an ad-hoc service, such as a de-energisation or re-energisation, and those that do not. A “User pays” approach is thus more appropriate for Users of these services, to ensure operational costs can be forecast and managed appropriately and to limit such cross-subsidisation between customers.

Western Power notes that any reclassification of services from Extended Metering Services to Standard Metering Services would necessitate a review and upwards amendment to Western Power’s forecast metering services expenditure proposed for the AA4 period, subsequent to the Draft Determination.

In regards to MP-1, Synergy has proposed reclassification to a fee for service approach for new meter installations currently provided for under reference tariffs (as a standard metering service) – Synergy requests treatment similar to retailer requested meter exchanges provided as MP-4 in the MSLA. Western Power does not agree to this position, as the provision of a meter for a new site is a basic requirement for the market to function and as such has historically been classified as a standard metering service.

ERA determination required: Western Power requests the ERA make a determination on the classification of Western Power’s MSLA services as either tariff-based (revenue cap) reference services or fee-based (non-revenue cap) non-reference services.

2.3 Additional Metering Services

Synergy position from 20 November 2017: Synergy considers it is inconsistent with the Code objectives to require Users to negotiate access to additional metering services via an additional service level agreement for services provided via meter infrastructure which it has or will pay for under Western Power’s regulated asset base.

The Metering Code contemplates the provision of services upon the request of the User that are not included in the MSLA. These provisions are intended to address the requirements of a dynamic market, and to provide for the development of bespoke services for individual Users, as would occur in a competitive market.

As part of development of its MSLA proposal, Western Power engaged with Code participants to ascertain the metering services they would or may require. Throughout this consultation process, Western Power has presented Synergy and other Code participants with information relating to the functionality that AMI can provide.

During consultation, Synergy expressed a requirement for the following AMI services:

- Provision of interval energy data from AMI meters
- Remote reading
- Remote disconnection
- Remote reconnection, inclusive of arming functionality
- Remote reconfiguration

Western Power has included all AMI services and functionality requested by Synergy in its MSLA proposal. Synergy have also expressed interest in Direct Load Control and Load Limitation services. Given the broad scope of this type of service, Western Power would require detailed requirements from Synergy in order to provide such a service. Western Power's proposed MSLA in no way limits Synergy's ability to gain access to such services, once Synergy has identified their specific requirements.

Whilst commercially confidential vendor information has appropriately been held in confidence, Western Power has not withheld any information from Synergy in relation to the services that AMI can enable.

Synergy's further comments do not request any further AMI functionality or services. However, this does not limit Synergy's ability to request additional metering services at a later time. Western Power intends to continue to engage with Code participants in relation to opportunities for value added services associated with its AMI proposal.

Western Power notes Synergy comments in relation to the application of clause 5.1 of the Code. Western Power's proposal is consistent with the requirements of this clause.

Synergy's further comments suggest that each component of meter functionality has an incremental cost. This is an inaccurate assumption. Meters are generally an 'off the shelf' product. Whilst some features a User may require may have an incremental cost, in general, functionality is bundled. Where operational activities are required; for example administrative oversight or back office processing of an AMI service request, this forms the basis of charges defined in the MSLA. For example, for a remote de-energisation service, Western Power's proposed \$4.18 fee represents the cost of administrative effort associated with providing such a service. This back office effort is dependent on the User's specific requirements and the varying degrees of complexity associated with different services.

Further, Western Power notes that the Metering Code limits the recovery of additional (unregulated) revenue via section 6.6(1)(e). That is, Western Power is only able to charge the efficient incremental cost of providing access to such services. Synergy specifically request that:

the MSLA should contain a mechanism whereby a User can request, and WP must provide, additional or new metering services, where the capital cost associated with the underlying infrastructure by which those services are provided is included in WP's regulated asset base.⁷

Western Power notes that this provision of pricing services at the incremental cost of providing them is explicitly provided for in the way Western Power sets charges for metering services under section 6.6(1)(e).

⁷ Page 26

ERA determination required: Western Power requests the ERA make a determination on the scope of services defined in the MSLA – specifically, whether any additional services warrant inclusion in the MSLA or can be provided for through additional service level agreements as users requirements develop over time.

2.4 Performance Provisions

Synergy position from 20 November 2017: Synergy have requested a direct penalty regime be imposed as part of the MSLA.

Western Power disagrees with Synergy's view that additional performance provisions should be included in the MSLA. Western Power considers the regulatory framework for metering includes adequate performance measures and accountability mechanisms.

Western Power's proposed MSLA contains detailed provisions relating to service standards and performance requirements. Noting Synergy's feedback, Western Power has incorporated additional performance measures in its proposed MSLA to those defined under the existing MSLA.

Western Power maintains its view that Synergy is seeking the inclusion of punitive provisions. Western Power considers it inappropriate to include such provisions and that they would provide little to no value to customers. Rather, such provisions would simply result in reduced cost reflectivity across the electricity supply chain.

Western Power has a total of 279 license obligations and provides an *Annual Compliance Report* to the ERA covering all obligations under various regulations and Codes, including the *Electricity Industry Metering Code 2005*, the *Code of Conduct for the Supply of Electricity to Small Use Customers 2016*, the *Electricity Industry (Customer Transfer) Code 2016*, the *Electricity Industry (Network Quality and Reliability of Supply) Code 2005* and the *Electricity Industry (Obligation to Connect) Regulations 2005*.

A performance audit of Western Power's compliance with the conditions of its licences is also conducted by an independent auditor and provided to the ERA, most recently for the period 1 July 2014 to 30 June 2017.^[1] The performance audit includes an assessment of Western Power's compliance including systems and controls for managing compliance, assessment of Western Power's implementation of previous audit recommendations and identification of any new measures required to ensure compliance with license conditions.

Further, Western Power specifically reports on MSLA services through the *Electricity Industry (Metering) Code 2012 – Annual Performance Report*, which is submitted annually to the ERA and the Minister for Energy, at the end of September. The report covers the performance of each of the services provided under established service level agreements and is available on the Western Power website. The report is prepared in accordance with clause 5.37 (2) of the *Electricity Industry Metering Code 2005*.

The level of service standard performance measurement, assessment and reporting currently imposed on Western Power is comprehensive and any further penalty or incentive initiatives would likely come at an increased cost to consumers and is not supported by Western Power.

^[1] <http://www.erawa.com.au/cproot/18498/2/EDL001%20-%20ETL002%20-%202017%20Performance%20Audit%20Report%20-%20Distribution%20and%20Transmission%20Licences.PDF>

Western Power's proposed MSLA is structured to balance the pricing of services, the targeted timeframes for service delivery and the associated KPIs for measurement of performance. Western Power endeavours to exceed the KPIs as a measure of minimum performance. Western Power notes that any application of increased KPIs, reduced timeframes or the application of penalties associated with KPIs will necessitate a review (and upwards adjustment) of MSLA fees to account for the imposed cost of compliance.

ERA determination required: Western Power requests the ERA make a determination on whether the existing compliance obligations for metering service performance are adequate.

2.5 Scrutiny of Western Power's contractual arrangements

Synergy position from 20 November 2017: Both Synergy's submissions relating to Western Power's MSLA engagement process and the ERA's engagement process have requested insight to, and scrutiny of, Western Power's contracting arrangements for the delivery of its metering services obligations.

Western Power invites the ERA to review Western Power's contractual arrangements with market providers in order to demonstrate efficient service provision.

In addition, it should be noted that due to the fixed fee-based price structure for MSLA services, Western Power bears the majority of forecasting risk associated with operational costs. Periods of high-volume activity necessitate additional resources at short notice (and typically higher cost), whilst low-volume periods require careful utilisation management of both in-house and externally contracted resources. Due to these varying volume factors, Western Power's contracts are structured to ensure the ramp-up and ramp-down of external resources is as efficient as possible.

2.6 Manual interval data from type 4-6 meters

Synergy position from 20 November 2017: Synergy submit that "Western Power has not been providing Synergy the manual read *interval energy data* service for residential customers under the current MSLA". Synergy considers it is entitled to "a manually read *interval energy data* service from existing *Type 5 meters* (registered as *Type 6*)". Synergy considers the charges imposed by Western Power for conducting a manual read on an *interval meter* is well above cost reflective levels.

Synergy's submission requests interval data from any meter capable of providing it, including where such data would require manual collection. Western Power considers that the Metering Code nor existing MSLA provides for the extraction of interval data from meters designated as accumulation meters. This is specifically defined in section 3.2 of the Metering Code, which states that:

"A network operator may install a meter with interval energy data storage capability and other enhanced technology features but (by recording it as an accumulation meter in the registry) declare it to be an accumulation meter and only record the accumulated energy data registered by the meter."

Western Power considers Synergy's notion of "Type 5 meters (registered as Type 6)" is not a valid concept under the Metering Code or the MSLA. In regards to the ongoing manual collection of interval data,

Western Power considers this approach as not in line with good industry practice and at significant cost to end consumers.

Western Power has installed electronic meters since the early 1980's and as standard since the late 1990's, with functionality inherent in standard 'off the shelf' product offerings within the electricity metering market. That is, the inclusion of this capability is consistent with good industry practice and efficient expenditure principles. However, regardless of the inherent capabilities of the meter, the Standard Metering Service has historically differentiated between metering services and their associated price on the basis of the read type. This is due to the significant operational costs associated with utilising the interval data capability of electronic meters, via labour intensive manual collection methods.

Due to technology evolution, the utility metering industry is experiencing a period of significant change. Globally, utilities are increasingly leveraging the efficiencies that can be achieved as a result of technological advancement and are challenging conventional solutions.

The concept of interval data and associated collection technology was first introduced in the South-West Interconnected System (**SWIS**) in the 1990's. At inception, the maturity of information and communication technologies in business was limited.

Historically, interval data has presented a solution for increased accuracy of settlement of the Wholesale Electricity Market, with the greatest value realisation corresponding to the volume of energy being traded. This presented a compelling case for the metering of large loads. In this context, the cost of manually collecting interval data was seen as insignificant, relative to broader market and consumer benefits.

The changing nature of solutions in today's energy market has seen a desire for the broader use of interval data, as the focus of many utilities moves downstream in the value chain. However, this presents a significantly different case. Whilst historically, the cost of manually collecting data from a meter associated with a large load presented as insignificant relative to total network costs for a connection point, when applied to a residential connection, additional meter reading costs quickly erode the benefits that utilities and customers may gain from better understanding their energy use, through interval data.

In recent years, due to advancements in communications technology and the desire of utilities for more efficient and reliable data collection methods, metering technology suppliers have largely focused investment towards remote collection technologies. The concept of manually collecting interval data is now viewed as an archaic method in decline.

Western Power currently provides a manual interval data collection service to Synergy via both reference services and non-reference services. Western Power understands this data service provides Synergy with the ability to conduct customer and product analytics. Synergy has expressed dissatisfaction with Western Powers fees for these non-reference services. Western Power is currently providing this service to Synergy at fees which are below cost reflectivity. Whilst Western Power understands Synergy's desire for broader access to interval data, Western Power does not consider the manual collection of this data to be a sustainable arrangement that is in the interest of customers. Whilst such as service may present a retail analytics opportunity, it is an expensive option with limited scalability.

The efficient approach to achieving the desired outcome is dependent on a number of factors, including the capital cost of a remotely communicating advanced meter, relative to the ongoing operational costs of manually reading interval meters.

The primary difference between the manual collection of accumulation data and interval data is handling time. Accumulation data is collected via a visual reading of a meters display, while an interval meter requires connection of a device to the meter to download data. Western Power collects more than 6 million meter readings per year. Western Power's decades of experience in both of these methods has been that download times far exceed the handling times for visual reading. Western Power's experience is that the cost of manually collecting interval data is approximately 6 times that of accumulation data. This is consistent with the experience of other utilities within Australia and is reflected in the opex rates approved by the Australian Energy Regulator (**AER**) in other jurisdictions.

Western Power's position is that where a User requires data sets from a meter that exceed the requirements of the Code and/or requirements relating to operation and settlement of the electricity market that this should be provided on a User pays basis, with cost reflective fees. This is consistent with the Code.

Further, Western Power considers it is in the interest of customers that potential benefits to customers resulting from the ability to better understand how their behaviour impacts their bill be considered in conjunction with the incremental increase in their bill associated with a higher data collection cost. Western Power considers that the use of remote collection technology significantly improves the case for customer benefits associated with interval data. Not only does it provide a data solution, rather than increase the cost of data collection, it reduces this cost.

Western Power's position is that the case for remote data collection and against manual interval data collection is compelling and that the Access Arrangement should seek to avoid a metering services framework that in any way incentivises the manual collection of interval data.

ERA determination required: Western Power requests the ERA make a determination on:

1. The requirement for Western Power to retrieve interval data from meters designated as accumulation meters under the Metering Code;
2. The requirement for Western Power to include a manually collected interval data service in the MSLA as either a Standard Metering Service or an Extended Metering Service; and if so, undertaking a review of the appropriate cost of providing such a service.

2.7 Fixed standard metering service charge

Synergy position from 20 November 2017: Synergy noted their support for the fixed standard metering charge in both their 18 September 2017 submission to Western Power, and their 20 November 2017 submission to the ERA, subject to the ERAs assessment of Code requirements (including cl 6.6(1)(e)).

Western Power notes that the Standard Metering Service charge outcome is a function of the Access Arrangement determination process.

2.8 Service Standards

Synergy position from 20 November 2017: In Synergy's view, Western Power's proposed service descriptions provide inadequate detail of those things that need to be done under the Code to ensure the service is compliant under the Code.

Western Power disagrees with Synergy's suggestion that its proposal is not consistent with requirements of the Code. Western Power considers its proposal exceeds the requirements for a 'model' service level agreement and is consistent with good electricity industry practice.

Western Power's proposal includes:

- Descriptions of each metering service that Western Power must provide and those that Western Power may provide; and
- Timeframes and service levels for the provision of these services.

Western Power's proposal considers the document framework defined by Clause 6.1 of the Code. Western Power considers it is appropriate for technical specificity contained within other documents to be incorporated by reference in the MSLA, rather than duplicated in full in multiple documents. Western Power considers this a prudent approach which mitigates risk of misalignment between documents. This is consistent with the approach taken in the NEM for equivalent instruments.

Subsequent to receipt of Synergy's November submission, Western Power met with Synergy to discuss its approach to this matter in December 2017. Western Power considers that, once its approach was further clarified, Synergy generally agreed this to be a prudent approach.

ERA determination required: Western Power requests that the ERA make a determination as to whether:

1. The MSLA service descriptions contain adequate detail – with regards to Western Power's approach to avoiding the duplication of provisions contained in related documents under Part 6 of the Code (e.g. Communication Rules)
2. The service standards proposed by Western Power are consistent with good electricity industry practice.

2.9 MSLA Structure

Synergy position from 20 November 2017: Synergy considers the MSLA content structure makes the document very difficult to read in terms the service description, service standards and service fees applicable to a particular service given this information is spread across 3 separate schedules.

Western Power has not amended the structure of the MSLA document in response to Synergy's comments. Western Power considers the formatting of the proposed MSLA is fit for purpose, noting it contains 28 distinct services, and is an improvement on the existing MSLA.

In particular, Western Power has sought to remove duplication; for example the removal of repetition of the same clause in every service description, and improve transparency and consistency; for example through the increased detail provided on service standards.

Western Power considers that the structure of the proposed MSLA meets all the requirements set out in the Metering Code, and therefore does not require an ERA determination on document structure.

2.10 Governance arrangements

Synergy position from 20 November 2017: Synergy considers that Western Power has not adequately explained how Western Power's proposed roll-out of AMI meters is consistent with the requirements of the Code and, where applicable, the *Access Code*.

Western Power considers that the Access Code and Metering Code provide suitable governance arrangements for the provision of metering services, including the use of AMI where this is demonstrated as meeting the objectives of both Codes.

The objectives of the Access Code are to promote the economically efficient:

- a) investment in; and
- b) operation of and use of,
networks and services of networks in Western Australia in order to promote competition in markets upstream and downstream of the *networks*

Section 5 of the Access Code requires that Western Power include provisions dealing with *supplementary matters* (of which metering is one) in an Access Arrangement. The NFIT requirements put the Code Objectives to test in regards to proposed expenditure. In this case, Western Power considers the deployment of AMI as the default standard metering service meets the Code Objectives and passes NFIT.

The Metering Code objectives refer to the Access Code, as well as promoting access to data. In addition, the Metering Code requires that Western Power develop a Model Service Level Agreement that includes standard metering services, to which the ERA must assess in line with the objectives of the Access Code (Section 6.15 of the Metering Code titled "Code objective" from Access Code to be taken into account).

Western Power considers that the case for investment in AMI is compelling and that its proposal to the ERA represents a prudent and efficient approach that is in the long term interests of customers. Western Power notes that the ERA will make a determination on the proposal as part of the AA4 determination process.

Western Power considers that any amendments that may be required to other subordinate documents to give operational effect to metering services naturally cascade from approval of the Access Arrangement and MSLA by the ERA.

ERA determination required: None in this MSLA process - notwithstanding the requirements to price metering services in accordance with section 6.6(1)(e) of the Metering Code as outlined in section 2.1 of this document, Western Power considers the efficiency of AMI-related capex a matter for the AA4 determination process.

2.11 Fee adjustments

Synergy position from 20 November 2017: Synergy does not agree with Western Power that automatic CPI adjustment is necessarily "the most efficient pricing escalation mechanism, as opposed to alternatives such as annual price reviews by the ERA.

Western Power considers that the MSLA should include provisions to allow for fee escalation. Western Power considers its price escalation mechanism is an appropriate method of ensuring prices for metering services defined in the MSLA remain compliant with section 6.6(1)(e) of the Metering Code.

Western Power notes that no price escalation has been applied since the original MSLA in 2006, and as such Western Power has routinely under-recovered on metering services defined in the MSLA during AA3, as noted in section 2.1 of this submission.

ERA determination required: Western Power requests the ERA make a determination on Western Power's proposed CPI fee escalation mechanism.

2.12 Proposed AMI Implementation

Synergy position from 20 November 2017: Synergy's view is the Code requires Western Power's communications link proposal to read the meters must be subject to the Regulatory Test (under the Access Code).

Western Power considers that the proposed AMI communications infrastructure does not meet the definition of major augmentation to require regulatory test and notes that the proposed expenditure is subject to regulatory checks and balances in the NFIT process, AA4 determination process and potential ex post review.

2.13 Metering Expenditure

Synergy position from 20 November 2017: Synergy is the largest user of Western Power's metering services.

No specific position or request is provided in this section. Refer to section 2.1 of this submission for regulatory considerations related to pricing of extended metering services.

2.14 Further issues requiring ERA determination

Western Power has highlighted the key issues raised by Synergy for determination by the ERA in sections 2.1 - 2.13 above. Appendix A provides Western Power's specific considerations of Synergy's detailed submission.

However, some additional issues that are not broadly covered in sections 2.1 - 2.13 also require an ERA determination. These are:

1. Western Power requests that the ERA determine whether Western Power's proposal that User's establish protocols for interacting with customers in relation to meter arming and re-energisation is consistent with good electricity industry practice (refer Page 72)
2. Western Power requests that the ERA determine whether Users should incur a fee where they request Western Power perform a service and subsequently cancel that request, to ensure the recovery of Western Power's reasonable and efficient costs (refer Page 107)

Appendix A – Detailed summary of stakeholder feedback and Western Power response

Table: General Comments

Feedback raised	Western Power response
<p>Advanced meter infrastructure (AMI) deployment</p> <p>WP has not addressed Synergy's material concerns as set out in its September Submission detailed in section C, item 1 ("Advanced meter infrastructure (AMI) deployment"). Importantly, WP has not responded to the particular areas where Synergy considers WP's approach to be non-compliant with the Code or the broader regulatory regime. Synergy has expressly set out areas where it considers WP to be non-compliant with the Code whereas WP has not provided any substantiation to support its response, including its view that WP is acting consistent with the Code.</p>	<p>Western Power considers its proposed AMI deployment is consistent with both the <i>Access Code</i> and the <i>Metering Code</i>, as described in section 2.1 (AMI deployment); 2.2 (MSLA Coverage); 2.10 (Governance Arrangements) and 2.12 (proposed AMI implementation).</p>
<p>Advanced meter infrastructure (AMI) deployment</p> <p>Response to: "<i>Communications technology</i>"</p> <p>WP has not addressed Synergy's concerns, particularly with respect to Code compliance and broader regulatory regime. Further, WP has not addressed Synergy's request for information.</p> <p>Synergy does not agree with WP's interpretation the <i>communications link</i> is a matter separate to the requirements of the Code, the MSLA, <i>communication rules</i> and <i>mandatory link criteria</i>.</p> <p>The MSLA purpose is specified in the Code including what it must contain. The Code is specific in relation the scope of a <i>communications link</i> and how enhanced technology features are delivered. These matters are subject to regulatory oversight and <i>user choice</i> under the Code.</p>	<p>Western Power considers its proposed AMI deployment is consistent with both the <i>Access Code</i> and the <i>Metering Code</i>, as described in section 2.1 (AMI deployment – specifically <i>Communications Infrastructure</i>); 2.2 (MSLA Coverage); 2.10 (Governance Arrangements) and 2.12 (proposed AMI implementation).</p>

<p>In particular, Division 3.4 makes it clear the Code contemplates the enhanced technology services and <i>communications link</i> a <i>user</i> may reasonably request in accordance with clause 5.1 of the Code.</p> <p>In Synergy's view, WP cannot seek regulatory approval to or seek to offer enhanced technology services without it being effectively led by <i>users</i> and their agreement. In Synergy's view, WP has not taken this step, therefore WP's approach is not compliant with Division 3.4 of the Code.</p> <p>Therefore, WP's choice of <i>communications link</i> needs to be assessed against the Code's requirements. Synergy understands WP is seeking to implement a <i>communications link</i> to support activities that are outside the requirements of the Code including enhanced technology features it has unilaterally selected with its new <i>Type 4 meters</i> (referred to as AMI Meters).</p> <p>Synergy considers the <i>users'</i> rights to request <i>metering services</i> is a fundamental principle that underpins the Code and the operation of the <i>Code objectives</i> and requires the Authority to determine whether a <i>user</i> has a right to obtain information in relation to WP's AMI and communication infrastructure so they can reasonably exercise their rights to request <i>metering services</i> in relation to the proposed AMI infrastructure. This includes <i>users</i> being provided with information so they can determine whether WP's communications infrastructure is consistent with the Code, and consistent with the ERA Act, promotes regulatory outcomes that are in the public interest and the long-term interests of consumers in relation to the way <i>metering services</i> are contemplated to be delivered under the Code.</p> <p>Further, in the event <i>users</i> consider the proposed communications infrastructure does not meet their requirements <i>users</i> may elect to pay for behind the meter solutions such as demand response enabled devices such as air-conditioning direct load control (Synergy also understands this is occurring in the NEM). If this eventuates in the SWIS then WP's regulated asset based should be adjusted accordingly in relation to the relevant communications.</p>	
<p>Advanced meter infrastructure (AMI) deployment</p>	<p>Synergy consider that clause 6.6.1(e) "specifies the <i>metering services</i> that must be provided in the MSLA". However, clause 6.6.1(e) refers to the principles</p>

Response to: "Regulatory considerations"

Synergy notes WP has not addressed its concerns raised in relation to clause 6.6 of the Code.

The Code clause 6.6(1)(e) specifies the *metering services* that must be provided in the MSLA. Synergy does not agree with WP's interpretation of clause 6.6. Synergy has substantiated its *metering service* requirements and WP has, without showing why it would not be reasonably practicable in accordance with *good electricity industry practice* to provide those *metering services*, declined to provide the services in the form and content requested by Synergy.

Users need an MSLA containing standard metering services on commercial and transparent terms that meet their reasonable requirements for *metering services*. The current proposal of having to negotiate individual service terms with a monopoly service provider does not meet the *Code objectives* because in Synergy's experience with WP during negotiations it does not consistently promote access to and confidence in *data* of parties to commercial *electricity* transactions. There are in practice no efficient and effective safeguards for ensuring the monopoly service provider does not exert significant market power in such negotiations. Synergy considers given this, the Authority must have regard to:

- the need to institute some protections for *users* seeking to negotiate outcomes consistent with the Code and the *Code objectives*;
- the need to prevent abuse of monopoly or market power, consistent with its obligation under section 26(1)(f) of the ERA Act; and
- the need to promote competitive and fair market conduct consistent with its obligations under section 26(1)(e) of the ERA Act.

Consequently, Synergy now seeks the Authority to make a determination on the matters it has raised here and in the September Submission, having regard to the regulatory provisions and instruments cited by Synergy in the September Submission.

underpinning the charges for metering services, and does not specify metering services per se.

Western Power reiterates that its metering service cost model prices metering services only at the incremental costs of providing such services. Further, Western Power invites the ERA to assess its proposed costs relative to its historic expenses and any industry benchmarking it wishes to apply.

Provisions that address Synergy's concerns are contained in Clause 5.1 of the Code. Western Power has previously expeditiously and diligently processed additional service level agreement requests with Synergy.

Western Power's position is that where a User requires data sets from a meter that exceed the requirements of the Code, and/or for operation and settlement of the electricity market, that such a service should be provided on a User pays basis, with cost reflective fees. This is consistent with the Code.

MSLA Coverage

Synergy notes WP has not disputed Synergy's regulatory position but contends its proposal raises no issue of non-compliance with the Code.

Synergy notes WP's comments "...no margin will apply..." but WP has not provided information to substantiate this position. Synergy notes it has previously been required by WP to obtain residential manual *interval meter data* by way of a non-reference services at what it considers to be above market costs. Synergy therefore considers the Authority tests WP's margin assertion in relation to these *metering services*.

Synergy also considers the Authority must determine whether WP's *metering service* and cost proposal is consistent with the Code and where applicable the *Access Code*. This includes having binding service commitments and timelines specified in detail in the MSLA. Synergy's view is that WP has not demonstrated consistency with the Code.

Further, Synergy considers the *Access Code* requires the cost recovered by WP in relation to the AA3 AMI initiative should form part of the target revenue true up. However, WP has not confirmed that this will occur under AA4. This is important given the AMI funding WP received under AA3 but did not fully deploy.

Western Power considers its AMI proposal is consistent with both the *Access Code* and the *Metering Code*, as described in section 2.1 (AMI deployment); 2.2 (MSLA Coverage); 2.10 (Governance Arrangements) and 2.12 (proposed AMI implementation).

Further, Synergy's September submission suggested that there was a requirement to "determine what form of regulation should apply and what costs and margins can be recovered by Western Power".

The provision relevant to this concern is Clause 6.6 of the Code, which defines that Western Power may only impose charges for metering services which seek to achieve the lowest sustainable cost of providing the relevant metering service.

Western Power currently provides some extended metering services to Users for fees which are below cost reflectivity. This includes the manually collected interval data service noted by Synergy. Western Power considers provision of this service below cost is:

- Not sustainable; and
- Not consistent with good electricity industry practice.

Western Power considers it appropriate for fees associated with opex related extended metering services to be cost reflective.

The regulatory treatment of historical capex is out of scope of the MSLA process. However, Western Power notes that this expenditure category was not included in the Investment Adjustment Mechanism agreed by the ERA for AA3.⁸ As such, this revenue is not subject to a revenue "true-up". To avoid this

⁸ As per section 7.3.7 of Western Power's revised access arrangement, June 2015 - <https://www.erawa.com.au/cproot/13537/2/Amended%20proposed%20revisions%20to%20the%20Access%20Arrangement%20for%20the%20Western%20Power%20Network.pdf>

	situation in the future, Western Power has proposed metering be subject to the Investment Adjustment Mechanism in AA4.
<p>MSLA Coverage</p> <p>Response to: "Service Classification"</p> <p>WP's position with respect to how services that are <i>metering services</i> under the Code should be dealt with in terms of pricing and other regulation if they are also covered services under the <i>Access Code</i> is non-compliant with the Code. WP's position impacts on how WP defines and sets its prices for its "extended metering services" and "standard metering services". The matter is exacerbated by the convergence of multiple functionalities (not all of which relate to metrology) onto a single equipment platform, such as the "AMI Meters" proposed by WP.</p>	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers all of the service it provides are <i>covered services</i>, and are regulated as such. Western Power considers that it is the form of price control that is the key determining factor in assessing the classification and pricing of services, not whether or not the services are considered metrology services or not.</p> <p>The convergence of "multiple functionalities onto a single equipment platform" is not a relevant consideration, as the <i>Access Code</i> seeks to ensure it is the efficient provision of services that are regulated, not specifically the assets selected by Western Power to provide such services.</p>
<p>MSLA Coverage</p> <p>WP's proposed AA4 pricing methodologies ("revenue cap" and "charging criteria") are not clearly appropriate for metrology covered services (because they do not clearly take into account section 6.6(1)(e) of the Code).</p> <p>WP proposes:</p> <ul style="list-style-type: none"> its "standard metering services" under the Code be treated as reference services that are priced as "revenue cap services" under AA4; and its "extended metering services" under the Code be treated as non-reference services that are priced as "non-revenue cap services" under AA4. <p>WP's proposed AA4 price control mechanisms for its "revenue cap services" and "non-revenue cap services" are set out in Chapter 5 of WP's Access Arrangement Information for AA4 (dated 2 October 2017) (AA4 Information). Specifically, WP proposes charging for "revenue cap services" (including</p>	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers all of the service it provides are <i>covered services</i>, and are regulated as such. Western Power considers that it is the form of price control that is the key determining factor in assessing the classification and pricing of services, not whether or not the services are considered metrology services or not.</p> <p>As noted in section 2.1 of this report, Western Power considers that the pricing of services under the MSLA is conducted with specific regards to 6.6(1)(e) of the Metering Code, seeking only to recover the incremental cost associated with delivering the service.</p> <p>Western Power notes that it has under-recovered on MSLA services year on year during AA3.</p>

<p>"standard metering services") by applying a revenue cap set by reference to its approved total costs in accordance with Chapter 6 of the <i>Access Code</i> (see AA4 s 5.1.2(a)), while WP proposes charging for "non-revenue cap services" (including "extended metering services") by applying its "charging criteria" set out in AA4 s 5.1.2(b).</p> <p>Neither WP's proposed "revenue cap", nor its proposed "charging criteria" clearly apply the requirement in clause 6.6(1)(e) of the Code where the service in question is one that relates to "metering" (i.e. metrology) under the Code. ¹³ While the requirement in clause 6.6(1)(e) of the Code may contain similarities to some of the pricing requirements for covered services under the <i>Access Code</i>, they are not identical and so specific regard should be had to the requirement in clause 6.6(1)(e) of the Code, where it applies apply.</p> <p>Therefore, in Synergy's view, the Authority must determine WP's AA4 Information pricing methodologies for covered services (both revenue cap and non-revenue cap services) need to be amended to ensure that if they are applied to metrology metering services that are covered services, then they must also be consistent with and facilitate the operation of the Code (including by applying clause 6.6(1)(e) of the Code).</p>	
<p>MSLA Coverage</p> <p>Why it is important to determine if AMI functionality is primarily for metering (energy measurement) or network (electricity conveyance).</p> <p>Clearly there is scope for some overlap between the definitions of <i>metering services</i> under the Code and "covered services" under the <i>Access Code</i>. Thus:</p> <ul style="list-style-type: none"> The definition of <i>metering services</i> in the Code relates primarily to measurement of <i>electricity</i> (i.e. metrology). However, the use of words such as "in connection with" and "services ancillary" allow for a potential widening to non-metrology. Nevertheless, read in the light of the Code objectives and the purpose of the Code under section 39(2)(a) of the EI 	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers all of the service it provides are <i>covered services</i>, and are regulated as such. Western Power considers that it is the form of price control that is the key determining factor in assessing the classification and pricing of services, not whether or not the services are considered metrology services or not.</p>

Act,¹⁰ it seems the main focus of the Code is (and should be) regulating metrology.

- The definition of "covered services" in the *Access Code* relates primarily to services for the conveyance of electricity and other services provided **by means of a covered network** (i.e. network services), and also includes services ancillary to such services if provided **by means of a covered network**.

Logically, therefore, "covered services" under the *Access Code* can include *metering services* under the Code if they are provided "by means of" the covered network.

However, where a supplementary matter such as "metering" (i.e. metrology) is dealt with under the Code, an *access arrangement* must deal with that supplementary matter (metering) in a manner which is "consistent with and facilitates the treatment" of metering in the Code (see section 5.28 of the *Access Code*).

On that basis, "metering services" that deal with "metering" (i.e. metrology "metering services") should be primarily dealt with under the Code. If those metrology metering services are also "covered services" under the *Access Code*, then to the extent they are dealt with under AA4, they must be dealt with in a manner which is "consistent with and facilitates the treatment" of metering in the Code. For example, the pricing for a metrology covered service under AA4 should be consistent with and facilitate the pricing requirements under clause 6.6(1)(e) of the Code.

Conversely, other "metering services" that do **not** deal with "metering" as such (i.e. non metrology "metering services") and that are also "covered services" under the *Access Code* can be dealt with under AA4 without needing to be dealt with in a manner which is "consistent with and facilitates the treatment" of metering in the Code. For example, WP's proposed "metering services" relating to network connection/disconnection, even if provided via an "AMI Meter", are covered services that do not involve "metering" (i.e. metrology) as such and are

<p>better dealt with in AA4 as covered services under the <i>Access Code</i> requirements (without regard to the Code).</p> <p>Therefore, Synergy considers the Authority must consider each type of AMI functionality in the context of whether the function is primarily metering (energy measurement) related, or network (electricity conveyance) related, as this will determine what form of regulation and price control should apply.</p> <p>In Synergy's view, WP's proposal does not do this and is therefore not compliant with the Code and the <i>Access Code</i> for the reasons set out below.</p>	
<p>MSLA Coverage</p> <p>WP's approach to classifying extended metering services as non-reference services is flawed.</p> <p>WP indicates it is guided by section 5.2 of the <i>Access Code</i> in determining if a service is a reference service. However, WP's implementation of the criteria in section 5.2 of the <i>Access Code</i> when determining its "extended metering services" are non-reference services is flawed.</p> <p>Specifically, WP seems to determine its "extended metering services" are non-reference services "due to the non-routine nature in which they arise for an individual consumer, in line with section 5.2(c) of the <i>Access Code</i>."</p> <p>However, the correct test for a reference service under section 5.2(b)(i) of the <i>Access Code</i> is whether the covered service is likely to be sought by "a significant number of users and applicants", not whether the covered service arises in a "non-routine nature ... for an individual consumer". So if a covered service is likely to be sought by a significant number of retailers (or other "users"), then it can be a reference service, irrespective of whether or not the service is routine for an individual consumer. For example, Synergy considers a significant number of retailers are likely to (routinely) seek a service for disconnecting their customers, even if that service would not be routine viewed from the perspective of any of those individual <i>customers</i>.</p>	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers all of the service it provides are covered services, and regulated as such. Western Power considers that it is the form of price control that is the key determining factor in assessing the classification and pricing of services, not whether or not the services are considered metrology services or not. This approach is important when considering that the service classification between reference and non-reference services seeks to establish alternate price control mechanisms, but does not diminish the regulated nature of such services.</p> <p>Western Power considers that the non-routine nature of metering service provision to an individual consumer does not meet the reference service test of "a significant number of users and applicants" and that a user pays pricing approach is more appropriate.</p>

Therefore, Synergy considers the Authority must form the view WP has incorrectly assessed its "extended metering services" to be non-reference services in accordance with the relevant criteria in section 5.2 of *Access Code*.

WP has not addressed Synergy's concerns and requirements, nor has it substantiated how its categorisation of services is consistent with the *Access Code* and Code.

To promote regulatory certainty and outcomes that are in the public interest Synergy considers the Authority must determine how *user* requests for services should be treated and what services legally can be included under the MSLA and governed by the Code.

This legal clarity is also required in relation to *users* who may request services, making it clear which regulated instrument will govern the request for services. In addition, it is also key to ensure *metering*

services or arrangements are not being used to frustrate or hinder the provision of network services under the *Access Code*. For example, it is not reasonable if *users* are compelled to negotiate a non-reference exit service to obtain manually read *interval energy data* under the Code.

WP's flawed arguments to the effect that pricing extended metering services as non-reference services is necessary to send appropriate "price signals" and avoid bundling them with standard metering services.

WP suggests the alternative to pricing its extended metering services individually as non-reference services would be "including those services defined as extended metering services within the standard metering services charge" so that "customers who do not require these services in a given period will pay a higher standard metering service charge than they otherwise would."

But that approach appears to be based on a misconception the only alternative would be to bundle these extended *metering services* with other services as a standard *metering service*. On the contrary, both the Code (clause 5.1(2)(c)) and the *Access Code* (sections 2.8(c) and 5.2(c)) are clear that, whether the service is a *metering service* or a covered service, it should be structured so that a *user* should (to the extent reasonably practicable) be able to acquire only those

elements of the service it wishes to acquire. WP has not shown why it is not reasonably practicable to allow such selectivity in this case or why bundling with other standard *metering services* would automatically be required as the alternative in this case. WP also assumes the extended *metering services* are non-reference services (which as noted above, seems based on an incorrect application of the test in section 5.2 of the *Access Code*).

Unless WP shows (which it currently has not) bundling of these services with other standard *metering services* would be the only reasonable alternative in practice, it would seem perfectly possible to have these "extended metering services" provided as separate "metering services" or (if they satisfy the *Access Code* test) "covered services" (whether reference or non-reference). In that case, *users* would presumably only take up the service if required and the appropriate pricing of the service (in accordance with the Code or *Access Code* as the case may be) would deal with any lingering concern WP might have about including appropriate "price signals".

Synergy therefore does not consider WP's comment on "price signal" has any practical relevance here.

Nor does Synergy consider WP's comment about "aligned with service classifications and offerings in other jurisdictions..." is particularly relevant here. From a regulatory perspective, the service classifications and offerings required of WP are dictated by the requirements under the Code and *Access Code*, not what happens in other jurisdictions (where other rules and circumstances may dictate different outcomes). WP has not shown why aligning with service classifications and offerings in other jurisdictions are relevant here.

WP's approach to pricing services under the MSLA also indicates an apparent concern of WP to ensure services are "not effectively provided on an "unlimited" basis". It is not clear if WP is suggesting here it provide services on a "limited" basis. If so, Synergy considers such an approach would not be consistent with the *Code objectives* or in accordance with clauses 5.1 and 6.6 of the Code.

WP comments in relation to the "...Disaggregation of the functionality of the metering installation..." underpins Synergy's concern in relation to what legally

<p>is a service governed by the <i>Access Code</i> and what is a service governed by the Code.</p> <p>Therefore, Synergy considers the Authority must determine WP's pricing approach is inconsistent with the Code. In addition, to the extent WP has aligned and classified services with offerings in other jurisdictions Synergy considers the Authority must further determine these alignments are inconsistent with the Code.</p> <p>Services under the MSLA must be consistent with the Code and the <i>Access Code</i>. Synergy's September Submission detailed its rationale why certain services should not fall under the MSLA for example</p> <p>because they are related to the conveyance of electricity not metrology. As the largest <i>user</i> of network and <i>metering services</i> in the SWIS Synergy has also explicitly articulated to WP the services it requires to meet its needs and the needs of its one million customers.</p> <p>The Western Australian access and metering regulatory framework is fundamental to <i>users'</i> regulatory rights and underpins the provision of services including disputes in relation to the provision of services. The framework governs the rights <i>users</i> have to request services and which regulatory instrument applies in respect of that request. Synergy's position is WP's proposed metering services, in a number of instances, are not consistent with the regulatory framework.</p> <p>Accordingly, Synergy considers the Authority must make a regulatory determination that WP's proposal is not compliant with the Code or the <i>Access Code</i> for the reasons described above.</p>	
<p>MSLA Coverage</p> <p>Synergy notes WP has not disagreed with the regulatory position presented by Synergy in Section C, item 2 ("MSLA coverage") of the September Submission.</p> <p>However, WP has not responded to Synergy's concerns its proposal is not consistent with the Code in circumstances where Synergy considers a number</p>	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers its proposal is compliant with Clause 6.6(1)(b) of the Code and good electricity industry practice.</p> <p>Western Power's proposal includes:</p>

<p>of WP's proposed services lack specificity, particularly in relation to AMI functionality. As such, they are not compliant with clause 6.5 of the Code given it is not consistent with <i>good electricity industry practice</i> or reasonable, nor meets the requirements of clause 6.6(1)(b) of the Code.</p> <p>Synergy considers the Authority must determine if WP's proposed roll out of AMI meters including <i>communications link</i> and enhanced technology feature services is consistent with the Code including the <i>documents</i> under Division 6.1 of the Code or if Synergy's position is correct.</p>	<ul style="list-style-type: none"> • Descriptions of each metering service that Western Power must provide and those that Western Power may provide; and • Timeframes and service levels for the provision of these services. <p>Western Power's proposal considers the document framework defined by Clause 6.1 of the Code. Western Power considers it is appropriate for technical specificity contained within other documents to be incorporated by reference in the MSLA, rather than duplicated in full across documents. This is consistent with the approach taken in the NEM for equivalent instruments.</p> <p>As part of development of its MSLA proposal, Western Power engaged with Code participants to ascertain the metering services they would or may require. Western Power has presented Synergy and other Code participants with information relating to the functionality that AMI can provide.</p> <p>Western Power has included the AMI services specified by Synergy in its proposed MSLA. Synergy's further comments do not request any further AMI functionality or services.</p> <p>Western Power notes its MSLA proposal in no way limits the ability of Users to request additional metering services. Western Power intends to continue to engage with Code participants in relation to opportunities for value added services associated with its AMI proposal.</p>
<p>Additional metering services</p> <p>WP released its AMI request for tender prior to engaging with Synergy. Therefore the state's largest metering service <i>user's</i> requirements were not included within the tender specification. As at 20 November 2017 Synergy still has not been provided with the full meter specification or details of the preferred communications infrastructure. Consequently, Synergy cannot reasonably determine what services are available to it and more importantly</p>	<p>As part of development of its MSLA proposal, Western Power engaged with Code participants to ascertain the metering services they would or may require. Western Power has presented Synergy and other Code participants with information relating to the functionality that AMI can provide. Western Power has included the AMI services and functionality specified by Synergy in its MSLA proposal.</p> <p>Whilst commercially confidential vendor information has appropriately been held in confidence, Western Power has not withheld any information from</p>

<p>determine whether they will meet the needs of its customer base as per clause 5.1 of the Code.</p> <p>In the event the AMI contains meter functionality that does not form part of a covered service or <i>metering service</i> under the Code or is not required by a <i>user</i>, the applicable AMI should be excluded from the regulated asset base and the MSLA.</p> <p>In the event meter functionality that a <i>user</i> requires does form part of the regulated asset base Synergy considers that this should be subject to a revenue cap under the <i>Access Code</i>.</p> <p>Finally, Synergy notes WP's comment it is impossible for WP to contemplate and define every possible service and associated retailer specific requirement the market may request during AA4. Put simply, it is not for WP to do this but instead to comply with its obligations under the Code, including clause 5.1 of the Code to use reasonable endeavours to provide access to <i>metering services</i> and negotiate in good faith with respect to the terms for a <i>service level agreement</i>.</p>	<p>Synergy in relation to the services that AMI can enable. Synergy's further comments do not request further AMI services.</p> <p>Western Power again reiterates its expectation that its AMI proposal constitutes efficient and prudent expenditure in the context of the New Facilities Investment Test provision of the <i>Access Code</i> and in-line with the objectives and requirements of the Metering Code.</p> <p>Further, Western Power reiterates its position on the pricing of metering services, conducted in accordance with clause 6.6(1)(e) of the Code. Western Power remains committed to delivering additional metering services requested by Code Participants in accordance with the requirements of the Code.</p> <p>Western Power intends to continue to engage with Code participants in relation to opportunities for value added services associated with its AMI proposal.</p> <p>Western Power notes Synergy comments in relation to the application of clause 5.1 of the Code. Western Power's proposal is consistent with the requirements of this clause.</p>
<p>Performance incentive provisions</p> <p>Compliance reporting does not address Synergy's concerns articulated in the September Submission. In any event, a regulatory outcome through the Authority or the Minister for Energy is not the same as a commercial outcome between affected parties, where the latter is required under the Code. It is unreasonable for WP to have financial redress with its service providers when services are not performed to the required standard but to expect the party that pays WP for the service not to have a similar commercial redress, especially when the <i>user</i> (and not the <i>network operator</i>) can be expected to deal with electricity customer dissatisfaction when a service is not adequately provided (e.g. a late reconnection). Synergy is satisfied its required amendment meets the <i>Access Code</i> objectives and <i>Code objectives</i> as well as the public interest</p>	<p>As noted in section 2.4 (Performance provisions) of this report, Western Power disagrees with the item raised by Synergy.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

test (noting the matters the Authority must have due regard to under the ERA Act, including those mentioned below).

Accordingly Synergy requests the Authority to make a regulatory determination on the matter.

Synergy's reasons are further articulated below in this item 4, Section C under the sub-heading "Response to: "Performance incentive provisions"" .

Clause 2.1(2) of the Code requires WP must have regard, when setting and complying with service standards, to the *Code objectives*. The following *Code objectives* are particularly relevant here:

1. the promotion of accurate metrology;
2. the promotion of confidence in *data* of parties to commercial *electricity* transactions; and
3. the facilitation of the operation of the *Access Code* and the *Code of Conduct*.

Section 26(1) of the ERA Act relevantly requires that in performing its functions under enactments such as the Code and *Access Code*, the Authority must have regard to, among other things:

1. "the need to promote regulatory outcomes that are in the public interest" (section 26(1)(a) of the ERA Act);
2. "the long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets" (section 26(1)(b) of the ERA Act);
3. "the need to promote competitive and fair market conduct" (section 26(1)(e) of the ERA Act);and
4. "the need to prevent abuse of monopoly or market power" (section 26(1)(f) of the ERA Act).

In this regard, Synergy considers it is not in the public interest or the long-term interests of consumers for WP to have inadequate incentives for its service performance as ultimately WP's poor service adversely impacts them.

<p>Synergy also considers introducing proper performance incentives, such as refunds and liquidated damages payments for WP's unsatisfactory service performance, promotes conduct that would be normal and appropriate if this were an effective or workable competitive market as would be expected if the market for provision of metering services in the SWIS was opened up to competition. In Synergy's view not having proper performance incentives, such as refunds and liquidated damages payments for WP's unsatisfactory service performance is not in the long term interests of consumers.</p> <p>Therefore, Synergy considers the Authority must form a view on whether Synergy or WP is correct in terms of whether the operational and legal effect of the MSLA provides service outcomes that are consistent with the <i>Code objectives</i>, including whether it promotes the long-term interests of consumers in relation to the price, quality and reliability of services provided under the Code and <i>access arrangement</i>.</p>	
<p>Performance incentive provisions</p> <p>Synergy's position on the MSLA performance measures is simply it and its <i>customers</i> require financial redress when WP does not meet its <i>metering service</i> obligations. This is the only effective way to guarantee service delivery and meet the <i>Code objectives</i>. In the absence of metering competition, compliance reporting alone is insufficient to safeguard the long term interests of consumers.</p> <p>It is commercially inconceivable for a service contract with an annual value of \$75M to contain no performance incentives. It is also inequitable if WP has imposed financial performance measures on its suppliers but rejects the notion of itself being subject to such measures. Further Synergy notes the Authority approved standard ETAC provides for direct damage in relation to contractual default however, the MSLA remains silent on the matter.</p> <p>WP claims Synergy's proposed performance incentive mechanisms (i.e. refunds and service standard payments) are "punitive" and "penalties". But there is nothing punitive or penal about them. It is neither punitive nor penal to require</p>	<p>As noted in section 2.4 (Performance provisions) of this report, Western Power disagrees with the item raised by Synergy.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

a refund when a service provider has failed to properly perform a service. Nor is it punitive or penal to require the service provider to pay reasonable compensation to its customers (in this case via liquidated damages in the form of service standard payments) for the loss it has caused them by its service failure. Both such performance incentive mechanisms would be expected as usual in effective or workable competitive markets.

A key question for the Authority to consider is the actual state of affairs between WP and its contracted service providers. Do these contracts contain terms of the kind referred to above and if so, should the benefit of those provisions be passed-on to users and by extension consumers? Further, WP has not substantiated how its own position is consistent with clauses 2.1(1) and 2.1(2) of the Code.

Given the volume of *metering service* transactions, resolving non-performance through a legal dispute under the Code and passing the legal costs on to customers is not a reasonable (or efficient) approach. Therefore, Synergy considers the Authority must make a determination in relation to performance incentives including whether additional performance incentives of the kind suggested by Synergy in its September Submission to WP are required for consistency with the Code, having regard to the *Code objectives* and the matters listed in section 26(1) of the ERA Act, including:

- the need to promote regulatory outcomes that are in the public interest (section 26(1)(a) of the ERA Act);
- the long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets (section 26(1)(b) of the ERA Act);
- the need to promote competitive and fair market conduct (section 26(1)(e) of the ERA Act); and
- the need to prevent abuse of monopoly or market power (section 26(1)(f) of the ERA Act).

<p>This also includes determining what should occur when WP consistently does not meet service standards in relation to <i>metering services</i> provided to <i>customers</i> (in particular customers under the <i>Code of Conduct</i>).</p>	
<p>Manual interval data from type 4-6 meters</p> <p>There are between 200,000 and 300,000 <i>meters</i> that record <i>interval energy data</i> within the SWIS. However, Synergy receives <i>interval energy data</i> for less than 15,000 residential <i>customers</i> mostly as a result of the Perth solar cities trial. Synergy has been attempting to obtain manual <i>interval energy data</i> as a standard <i>metering service</i> for two years with limited success. WP has only permitted Synergy to obtain manual <i>interval energy data</i> under a non-reference service under terms Synergy considers to be uncommercial despite <i>Type 5 meters</i> forming part of WP’s regulated asset base and subject to the Weighted Average Capital Cost rate of return. This practice has effectively denied residential <i>customers</i> accessing (specifically hardship <i>customers</i>) <i>interval energy data</i> on a large scale.</p> <p>Synergy submits that WP's conduct in this respect is contrary to the requirements of the Code.</p> <p>Synergy, under clause 5.1 of the Code, has a right to choose and request the elements of <i>metering services</i> to the extent reasonably practicable in accordance with <i>good electricity industry practice</i>.</p> <p>Clause 5.1 also requires WP to reasonably accommodate Synergy's requirement for <i>metering services</i>, and clause 6.6(1)(a) of the Code requires the MSLA must at least specify the <i>metering services</i> that WP must, and may, provide. Further, clause 6.6(1)(e) contemplates the <i>metering services</i> would be provided in good faith, achieving the lowest sustainable costs. Synergy notes WP has not disagreed with Synergy’s regulatory position but has not substantiated its approach under the relevant statutory provisions.</p> <p>Synergy notes WP has not shown the manual collection of <i>interval energy data</i> during any transition period is not reasonably practicable in accordance with</p>	<p>Refer to section 2.6 (Manual interval data from type 4-6 meters) of this report.</p> <p>Synergy has requested that Western Power provide a manual interval data collection service, which exceeds the requirements of the Code.</p> <p>Western Power considers that the Metering Code nor existing MSLA provides for the extraction of interval data from meters <u>designated as accumulation meters</u>. This is specifically defined in section 3.2 of the Metering Code, which states that:</p> <p style="padding-left: 40px;">“A network operator may install a meter with <i>interval energy data</i> storage capability and other enhanced technology features but (by recording it as an <i>accumulation meter</i> in the <i>registry</i>) declare it to be an <i>accumulation meter</i> and only record the <i>accumulated energy data</i> registered by the <i>meter</i>.”</p> <p>Western Power’s position is that where a User requires data sets from a meter that exceed the requirements of the Code, that results in incremental cost, that such a service should be provided on a user pays basis, with cost reflective fees. This is consistent with the Code.</p> <p>Western Power’s extensive experience in the provision of metering services is that the manual collection of interval data is an outdated and expensive option.</p> <p>Western Power currently provides this service to Synergy at fees which are lower than cost reflectivity. Western Power’s costs for this service are consistent with network operators nationally and have been subject to competitive tendering.</p>

good electricity industry practice. Rather, WP has offered Synergy a non-reference service to obtain manual *interval energy data* under on terms Synergy considers uncommercial.

It is important to note manually read *interval energy data* services are provided in other jurisdictions where the *communications link* has failed or has not been installed (in some cases due to customer choice). Synergy notes WP has not proposed any transitional arrangements pending AMI deployment.

Synergy notes WP's proposed communication infrastructure should be subject to the regulatory test. In particular, elements of the communication infrastructure that is used for purposes other than obtaining *energy data* from the *metering installation* (purposes beyond that contemplated by the Code).

Billing data underpins a significant number of transactions and obligations in the SWIS, including a *user's* obligations to its *customers*. Cost effective provision of *interval energy data* would assist Synergy's hardship *customers* to understand how their consumption impacts their bill.

Under clause 3.2 of the Code WP has the discretion to install an (interval) *Type 1-5 meter* on its *network* and register it as an *accumulation meter*. In Synergy's view the Code did not contemplate this provision would be used to restrict the provision of *interval energy data* and in a manner that would be contrary to the *Code objectives*.

WP has adopted this practice on a mass scale possibly to increase the return on the regulated asset base. In Synergy's view, WP's current practice and position in relation to an *interval energy data* service is contrary to clauses 2.1(2), 5.1 and 3.9(3A) of the Code. Therefore, Synergy requests the Authority to consider WP's practice in relation to clause 3.2 of the Code and whether it is consistent with the Code giving due regard to the matters specified in section 26(1) of the ERA Act.

Western Power is cognisant that it is incumbent on Western Power to provide a prudent and efficient interval data service. Western Power considers its AMI proposal meets Synergy's requirement. Western Power considers that its proposed service also provides value added benefits which are in the long term interest of customers.

Globally, utilities are transitioning away from this service, due to advancement in communications technology.

Western Power has committed to engaging with Code participants on transitional requirements associated with its AMI proposal.

Access to interval data

WP's proposal to provide residential *interval energy data* in future is to require a *user* to pay for a *meter* exchange to replace the existing *meter* (which in many cases is a relatively new *Type 5 meter*) with WP's proposed new (AMI) *Type 4 meter*. Once this occurs WP will:

- Provide *interval energy data* every two months (not daily) once its communication infrastructure is available. Until, a date to be specified, the *user* only gets basic *accumulation data* – despite having paid for a new *interval meter*.
- Restrict the access to reference services by moving the *customer* to its new time of use (ToU) reference service and remove the ability for the retailer or *customer* to choose any other network service.

In Synergy's view this approach, and the mass (registration) treatment of *interval meters* as *accumulation meters*, is:

1. not consistent with the Code (including it does not promote economically efficient investment in or operation or use of the *network* or services of the *network*, as required by the "Code objective" under section 2.1 of the *Access Code*, and is therefore contrary to the *Code objective* in clause 2.1(1)(c) of the Code of facilitating the operation of Part 8 of the EI Act , under which the *Access Code* is established);
2. not good and fair industry practice;
3. not in the public interest or the long-term interests of consumers (contrary to section 26(1)(b) of the ERA Act); and
4. not the kind of conduct that would reasonably be expected to occur in an effective or workable competitive and fair market (contrary to section 26(1)(e) of the ERA Act).

Therefore, Synergy considers the Authority must determine if Synergy is correct or if WP's proposed approach to providing manual *interval energy data* is

Synergy's further comments indicate a misunderstanding of Western Power's proposal.

Western Power's proposed MSLA does not preclude the installation of a communications link to an existing meter which is capable of being connected to a communications link.

Western Power intends to provide Code participants with access to (daily) interval data as part of its AMI proposal.

Further, Western Power considers that the level of capital contribution proposed by Western Power for User requested meter replacements is consistent with the objectives of the Code, reduces barriers for Users and provides an attractive case for Users as opposed to outdated, expensive manual options.

Western Power considers that defining an inability to revert to a basic data stream is necessary to ensure the forecast non-tariff benefits of AMI are able to be achieved independent of whether a customer is on a flat tariff or alternative tariff product such as Time of Use.

Western Power considers that the Metering Code nor existing MSLA provides for the extraction of interval data from meters designated as accumulation meters. This is specifically defined in section 3.2 of the Metering Code, which states that:

"A network operator may install a meter with interval energy data storage capability and other enhanced technology features but (by recording it as an accumulation meter in the registry) declare it to be an accumulation meter and only record the accumulated energy data registered by the meter."

<p>consistent with the Code, having regard to the <i>Code objectives</i> and the matters listed in section 26(1) of the ERA Act, including:</p> <ol style="list-style-type: none"> 1. the need to promote regulatory outcomes that are in the public interest (consistent with section 26(1)(a) of the ERA Act); 2. the long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets (consistent with section 26(1)(b) of the ERA Act); 3. the need to promote competitive and fair market conduct (consistent with section 26(1)(e) of the ERA Act); and 4. the need to prevent abuse of monopoly or market power (consistent with section 26(1)(f) of the ERA Act). <p>In doing so the Authority should request WP to provide to the Authority its contractual arrangements with its suppliers to validate WP's costs and assertion it is more efficient to replace an existing <i>Type 5 meter</i> with a <i>Type 4 meter</i> to manually obtain residential <i>interval energy data</i> consistent with clauses 5.1 and 6.6(e) of the Code.</p>	<p>Western Power's position is that where a User requires data sets from a meter that exceed the requirements of the Code, that results in incremental cost, that such a service should be provided on a User pays basis, with cost reflective fees. This is consistent with the Code.</p>
<p>Fixed standard metering service charge</p> <p>WP did not provide a response to Synergy's submission on the fixed standard metering service charge.</p>	<p>Synergy supported Western Power's proposed fixed Standard Metering Service charge subject to the ERA assessing compliance with clause 6.6(1)(e) of the Metering Code. Western Power addresses compliance with this clause in section 2.7 of this report.</p>
<p>Service standards</p> <p>Synergy considers the Authority must, in making a determination of WP's proposed fees, review:</p> <ul style="list-style-type: none"> • WP's contractor service standard performance and costs, including any liquidated damages or similar arrangements that can, or should, be passed through to <i>users</i>; 	<p>As noted in section 2.5 (Scrutiny of WP's contractual arrangements) of this report, Western Power invites the ERA to review Western Power's contractual arrangements with market providers in order to demonstrate efficient service provision.</p> <p>Western Power considers its proposal is consistent with Clause 6.6(1)(b) of the Code.</p>

<ul style="list-style-type: none"> WP's service standards and charges against comparable distributors in other jurisdictions, noting the significant economies of scale available to WP relative to smaller distributors in the NEM; and the costs and service standard performance against alternative meter service provider models in the NEM and New Zealand. <p>Further Synergy, in Section C, item 8 ("Service standards") of its September Submission, raised concerns the MSLA service descriptions were not consistent with clause 6.6(1)(b) of the Code because they were insufficiently detailed as to what constituted a service (refer also to Synergy's further comments in this item 8, Section C under the heading "Service descriptions", below). That is, for example, the service is not simply installing the <i>meter</i> but also includes notifying the <i>user</i> of the completion date and updating metering and <i>standing data</i>. This is the point at which the service standard should be measured against and the service paid for, not limited to just the field installation.</p> <p>It is also clear from clause 2.1(1)(c) of the Code that one of the Code <i>objectives</i> is to facilitate the <i>Code of Conduct</i>. If WP's service standards and KPIs do not allow Synergy to fulfil its obligations under the Code, then clearly, those service standards are inconsistent with the Code <i>objectives</i>. This issue arises between the Code of Conduct and the MSLA in several respects, for example, in relation to MDP-9's service standards which are described as five "business days", whereas Synergy's obligation under clause 5.7 of the <i>Code of Conduct</i> is described as 5 "days".</p> <p>Therefore, Synergy considers the Authority must determine whether Synergy is correct or whether WP's proposed service descriptions and service standards are complete and consistent with the Code, including clauses 5.8 and 6.6(1)(b). It is also critical that any instance of inconsistency between the MSLA and the <i>Code of Conduct</i>, or any instances where the MSLA does not "facilitate" the <i>Code of Conduct</i> are identified and addressed by the Authority.</p>	<p>Western Power's proposal includes:</p> <ul style="list-style-type: none"> Descriptions of each metering service that Western Power must provide and those that Western Power may provide; and Timeframes and service levels for the provision of these services. <p>Further, Western Power considers its proposal is consistent with good electricity industry practice. Western Power's proposal considers the document framework defined by Clause 6.1 of the Code. Western Power considers it is appropriate for technical specificity contained within other documents to be incorporated by reference in the MSLA, rather than duplicated in full across documents. For example, the transaction level detail described by Synergy is a matter addressed within the <i>communications rules</i>.</p> <p>This is consistent with the approach taken in the NEM for equivalent instruments.</p>
<p>Service Descriptions</p>	<p>As noted in section 2.8 (Service Standards) of this report, Western Power considers that its proposed MSLA meets the requirements of the Code.</p>

Synergy notes WP has not disagreed with Synergy's regulatory position, but the amendments WP has proposed to the MSLA service descriptions do not properly deal with the issue.

WP's proposed amendments to the MSLA service descriptions essentially insert the following words into each service description:

"This Service description should be read in conjunction with the Code and the Communication Rules, which incorporate the Build Pack."

In some cases the following additional words (with some variants for different services shown square bracketed) are added:

"The Build Pack including the [WA B2B Procedures: Service Order Process / Customer Transfer and Standing Data Procedure] defines specific detail as to the business processes and B2B transactions associated with the provision of [this Service/Standing Data]".

The words "read in conjunction with the Code and the Communication Rules" do not give sufficient detail about what will actually be provided by WP (and the timeframe) to comply with Code provisions; nor do these words clearly contractually **incorporate** compliance with the Code and the *communication rules* into the service description.

Clause 6.6(1)(b) of the Code requires the MSLA must include a "detailed description" of the *metering service* and a timeframe, and where appropriate other service levels, for the performance of the metering service. The *Code objectives* include promotion of the provision of accurate metering (clause 2.1(a) of the Code) and access to *data* (clause 2.1(b)), and the facilitation of the operation of, among other things, Part 8 of the EI Act (which includes facilitating the operation of the *Access Code*), the *Customer Transfer Code* and the *Code of Conduct* (clause 2.1(c)).

In Synergy's view, WP's proposed service descriptions provide inadequate detail of those things that need to be done under the Code to ensure the service is compliant under the Code. For example, the service is not simply installing the *meter*, but also includes notifying the *user* of the completion date and updating

Western Power considers the level of detail in its proposed MSLA exceeds the existing MSLA and Western Power has not proposed material changes to the nature of existing services.

Synergy's September submission raised that the MSLA should consider transaction level detail. This level of detail is contemplated by the *communications rules*. Western Power's proposal considers the document framework defined by Clause 6.1 of the Code. Western Power considers it is appropriate for technical specificity contained within other documents to be incorporated by reference in the MSLA, rather than duplicated in full in multiple documents. Western Power considers this a prudent approach which mitigates risk of misalignment between documents. This is consistent with the approach taken in the NEM for equivalent instruments.

Subsequent to receipt of Synergy's November submission, Western Power met with Synergy to further discuss its approach to this matter in December 2017.

In response to Synergy's September submission, Western Power also added substantial detail to Schedule 4 of its proposed MSLA to address the items raised by Synergy in relation to timing points, requirements and measurement. The provisions that Western Power has included are consistent with similar provisions in the NEM.

Western Power does not propose any further amendments to its proposal in relation to this item.

metering and *standing data* (as the *registry* is not permitted to be materially inaccurate (see clause 4.5 of the Code)).

If service descriptions lack specific detail or are otherwise vague or uncertain about what precisely is required to be done, then that opens the door to conflicting interpretations and dispute, including as to whether or not a service has been properly completed. Any lack of clarity is likely to favour WP, given the inherent bargaining strength of its monopoly position. That in turn is inconsistent with the *Code objectives*.

A requirement for the service to comply with the Code and other laws should of course be included. However, that alone is not enough. *Users* also need detailed descriptions for each service which clearly show what will be done as part of the service, to what standard and in what timeframe.

Therefore, WP has not addressed Synergy's concern in this area. For clarity, the issue is not in relation to duplication but ensuring the MSLA services are described in such a way that requires WP to comply with its obligations under the Code and gives sufficient detail concerning deliverables to know exactly when a service has or has not been properly performed.

Synergy does not accept WP's position the MSLA is only in relation to providing field services and not the services required by the Code. WP has not disagreed with the arguments, presented in Synergy's September Submission, in relation to consistency with the Code. For example, clause 6.6(1)(b) also requires the MSLA to make it clear when the *standing data* will be updated.

In the absence of regulatory clarity in terms of the *metering services* to be provided Synergy will continue to experience operational issues affecting its *customers*. For example, where the field service reports a disconnection is complete but the site is still reported as being energised showing consumption or where field service reports a meter has been changed but *standing data* reports data provision under the old *meter*. Remedial actions to address these issues are costly and time consuming. Therefore, the MSLA and service standards must provide for the end to end metering service contemplated by

<p>the Code not just site activities. Including ensuring the <i>registry</i> is not permitted to be inaccurate in accordance with clause 4.5 of the Code.</p> <p>Synergy requests the Authority determine whether the service descriptions provide for the total service including "...where appropriate other service levels for the performance of the <i>metering service...</i>", in compliance with clauses 6.6(1)(a)(i) and 6.6(1)(b) of the Code.</p>	
<p>MSLA structure</p> <p>Synergy as the "major user" of the MSLA reiterates its earlier comments and expects the Authority, having regard to the <i>Code objectives</i> and the matters listed in section 26(1) of the ERA Act, will form its own independent view as to whether the MSLA is presented in a way that best promotes the public interest of having transparency and efficient utility from a <i>user's</i> perspective.</p>	<p>As noted in section 2.9 (MSLA Structure) of this report, Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>Governance arrangements</p> <p>Synergy reiterates the points made in the September Submissions (at Section C, item 10 ("Governance arrangements")).</p> <p>WP has not adequately explained how WP's proposed roll-out of the AMI meters is consistent with the requirements of the Code and, where applicable, the <i>Access Code</i>.</p> <p>WP's comments concerning its view that Appendix 1 of the Code defines the classification of Metering Installation (Types) as an accuracy requirement, linked to throughput so that "in short, an AMI meter for a small use customer is not automatically a Type 4 meter" is a distraction which lacks relevance to the more fundamental issue whether WP is effectively seeking to impose a "goldplated" AMI metering option that WP has not shown to be consistent with the Code and, where applicable, the <i>Access Code</i>.</p> <p>Consequently Synergy requests the Authority to make a regulatory determination as to whether WP's proposal is consistent with the requirements of the Code and, where applicable, the <i>Access Code</i>, having regard to the <i>Code</i></p>	<p>As noted in section 2.10 (Governance arrangements) of this report, Western Power considers its proposal is consistent with the <i>Access Code</i> and Metering Code.</p> <p>The objectives of the Access Code are to promote the economically efficient:</p> <ul style="list-style-type: none"> a) investment in; and b) operation of and use of, <p><i>networks</i> and <i>services of networks</i> in Western Australia in order to promote competition in markets upstream and downstream of the <i>networks</i>.</p> <p>Section 5 of the <i>Access Code</i> requires that Western Power include provisions dealing with <i>supplementary matters</i> (of which metering is one) in an Access Arrangement. The NFIT requirements put the Code Objectives to test in regards to proposed expenditure. In this case, Western Power considers the deployment of AMI as the default standard metering service meets the Code Objectives and passes NFIT.</p> <p>The Metering Code objectives refer to the <i>Access Code</i>, as well as promoting access to data. In addition, the Metering Code requires that Western Power develop a Model Service Level Agreement that includes standard metering</p>

<p><i>objectives</i> and the matters listed in section 26(1) of the ERA Act, including whether WP's proposal:</p> <ul style="list-style-type: none"> • promotes regulatory outcomes that are in the public interest (section 26(1)(a) of the ERA Act); • is in the long-term interests of consumers in relation to the price, quality and reliability of metering services (section 26(1)(b) of the ERA Act); • is in the legitimate business interests of customers who invest in the cost of a new meter (e.g. are they being offered the most economically efficient metering option by WP for their needs?) (section 26(1)(d) of the ERA Act); • promotes competitive and fair market conduct (e.g. is WP's approach consistent with what would normally be expected to happen in an effective or workable competitive market?) (section 26(1)(e) of the ERA Act); • prevents abuse of monopoly or market power (section 26(1)(f) of the ERA Act); and • promotes transparent decision-making processes that involve public consultation (e.g. are customers who invest in the cost of a new meter being fully consulted and given full information so they can choose the most economically efficient metering option for their needs?) (section 26(1)(g) of the ERA Act). 	<p>services, to which the ERA must assess in line with the objectives of the <i>Access Code</i> (Section 6.15 of the Metering Code titled "Code objective" from <i>Access Code</i> to be taken into account).</p> <p>Western Power considers that the case for investment in AMI is compelling and that its proposal represents a prudent and efficient approach which is in the long term interests of customers.</p>
<p>Fee adjustments</p> <p>Synergy reiterates the points made in the September Submission. Refer also to Synergy's further comments in Section C, item 13 ("Metering Expenditure"), below.</p> <p>Synergy does not agree with WP that automatic CPI adjustment is necessarily "the most efficient pricing escalation mechanism, as opposed to alternatives such as annual price reviews by the Authority". WP has not shown why that would necessarily be the case. WP also apparently ignores the need for consistency with the <i>Code objectives</i> in clause 2.1 of the Code (including</p>	<p>As noted in section 2.11 (Fee adjustments) of this report, Western Power does not propose any further amendments to its proposal in relation to this item.</p>

facilitating the operation of the *Access Code*), and the requirements of clause 6.6(1)(e) of the Code.

To the extent the MSLA price list includes pricing for a *metering service* which is also a covered service that is properly subject to price control under the *Access Code*,²² WP has also apparently not addressed the need for consistency with the *Access Code*.

The prices in the MSLA price list are subject to clause 6.6(1)(e) of the Code and, where applicable, price control under the *Access Code*. WP proposes it may revise them from time to time subject to not exceeding the costs that would satisfy the requirements in clause 6.6(1)(e) of the Code (see WP's proposed MSLA at page 79). However, in addition, WP proposes its MSLA price list fees be subject to annual CPI adjustment without approval by the Authority (see WP's proposed MSLA at page 79).

Such automatic CPI adjustment across all *metering service* fees would lead to price increases that have not been independently tested against, and may therefore not satisfy, the requirements in clause 6.6(1)(e) of the Code or, where applicable, price control under the *Access Code*.

In particular, Synergy considers WP's proposal of unilaterally increasing prices by CPI is not consistent with clause 6.6(1)(e) in relation to demonstrating WP is "...**seeking to achieve** the lowest sustainable costs of providing the **relevant metering service...**".

Synergy therefore considers the Authority must determine if WP's proposed MSLA price review and adjustment mechanisms are consistent with the requirements of the Code and, where applicable, the *Access Code*, having regard to the *Code objectives* and the matters listed in section 26(1) of the ERA Act. This includes determining whether changes to the MSLA price list fees for each *metering service*:

- should legally be subject to prior Authority approval to verify they are in accordance with clause 6.6(1)(e) of the Code and, where applicable, price control under the *Access Code*, before any price list increases can be effected by WP; and

<ul style="list-style-type: none"> should not be subject to automatic adjustment for CPI without any independent assessment of whether that would satisfy the relevant price control requirements in the Code and, where applicable, the <i>Access Code</i>. <p>This is especially important since (unlike in the NEM) customers in the SWIS do not have the benefit of metering competition and "power of choice". Further, it is not clear whether WP's proposed CPI increases will be applied routinely when equipment and sub-contractor service costs may be coming down.</p>	
<p>Metering expenditure</p> <p>Synergy is the largest user of WP's <i>metering services</i>. Off the back of the <i>metering services</i> WP provides to Synergy, Synergy provides a range of services to its 1 million customers. It is the <i>electricity</i> consumer who ultimately receives and pays for <i>metering services</i>.</p> <p>Accordingly, it essential WP is accountable for its <i>metering service</i> performance. The volume of <i>metering services</i> Synergy uses to meet the needs of <i>customers</i> is substantial and it has extensive experience in relation to the use of those services and the provision of services directly to the <i>customer</i> (as required by the <i>Code of Conduct</i>).</p> <p>Synergy is as the largest retailer and <i>user</i> of WP services and is well placed to comment on metering application, quality, problems, regulatory matters and customer impacts.</p>	<p>As noted in section 2.13 (Metering Expenditure) of this report, Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>Definitions: AMI Meter</p> <p>The definition of "AMI Meter" underpins the assessment of whether WP's AMI proposal is consistent with the regulatory framework.</p> <p>Synergy's regulatory position is the AMI proposal and the definition of AMI Meter is a <i>Type 4 meter (interval meter)</i> with certain (non-metrology) enhanced technology features (see clause 3.19A of the Code, and the note to Division 3.4 of the Code). <i>Type 4 meters</i> are already in operation in the SWIS, and <i>Type 4 meters</i> (with remote communications) are also widely used in the SWIS.</p>	<p>The definition of "AMI Meter" refers to <i>meters</i> (as defined under the Code) with certain additional features specified, which will enable Western Power to provide advanced metering services.</p> <p>In Western Power's view, it is unnecessary to refer to the particular <i>Type of meter</i>, as <i>Type</i> is determined by reference to the annual throughput of the <i>meter</i> at the <i>connection point</i>.</p>

<p>WP's proposed definition of "AMI Meter" is unworkably broad and creates significant ambiguity under the existing access and metering regulatory frameworks. In particular, it is not clear to Synergy from the proposed definition the <i>Type of meter</i> WP is referring to. It is therefore inconsistent with clause 6.5(d) of the Code and the <i>Access Code</i> objective.</p> <p>Further, an ambiguous definition does not, and will not, promote regulatory outcomes that are in the public interest (ie in the interests of end users/<i>customers</i>). In this way, Synergy submits the Authority should determine that WP's proposed definition of "AMI Meter" is not consistent with section 26(1)(a) of the ERA Act.</p> <p>Having regard to the matters raised in the September Submission on the AMI proposal and the additional matters raised in Section C, item 12 ("Proposed AMI Implementation") of this Submission, Synergy requests the Authority determine a definition of "AMI Meter" which reflects the Code requirements for <i>meters</i> with enhanced technology features.</p>	<p>As noted previously, an "AMI Meter" will not necessarily be a <i>Type 4 meter</i> (i.e., being a <i>meter</i> with annual throughput at the <i>connection point</i> of 300MWh to but not including 750MWh).</p> <p>Western Power considers that the definition of "AMI Meter" does not create ambiguity simply because it does not refer to the <i>Type of meter</i>, and accordingly is not inconsistent with clause 6.5(d) of the Code and the <i>Access Code</i> objective.</p> <p>Western Power considers that the introduction of the "AMI Meter" definition clarifies, rather than creates ambiguity, in relation to Western Power's AMI proposal.</p> <p>Western Power understands that Synergy is supportive of AMI metering generally, and therefore does not understand Synergy's submission that the proposed definition is not consistent with the public interest considerations set out in section 26(1)(a) of the ERA Act.</p> <p>Accordingly, Western Power considers that the definitions of "AMI Meter" and "Non-AMI Meter" are appropriate.</p>
<p>Definitions: Commencement Date</p> <p>Synergy acknowledges WP's response and view of the intended operation of the new MSLA.</p> <p>However, Synergy suggests the definition of "Commencement Date" refer to either the date of execution of the Agreement or the date the Agreement is deemed to commence by operation of clause 5.2 of the Code (as applicable).</p> <p>See also Synergy's further comments at below in this Section D in respect of proposed clause 2.1 (Term).</p>	<p>Western Power has amended the definition of "Commencement Date" as suggested by Synergy.</p>
<p>Definitions: Connection Point & Metering Point</p> <p>(a) Definition of "Connection Point"</p>	<p>Western Power has amended the definitions of "Connection Point" and "Metering Point" as suggested by Synergy.</p>

<p>WP has amended the definition of "Connection Point" to mean the defined term in the Code, and which "includes a point on a Covered Network which is "subject to bi-directional electricity flows" under section 3.3A of the Code". The effect of WP's proposed amendment is to vary the Code definition of <i>connection point</i> (which in turn refers to the <i>Access Code</i> definition). Varying the Code definition of <i>connection point</i> is likely to create confusion and inconsistency in practice in terms of the operation of the Code and the <i>Access Code</i>. Synergy considers the definition of Connection Point should simply be defined by reference to the definition of that term in the Code.</p> <p>(b) Definition of "Metering Point"</p> <p>Synergy agrees in principle with including a definition of "Metering Point" in the MSLA. However, Synergy does not agree with the drafting of the proposed definition. For the reasons identified above in relation to the definition of "Connection Point", Synergy requests the definition of "Metering Point" be amended to refer simply to the defined term under the Code. The additional words – "and includes a point on a Covered Network which is "subject to bi-directional energy flows" under section 3.3A of the Code" – should be removed from the definition of "Metering Point". The effect of those words is to amend the definition of "Metering Point" in the Code, which is likely to create confusion and inconsistency in practice.</p>	
<p>Definitions: Customer Prevented</p> <p>Synergy acknowledges that WP has removed the words "or request made" from the definition of "Customer Prevented".</p> <p>However, Synergy is concerned about the potential consequences of the "Cancellation Fee" service that WP is proposing (see Synergy's further comments in Section F ("Cancellation Service"), below). In Synergy's view, the ability to request a Cancellation Fee based simply on the definition of "Customer Prevented" – ie whether the Customer prevented the work being completed – is not reasonable, and therefore inconsistent with section 6.5(d) of the Code. The definition states that a Service Order could not be competed due to an action taken by a Customer – there is no objective measure against which</p>	<p>Western Power has included the concept of (and therefore definition of) "Customer Prevented" to provide more clarity around the circumstances where Western Power will be entitled to charge cancellation fees, akin to "call out" fees, as set out in Table 11 of Schedule 5 of the proposed MSLA.</p> <p>Western Power is effectively seeking to recover the costs of a site visit in the attempted provision of a Metering Service, where such a Service cannot be carried out due to an action taken by a Customer.</p> <p>Western Power considers that it would be unfair for Western Power not to recover any fees given it accrues costs in these circumstances.</p>

<p>to determine whether WP has used all reasonable endeavours to ensure the Service Order is completed (consistent with clause 5.1(1) of the Code which requires a <i>network operator</i> to use all reasonable endeavours to accommodate the <i>user's</i> request for a <i>metering service</i>).</p> <p>In Synergy's view, the concept of "Customer Prevented" and the imposition of a cancellation fee on the basis of that definition is inconsistent with the <i>Access Code</i> objective to promote the economically efficient operation of and use of services of <i>networks</i>.</p>	<p>Western Power understands that its proposed approach is consistent with the accepted industry approach and service industry practice in general. On this basis, Western Power does not agree with Synergy's view that the definition is inconsistent with clauses 5.1(a) and 6.5(d) of the Code, and the <i>Access Code</i> objective to promote the economically efficient operation and use of services of <i>networks</i>.</p>
<p>Definitions: De-energise</p> <p>Synergy notes that WP has, in response to Synergy's September Submission, amended the proposed definition of "de-energise".</p> <p>However, Synergy suggests that, for clarity, the words "and (if appropriate) supply current" and "so as to prevent the transfer of electricity through the Connection Point" be added to the proposed definition as set out below (amendments in underline). This is because, technically the supply voltage is not removed. What occurs is the supply circuit is open and it interrupts the flow of electricity – ie there is voltage (open circuit voltage), but no supply current. However, a pole top disconnection requires the removal of both supply voltage and current). "De-energise means the removal of the supply voltage and (if appropriate) supply current from the Meter at the Metering Point so as to prevent the transfer of electricity through the Connection Point."</p>	<p>Western Power does not propose to amend the definition "de-energise" as, in its view, the definition is sufficiently clear. The additional words do not add anything to the original definition. Western Power also notes that this term is a well understood industry term.</p>
<p>Definitions: Disconnect</p> <p>Synergy notes that WP has removed the definition of "Disconnect" from the proposed MSLA, having considered there is no need for both terms to be used in the MSLA. Synergy does not object in principle to the deletion of the definition from the MSLA.</p> <p>However, Synergy considers the references to the (proposed) non-defined term "disconnect" in ASP-3 (Supply Abolishment) should be replaced with words to the effect of "physically de-attach" to make it clear it is a permanent disconnection of the meter and the supply system.</p>	<p>Western Power does not propose to amend its use of the non-defined term "disconnect" in ASP-3 (Supply Abolishment). Western Power considers that the term "disconnect" is a well understood industry term, having the meaning "physically de-attach".</p>

<p>Definitions: Entry Point</p> <p>For the reasons set out above in respect of the definition of "Connection Point", Synergy considers the definition of "Connection Point" should simply refer to that term as defined in the Code.</p> <p>On that basis, Synergy considers the defined term "Entry Point" is not required as it is no longer specifically referenced anywhere in the MSLA.</p>	<p>Noted. The defined term "Entry Point" was deleted in the prior version of the proposed MSLA.</p>
<p>Definitions: Exit Point</p> <p>For the reasons set out above in respect of the definition of "Connection Point", Synergy considers the definition of "Connection Point" should simply refer to that term as defined in the Code.</p> <p>On that basis, Synergy considers the defined term "Exit Point" is not required as it is no longer specifically referenced anywhere in the MSLA.</p>	<p>Noted. The defined term "Exit Point" was deleted in the prior version of the proposed MSLA.</p>
<p>Definitions: Extended Metering Services</p> <p>See Synergy's further comments under the sub-heading "Response to: "Service Classification" in Section C, item 3, above and the further comments in Section C, item 13 ("Metering Expenditure"), above.</p> <p>Synergy's proposed service classifications in relation to covered and <i>metering services</i> are summarised in Table 1 in Section C of this Submission. Synergy requests the Authority determine which services proposed by WP under the MSLA are:</p> <ol style="list-style-type: none"> 1. covered services regulated under the <i>Access Code</i>; and 2. <i>metering services</i> regulated under the Code. <p>Synergy repeats its September Submission the definition of "Extended Metering Services" needs to be amended, consistent with the scope of the Code, to reflect that those <i>metering services</i> relate to metrology services. Amending the definition in this way will allow <i>users</i> to understand whether it is the Code or the <i>Access Code</i> which regulates their rights in relation to the services proposed under the MSLA.</p>	<p>Western Power considers the definition of Extended Metering Services:</p> <p style="text-align: center;"><i>"means those Metering Services, set out in Schedule 2, other than the Standard Metering Services and for which the User must pay the Fees under this Agreement"</i></p> <p>is explicitly defined to describe the fee-based services set out in the MSLA. As per the statements on MSLA coverage in section 2.2 of this submission, Western Power considers that service coverage of the MSLA is appropriate, and the definition of "Extended Metering Services" specifically delineates those services to which the form of price control is a fee based service.</p> <p>As previously identified, Western Power is not proposing to amend the definition of "Extended Metering Services" and considers that it is appropriate for the services (such as supply abolishment) be dealt with under the Model SLA. This is how metering services such as supply abolishment have been dealt with for over a decade. If supply abolishment was to be dealt with under the <i>Access Code</i> then</p>

	<p>a separate framework (that would operate along very similar lines to the way the Model SLA operates) would need to be implemented.</p> <p>Western Power does not propose to amend this definition.</p>
<p>Definitions: Fees</p> <p>Synergy does not agree with WP's comment that "there is no change proposed to these arrangements by WP under the new MSLA". Unlike the proposed Schedule 4 for the new MSLA, Schedule 3 of the current MSLA does not provide the fees will be CPI-Adjusted.</p> <p>Consistent with Synergy's comments in Section C, item 11 ("Fee adjustments") above, Synergy requests the definition of "Fees" (and consequently the wording in Schedule 5 (under the heading "Fees") to the proposed MSLA) be amended so it refers to fees amended under the MSLA will be approved by the Authority consistent with the requirements in clause 6.6(1)(e) of the Code.</p>	<p>Western Power does not propose to amend the definition of "Fees" as requested by Synergy. Refer to section 2.11 (Fee adjustments) of this report.</p> <p>Western Power notes that Schedule 5 of the proposed MSLA, under the sub-heading "Fees", already contains wording with regards to the requirements of clause 6.6(1)(e) of the Code.</p> <p>Western Power has also clarified in Schedule 5 that the Fees will be CPI-Adjusted on an annual basis.</p>
<p>Definitions: Field Completion Date</p> <p>WP's amended proposed definition of "Field Completion Date" means a date when the Service Order is (i) completed or (ii) attempted but not completed. This is not a contractually workable definition.</p> <p>It is concerning that such an important piece of information used to transact with the end <i>customer</i> can have opposite meanings. It is important to note the definition of "Field Completion Date" will underpin how a service standard is measured, which means WP can record a service as complete when it is not complete. See also Synergy's further comments on clause 3.2 in Section D, below.</p> <p>The additional information WP has included in Schedule 4 does not make it clear what is meant by "Field Completion Date".</p> <p>Further, WP has not addressed the concern in Synergy's September Submission the definition of "Field Completion Date" make it explicit whether the</p>	<p>Western Power has amended the definition of "Field Completion Date" to</p> <p><i>"means the date recorded in the mandatory Actual Date And Time field in B2B service order transaction data."</i></p> <p>"Actual Date And Time" is a service order transaction data attribute and is a key date used in industry market transactions. Western Power considers it is therefore relevant to the MSLA. This date is not a standing data attribute.</p> <p>Western Power considers, for the purpose of the MSLA, the term "Field Completion Date" is a more user friendly term than the transaction level nomenclature "Actual Date And Time".</p> <p>There are not opposite meanings for this term and Western Power is not introducing a new concept via the inclusion of this term. It relates to a frequently used data attribute both within the Western Australian market and in the</p>

information forms part of *standing data* and is therefore subject to the requirements of the Code. The Authority must make a determination on whether "Field Completion Date" is *standing data* because clause 4.5 of the Code requires that a *Code participant* must not knowingly permit the *registry* to be materially inaccurate. If it is not clear whether "Field Completion Date" is *standing data*, then it is not possible for Synergy (and WP) (as *Code participants*) to comply with clause 4.5(1). This would also be inconsistent with the *Code objective* to promote access to and confidence in *data* (which includes *standing data*) of parties to commercial *electricity* transactions (clause 2.1(1)(b)).

In Synergy's view, the Authority must also make determination is made on whether "Field Completion Date" is *standing data* because, in Synergy's experience, WP's *standing data* does not always align with what has occurred in the field – for example, a de-energised *meter* that has not actually been de-energised, or vice-versa. Again, without such a determination, the definition is inconsistent with the *Code objective* in clause 2.1(1)(b) of the Code.

If the "Field Completion Date" is *standing data*, then WP's *communication rules* will need to be updated to reflect this. Clause 4.3(3) of the Code states the *communication rules* may remove, modify or add to any requirement in clause 4.3(1) for the *standing data*.

Synergy also considers that WP's proposed definition of "Field Completion Date" is not consistent with clause 6.6(1)(b) of the Code, which requires that a MSLA specify a timeframe, and where appropriate other service levels, for the performance of a *metering service*. The note to clause 6.6(1) provides that a MSLA must, amongst other things, at least specify the service levels (including timeframes) for the provision, installation, operation and *maintenance* of *metering installations* under clause 3.5(1) of the Code. As noted above, the definition of "Field Completion Date" is unworkable. The definition does not set out the service levels as required by clause 6.6(1)(b) of the Code.

For the reasons set out above, Synergy considers that WP's proposed definition of "Field Completion Date" is inconsistent with clause 6.1(1)(a) of the Code, which requires that a MSLA be consistent with the requirements of the Code.

National Electricity Market. Both markets contemplate both the completion and attempted completion of a service order.

Western Power's proposed use of this term to enable service order measurement is also consistent with equivalent provisions approved by the Australian Energy Market Operator for the National Electricity Market.

<p>Synergy considers the Authority must determine this matter.</p>	
<p>Definitions: Force Majeure</p> <p>See also Synergy's further comments on proposed clause 8 ("Force Majeure Expenditure") in Section D, below.</p> <p>Synergy repeats its September Submissions the current MSLA definition of Force Majeure should be retained – ie Force Majeure means that term as defined in the agreement between WP and the User under which WP agrees to provide access services to the User. That access agreement will be either the model electricity transfer access contract (approved by the Authority under the <i>Access Code</i>) or a negotiated access contract between WP and the User, as applicable.</p> <p>As noted in Synergy's September Submissions, there is a risk that if the definition of Force Majeure does not align with that in the applicable <i>access contract</i> between WP and the User, the effect may be to vary that contract. Further, a misalignment of rights/obligations between the two agreements may be practically difficult to implement in certain circumstances.</p> <p>In Synergy's view, the need to ensure consistency between the MSLA and the applicable <i>access contract</i>, outweighs the need to ensure consistency between standard documents – ie the MSLA and the model electricity transfer access contract.</p> <p>Finally, WP's proposed amendment to the definition of "Force Majeure" does not take into account the <i>user's</i> interests in circumstances where the <i>user</i> and WP have negotiated a position under an <i>access contract</i>. This is inconsistent with clause 6.5(d) of the Code and the objective in the <i>Access Code</i> (see section 2.1 of the <i>Access Code</i>).</p> <p>Synergy considers the Authority must determine this matter.</p>	<p>Western Power notes Synergy's comments, and proposes an amendment to the definition of "Force Majeure" such that if the term "Force Majeure" is defined in the User's Access Contract, then that definition will apply, however if the term is not defined in the User's Access Contract, then the existing definition set out in the proposed MSLA will apply.</p> <p>Western Power has proposed this approach as it is aware that certain access contracts do not contain a definition of "force majeure".</p>
<p>Definitions: Indirect Damage</p> <p>See Synergy's further comments in relation to proposed clause 7 ("Liabilities and damages"), below.</p>	<p>Noted.</p>

<p>Definitions: In Field</p> <p>Despite its response, WP has not addressed Synergy's concern the definition of "In Field" is ambiguous by making it clear what a "delivery resource" is.</p> <p>In Synergy's view, the additional information that WP has included in Schedule 4 does not make it clear what is meant by "In Field".</p> <p>For those reasons, WP's proposed definition of "In Field" is not consistent with the requirements in Chapter 6 of the Code, including the requirement in clause 6.6(1)(b) that a MSLA specify a timeframe and, where appropriate other service levels, for the performance of a <i>metering service</i>. The note to clause 6.6(1) provides that a MSLA must, amongst other things, at least specify the service levels (including timeframes) for the provision, installation, operation and <i>maintenance of metering installations</i> under clause 3.5(1) of the Code.</p> <p>Further, an ambiguous definition does not, nor will not, promote regulatory outcomes that are in the public interest (ie in the interests of end users). In this way, the Authority should determine the definition of "In Field" is not consistent with section 26(1)(a) of the ERA Act.</p> <p>Any definition of "In Field" needs to be consistent with the <i>communications rules</i>.</p> <p>See also Synergy's further comments at above in relation to the definition of "Field Completion Date".</p> <p>Synergy considers the Authority must determine this matter.</p>	<p>Western Power has included the concept (and therefore definition of) "In Field" to clarify certain circumstances in which Western Power will be entitled to charge the fees that it will incur by processing a service order and dispatching the relevant resource to carry out that service but the service is cancelled prior to delivery. The portion of the fees that are payable are set out in Table 11 of Schedule 5 of the proposed MSLA.</p> <p>Western Power considers that it is just that Western Power recovers its fees in these circumstances.</p> <p>Western Power understands that its proposed approach is consistent with the accepted industry approach. Accordingly, Western Power does not agree with Synergy's submission that its proposed approach is not consistent with the public interest considerations set out in section 26(1)(a) of the ERA Act.</p> <p>Western Power does not understand the relevance of clause 6.6(1)(b) of the Code in relation to this concept. The Metering Services are otherwise described in the proposed MSLA. This term is used to describe the portion of fees which Western Power is entitled to charge once it starts performing that service but it is cancelled, akin to a "call-out" fee.</p>
<p>Definitions: Manually Read Interval Meter</p> <p>Synergy repeats its September Submissions. WP's proposed definition of "Manually Read Interval Meter" is ambiguous and in effect, permits WP to unilaterally determine what a manually read <i>interval meter</i> is, and therefore, choose when a manually read interval meter service will be provided.</p> <p>Any definition should refer to the <i>Type of metering installation</i> (as shown in Table 3 in Appendix 1 to the Code).</p>	<p>Western Power disagrees with Synergy's interpretation of the definition of "Manually Read Interval Meter", and does not propose to amend this definition.</p> <p>As noted above, the <i>Type of metering installation</i> is an accuracy requirement of the <i>metering installation</i>, which is linked to annual throughput at the <i>connection point</i>, and is therefore not relevant to this definition.</p>

<p>As noted above, a potential effect of WP's proposed definition of "Manually Read Interval Meter" is that WP is able to unilaterally determine when a manually read <i>interval meter</i> service will be provided. Synergy is concerned that this practice may not comply with which prohibits hindering or preventing access to any services by persons in accordance with the <i>Access Code</i>.</p>	<p>The costs associated with providing a manual read of an interval meter are significantly higher than the costs of providing a remote meter read, and it is therefore important to make this distinction in the MSLA.</p> <p>The Code prescribes circumstances where Western Power must install an interval meter; and where a communications link must be installed. There are circumstances contemplated by the Code where Western Power must install an interval meter but is not obligated to install a communications link. In these circumstances, Western Power has an obligation to ensure the efficient collection of interval data, whether this be manually or via a communications link. The method of data collection is seamless to the User.</p> <p>Western Power's proposed definition of "Manually Read Interval Meter" in no way hinders a User's ability to access interval data services, which exceed the requirements of the Code, where the User is willing to incur the incremental cost associated with access to such a service. Western Power notes the installation of a communications link may also represent the most cost effective solution for the User in such a circumstance.</p>
<p>Definitions: Metering Services or Services</p> <p>See Synergy's further comments above in relation to the defined term "Extended Metering Services".</p> <p>Subject to the necessary amendments being made to the definition of "Extended Metering Service",</p> <p>Synergy agrees with the definition of "Metering Service or Services". See further Synergy's comments at, below on the definition of "Service".</p>	<p>Refer to Western Power's comments above in relation to the defined term "Extended Metering Services".</p>
<p>Definitions: Meter Reading Schedule</p> <p>Synergy notes that WP has made some amendments to items 4.1, 4.2, 4.3 and 4.4 of Schedule 3 to the proposed MSLA in respect of the amendment and publication of the Meter Read Schedule.</p>	<p>Western Power has amended items 4.1, 4.2, 4.3 and 4.4 of Schedule 3 to the proposed MSLA to confirm that Western Power will publish the Meter Reading Schedule when amendments are made to the schedule, as requested by Synergy.</p>

However, Synergy notes that those amendments to items 4.1, 4.2, 4.3 and 4.4 of Schedule 3 do not:

- require WP to publish (if amendment is necessary) the Meter Reading Schedule as the drafting uses the discretionary "may"; or
- require the User's agreement to amend the Meter Reading Schedule.

Synergy submits that an appropriate procedure for revision of the Meter Reading Schedule would require WP to consult and agree with the User the amended Meter Reading Schedule and to publish that amended Meter Reading Schedule.

Clause 6.6(1)(f) of the Code requires the *network operator* to specify the procedures by which, and the frequency with which, a meter reading schedule may be revised. Synergy considers that incorporating a procedure as outlined above in the MSLA is consistent with clause 6.5(a) of the Code and the Code objective in clause 2.1(c). This is particularly important in light of Synergy's obligations under the *Code of Conduct*.

Clause 6.5(a) of the Code requires the MSLA to comply with the requirements of the Code. Clause 5.8 of the Code requires a *network operator* to provide the *user* with whatever information the *network operator* has (including *energy data* and *standing data*) that is necessary to enable the *user* to comply with its obligations under the *Code of Conduct*, within the time necessary for the *user* to comply with those obligations. Clause 1.5(5) of the Code provides that to the extent the Code and the *Code of Conduct* are inconsistent, the Code does not operate to the extent of the inconsistency.

Finally, the Code objective in clause 2.1(c) is to facilitate the operation of, amongst other things, the *Code of Conduct*.

For example, Synergy has obligations under the *Code of Conduct* to bill customers in accordance with a specified timeline. Any amendments to the Meter Reading Schedule must therefore accommodate and allow Synergy, as a *user*, to comply with its *Code of Conduct* obligations.

Western Power will not amend these items to require the User's agreement to amend the Meter Reading Schedule. Western Power is comfortable to consult with the User on a reasonable basis, however control of the Meter Reading Schedule must remain with Western Power to ensure operational efficiency in the provision of Metering Services and to balance the competing needs of multiple electricity retailers and other network users.

Western Power has also amended the definitions of "Meter Reading Schedule" and "User" as requested by Synergy.

<p>Synergy also requests that for consistency with those items of Schedule 3, the definition of "Meter Reading Schedule" be amended to refer to the Schedule being published each time it is amended.</p> <p>This is consistent with clauses 6.6(1)(g) and 6.5(a) of the Code.</p> <p>Finally, Synergy requests the definition of "User" refer to the definition of that term in the Code (and not the <i>Access Code</i>, as WP currently proposes).</p>	
<p>Definitions: Meter Throughput</p> <p>Synergy acknowledges that WP has amended the term "metering point" in the definition of "Meter Throughput" to "Metering Point" (ie a defined term).</p> <p>However, as noted above in relation to the definition of "Connection Point", Synergy requests the definition of "Metering Point" be amended to refer simply to the defined term under the Code. The words "and includes a point on a Covered Network which is "subject to bi-directional energy flows" under section 3.3A of the Code" should be removed from the definition of "Metering Point".</p>	<p>Refer to Western Power’s comments above in relation to the definitions of “Connection Point” and “Metering Point”.</p>
<p>Definitions: Non-AMI Meter</p> <p>See comments in relation to definition of AMI Meter, above.</p>	<p>Refer to Western Power’s comments above in relation to the definition of “AMI Meter”.</p>
<p>Definitions: Payment Error</p> <p>WP has not addressed Synergy's concerns in relation to errors or amounts invoiced that are not permitted to be invoiced under the MSLA.</p> <p>Synergy acknowledges that part (b) of the definition refers to the inclusion in Tax Invoices of "incorrect amounts"; however, in Synergy's view, that provision does not explicitly refer to amounts which were not permitted to be charged under the MSLA – an "incorrect" amount is different from an amount which is not permitted to be charged.</p> <p>Synergy requests the definition of "Payment Error" be amended to specifically refer to amounts that were not permitted to be charged under the MSLA.</p> <p>In Synergy's view, such an amendment is consistent with clause 2.1(2)(c) of the Code, which is to facilitate the operation of, amongst other things, the <i>Code of</i></p>	<p>Western Power reiterates its earlier view, and confirms that the definition of “Payment Error” has been extracted from its standard electricity transfer access contract (ETAC).</p> <p>Western Power’s view is that the definition of “Payment Error” is sufficient to capture an amount Western Power is not permitted to charge under the MSLA. “Payment Error” is defined to expressly include incorrect amounts in a Tax Invoice, as follows:</p> <p><i>“any error in a Tax Invoice (including the omission of amounts from that Tax Invoice, the inclusion of incorrect amounts in that Tax Invoice, calculation errors in the preparation of a Tax Invoice or a Tax Invoice being</i></p>

<p>Conduct, and clause 6.5(d) of the Code (which requires the MSLA to be reasonable).</p>	<p><i>prepared on the basis of data which is later established to have been inaccurate.”</i></p> <p>Western Power does not propose to amend the definition of “Payment Error”.</p>
<p>Definitions: Reasonable and Prudent Person</p> <p>Synergy requests the words "where applicable" are removed from the definition of "Reasonable and Prudent Person". The inclusion of those words in the definition do not make sense, particularly in circumstances where it is unclear to Synergy when a party would not be required to act in accordance with "Good Electricity Industry Practice".</p> <p>WP notes its proposed definition of "Reasonable and Prudent Person" has been extracted from its standard access contract. However, just because a provision that WP is proposing for the MSLA may be consistent with the standard access contract does not mean that a defect or other shortcoming in that provision should go uncorrected (e.g. the shortcoming being it is not clear when a party would not be required to comply with Good Electricity Industry Practice).</p>	<p>This term is only used in the definition of “Force Majeure” (now amended, refer to Western Power’s above comments in relation to this definition), where the term “Force Majeure” is not otherwise defined in the User’s Access Contract.</p> <p>This aspect of the “Force Majeure” definition is aligned with the ETAC, as is the definition of “Reasonable and Prudent Person”.</p> <p>To maintain consistency across regulated instruments Western Power does not propose to amend this definition.</p> <p>As noted by Synergy above, the ETAC has been approved by the Authority.</p>
<p>Definitions: Reconnect</p> <p>Synergy notes that WP has removed the proposed definition of "Reconnect".</p> <p>As with the terms "disconnect" and "de-energise", there is a difference between the terms "reconnect" and "re-energise". In Synergy's view, a "reconnection" involves the physical reattachment of the meter. Synergy suggests that an appropriate definition of "Reconnect" is included in the MSLA, or different terminology (for example, "physical re-attachment") be used in place of the word "Reconnect" throughout the MSLA.</p>	<p>Western Power notes that the term “reconnect” is not used in the proposed MSLA.</p>
<p>Definitions: Service</p> <p>Subject to the necessary amendments being made to the definition of "Extended Metering Service" (see Synergy's further comments at, above),</p>	<p>Noted.</p>

<p>Synergy acknowledges, and agrees with, WP's proposed definition of "Metering Services or Services" for the new MSLA.</p>	
<p>Definitions: Term See comments in relation to Commencement Date and clause 2.1 (Term).</p>	<p>Refer to Western Power's comments in relation to the definition of "Commencement Date" and clause 2.1 (Term).</p>
<p>Definitions: Whole Current Metering Synergy acknowledges that WP has amended the definition of "Whole Current Metering" in response to Synergy's September Submission. However, for clarity, Synergy suggests the words "or a voltage transformer" are added to the end of the definition as follows (amendments in <u>underline</u>): "Whole Current Metering means a Metering Installation which is connected directly to the Metering Point, measuring the whole current flowing in the primary circuit, as opposed to measurement via a secondary circuit using a current transformer <u>or a voltage transformer</u>."</p>	<p>Western Power has amended the definition of "Whole Current Metering" as suggested by Synergy.</p>
<p>Definitions:</p>	<p>On review of the proposed MSLA, Western Power has also deleted the following definitions, which are no longer used throughout the proposed MSLA due to amendments:</p> <ul style="list-style-type: none"> • "Applications and Queuing Policy" • "Communication" • "Covered Network" • "Customer Code" • "NEM12" • "NEM13" • "Possession" • "Related Body Corporate" • "Western Australian Electrical Requirements (WAER)"

<p>Clause 1.2 Interpretation Act applies</p> <p>Synergy's concern was that clause 1.2 of the MSLA does not actually work to apply the rules of interpretation in the <i>Interpretation Act</i> to the interpretation of the MSLA in cases where the drafting of those rules of interpretation is such they are only capable of applying to "written laws".</p> <p>For example, most if not all of the provisions of the <i>Interpretation Act</i> that WP presumably intends should apply to the MSLA as "rules of interpretation" are in fact drafted so they only apply to interpreting "a written law". In Synergy's view, the MSLA is not "a written law" because it does not have legislative effect. So unless (as Synergy has suggested), it is clearly stated in clause 2.1 of the MSLA the rules of interpretation in the <i>Interpretation Act</i> are to apply to the MSLA as if references in those rules to "a written law" were references to the MSLA, it would seem likely that those "rules of interpretation" in the Act that refer to "a written law" would not actually apply to or operate in interpreting the MSLA.</p> <p>WP's point its drafting of clause 2.1 is consistent with its standard access contract does not resolve the apparent defect in the drafting across its contract documentation.</p>	<p>Western Power does not propose to amend this clause, which is consistent with clause 1.2 of the ETAC. To maintain consistency across regulated instruments Western Power does not propose to amend this definition.</p> <p>Furthermore, in Western Power's view, there is no other interpretation of clause 1.2 of the proposed MSLA, other than that the provisions of the <i>Interpretation Act</i> are to be applied in interpreting the MSLA.</p>
<p>Clause 2.1 Term</p> <p>Synergy acknowledges WP's response regarding the operation of clause 5.2 of the Code. However, Synergy maintains its September Submission and requests the reference to the deeming provision in clause 5.2 of the Code be incorporated in the MSLA.</p> <p>Further to Synergy's suggested amendment to the definition of "Commencement Date" (see above), Synergy suggests the words "date of execution of this Agreement" in clause 2.1 of the proposed MSLA are replaced with "Commencement Date" as follows (amendments in strikethrough and <u>underline</u>):</p>	<p>Western Power has amended clause 2.1 of the proposed MSLA as suggested by Synergy.</p>

<p>"2.1 Term This Agreement commences on the date of execution of this Agreement <u>Commencement Date</u> and continues until this Agreement is terminated..."</p>	
<p>Clause 3.1 Metering Services</p> <p>Synergy does not agree with WP's view. The MSLA needs to be drafted such it is clear there is no obligation to pay for Metering Services if WP does not provide Synergy with all the necessary information to reconcile the type of Service that has been requested and the applicable charges under the MSLA. In Synergy's view, WP's proposal is not consistent with:</p> <ul style="list-style-type: none"> • <i>good electricity industry practice</i>, and is therefore contrary to clause 6.5(c) of the Code; • the promotion of regulatory outcomes that are in the public interest (contrary to section 26(1)(a) of the ERA Act); • the long term interests of consumers in relation to price and reliability of metering services (contrary to section 26(1)(b) of the ERA Act); • the need to promote competitive and fair market conduct by WP (contrary to section 26(1)(e) of the ERA Act); and • the need to prevent abuse of monopoly or market power by WP (in line with section 26(1)(f) of the ERA Act). <p>Further, Synergy considers that in order to satisfy clause 6.6(1)(g) of the Code, which requires the MSLA specifies the procedures for a Code <i>participant</i> to make a request for <i>metering services</i> and the procedures for dealing with a <i>metering service order</i> it will be necessary for the Authority to be satisfied the Build Pack referred to in the MSLA is capable of accommodating remote services. At this point, the Build Pack does not accommodate such services.</p> <p>Synergy considers the Authority must make a determination not to approve the MSLA until such time as there is clarity in relation to the Build Pack such that caters for remote services, transactions and exceptions.</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's concerns relating to clause 3.1 and discuss its proposed approach to AMI transitional matters.</p> <p>Western Power acknowledges the need for ongoing retailer engagement on AMI services and will seek to implement transitional meetings with retailers and, where relevant, working groups, as part of its transition to AMI services, including amending the <i>build pack</i> where necessary. This transitional effort naturally cascades from approval of Western Power's AMI proposal.</p> <p>Western Power does not propose further amendments to this clause.</p>

<p>Clause 3.2 Service Standards</p> <p>(a) WP's proposed amendments to clause 3.2</p> <p>With regard to WP's proposed amendments to clause 3.2, WP has not explained why any of the provisions WP is proposing to add to clause 3.2 are necessary or justified under the Code, especially given the MSLA already contains a comprehensive Force Majeure provision (see clause 8).</p> <p>WP's proposed amendments to clause 3.2 overlap with and potentially undermine the comprehensive Force Majeure provision in clause 8 and create unnecessary uncertainty as to how the two provisions are supposed to interact.</p> <p>For example, unlike the comprehensive Force Majeure provision, WP's proposed amendments to clause 3.2 do not deal with matters such as notification, mitigation, prevention and overcoming causes nor do they impose the Reasonable and Prudent Person standard of reasonableness.</p> <p>Synergy is concerned that WP's proposed amendments to clause 3.2 may be used to circumvent and/or undermine the stricter and more comprehensive requirements of the Force Majeure provision.</p> <p>In addition to being unnecessary, Synergy also considers WP's proposed amendments to clause 3.2</p> <p>are not reasonable. For example, WP's proposed clauses 3.2(b)(i), (ii) and (iii) are not reasonable because it is not clear:</p> <ul style="list-style-type: none"> • what constitutes (and who determines) "appropriate access", "legitimate concern" and "other impediments" in this context; and • whether these things take into account WP's ability to exercise its legislative powers (including under the <i>Energy Operators (Powers) Act 1979 (WA)</i>) and whether WP is taking the reasonable actions to comply with their obligations under health and safety law. 	<p>As previously noted, Western Power has amended clause 3.2 to clarify the circumstances in which it is not responsible for the inability to provide a Service in accordance with the Agreement or the Service Standards.</p> <p>There have been, and will continue to be, circumstances which arise to prevent the provision of Metering Services by Western Power in a practical sense. The new clause 3.2(b) attempts to capture these circumstances, which are clearly distinct from those large-scale circumstances contemplated by the Force Majeure provision in clause 8 of the proposed MSLA.</p> <p>Western Power considers that this clause is drafted in a reasonable manner.</p>
<p>Clause 3.2 Service Standards</p> <p>(b) Service Standards generally</p>	<p>Western Power seeks to deliver all Metering Services in accordance with defined service standard timeframes and the Code.</p>

Synergy reiterates the concerns raised in the September Submission. In particular, WP's proposed service standards are not consistent with clause 6.5(g) of the Code because WP is proposing KPIs that would mean it effectively need not provide connection services in accordance with an enactment, in this case, the *Electricity Industry (Obligation to Connect) Regulations 2005* (WA). However, those regulations are absolute and do not permit WP to provide connection services less than 100% of the time within the timeframes specified in the regulations or to action less than 100% of the requests made by a *user* on behalf of a *customer*.

Synergy is concerned WP has not addressed what happens with respect to outstanding service requests once the relevant KPI level has been reached. Essentially, WP's proposed MSLA does not require WP to contractually action any service requests over the service KPI listed in schedule 4 of the MSLA. For example, if the KPI is 95%, there does not appear to be any express obligation to deliver the outstanding 5% of service requests once the 95% level has been achieved. Synergy is concerned such an apparent loophole is not consistent with the Code (including the *Code objectives*) and is not in the public interest or the long-term interests of consumers and may be used in ways that are not consistent with promoting competitive and fair market conduct or preventing abuse of monopoly or market power (contrary to sections 26(1)(b), (e) and (f) of the ERA Act).

Synergy requires the Authority to determine how these outstanding service requests WP does not action should be dealt with contractually under MSLA giving regard to the *Code objectives*, clause 6.5 of the Code and the matters in section 26(1) of the ERA Act.

Synergy is also concerned that, for some services, WP is now proposing the services is deemed to have been performed if performance has been "attempted". For example, this occurs in the Performance Measurement provisions in Schedule 4 for Meter Provision (on page 69 of the proposed MSLA) and for Meter Data Provision (on page 71 of the proposed MSLA), where "Field Completion Date" (as defined in Schedule 1) allows "attempted" performance of requested work (refer also to Synergy's further comments

Western Power has included key performance indicators (**KPIs**) in its proposal to ensure transparent tracking and reporting of performance. The inclusion of these indicators exceeds Western Power's obligations for a MSLA under the Code. These KPIs in no way undermine Western Power's obligations under the Code or associated enactments.

In general, the Service Standards proposed by Western Power exceed the standards set for metering services in the National Electricity Market.

Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to clause 3.2.

Also refer to Western Power's comments in relation to the definition of "Field Completion Date".

Western Power does not propose further amendments to this clause.

<p>above concerning the definition of "Field Completion Date"). Synergy also notes the definitions for "Completion of requested work" and "Issuing a Service Order response" in column 2 of the Table in Figure 3 include "or attempted performance" as an alternative to performance.</p> <p>Synergy is concerned that if attempted performance is classified as actual performance, this will potentially allow WP to achieve Service Standards and KPIs in circumstances where services have not actually been properly performed.</p> <p>Synergy considers the Authority must determine if such an approach to measuring performance is consistent with the Code and the <i>Code objectives</i>, having regard to the requirements of section 26(1) of the ERA Act.</p>	
<p>Clause 4 Financial Covenants by User</p> <p>Synergy requests that clause 4.1(a) of the proposed MSLA be amended as follows (amendments in strike through and <u>underline</u>):</p> <p>"The User agrees to pay Western Power the Fees for the Extended Metering Services provided <u>under in accordance with this Agreement</u>."</p> <p>Further to Synergy's September Submission, such an amendment to clause 4.1(a) makes it clear the Extended Metering Services are to be provided according to the terms of the MSLA.</p>	<p>Western Power does not propose to amend clause 4.1, which is consistent with the existing MSLA.</p> <p>Clauses 3.1 and 3.2 of the proposed MSLA clearly set out that the Metering Services are to be provided on the terms and conditions set out in the MSLA.</p>
<p>Clause 5 Invoices</p> <p>(a) Provision of data</p> <p>The MSLA does not contain an obligation on WP to provide Synergy extensive data sets and B2B transaction data to support invoice reconciliation. Synergy does not agree the Build Pack function is centred around metering invoice reconciliation. This has been an ongoing issue for Synergy and is a barrier to creating an efficient automated reconciliation system that is in place under the <i>Access Code</i>. Synergy considers that this is inconsistent with the <i>Code objective</i> in clause 2.1(b) of the Code.</p>	<p>Western Power reiterates its earlier comments in relation to this issue.</p> <p>The provision of Metering Services are transactional in nature, meaning that a User is provided with extensive data sets and receipts via B2B transactions, in accordance with the <i>communication rules</i>, which allow for visibility and reconciliation of Services.</p>

	<p>It is Western Power’s view that it would be unreasonable to include provisions which allow a User to withhold payment for Services which have been performed, based on the ability of a User to process and analyse these transactions.</p>
<p>Clause 5 Invoices (b) Service Provision</p> <p>Synergy acknowledges WP's responses that "it would be unreasonable for WP to invoice charges in respect of services that have not been performed". However, further to its September Submission and based on examples of Synergy's past experience with WP, Synergy requests that an express provision be included in the proposed MSLA which requires that WP must not invoice a User in respect of Services performed outside of the MSLA, performed more than 12 months ago, Services that have not been completed, and Services that are the subject of an ombudsman complaint.</p>	<p>Western Power notes that clauses 3.1(b) and 4.1 of the proposed MSLA refer to the User paying for Services which have been provided.</p> <p>It is Western Power’s view that it cannot invoice a User under the proposed MSLA in respect of Services that have not been performed under the proposed MSLA.</p> <p>Western Power will only invoice for Metering Services in accordance with the proposed MSLA, which have been performed under the proposed MSLA.</p> <p>Western Power does not agree to the broad carve-outs requested by Synergy - for example, Services that are the subject of an ombudsman complaint could relate to a broad range of matters completely unrelated to the performance of the Services by Western Power.</p> <p>A User may rely on the procedures set out in clause 5.3 of the proposed MSLA in relation to disputed amounts in invoices.</p> <p>Western Power does not propose to make any amendments in this regard.</p>
<p>Clause 5 Invoices (c) Due Date</p> <p>Synergy acknowledges that WP has amended the Due Date to 15 Business Days.</p>	<p>Noted.</p>

<p>Clause 5 Invoices (d) Withholding and Disputing Invoices</p> <p>Synergy acknowledges WP's response regarding the operation of clauses 5.2 and 5.3. However, see Synergy's comments under the sub-heading "Clause 5.4(a)", below regarding the charging of interest.</p> <p>However, Synergy does not agree with WP's response it has increased the time limit for notification of an invoicing dispute to 15 Business Days. Synergy cannot see where this amendment has been made in the Post Consultation (mark-up) version of the MSLA (as published on the Authority's website). Synergy requests the time limit is increased to 15 Business Days.</p>	<p>Clause 5.3(a) of the proposed MSLA requires that a User must, prior to the Due Date of the Tax Invoice, give notice to Western Power that it Disputes the amount.</p> <p>As noted previously, Western Power has increased the time limit for notification of an invoicing dispute to 15 Business Days, by lengthening the Due Date (refer to definition of "Due Date" in Schedule 1 of the proposed MSLA).</p> <p>Western Power considers that this amendment is marked-up in the "Proposed MSLA - post consultation (marked up)" dated 16 October 2017, as published on the ERA's website.</p>
<p>Clause 5 Invoices (e) 18 month limitation</p> <p>It is still not clear to Synergy why clause 5.4(d) is made subject only to clause 5.4(e). Synergy repeats its September Submission that clause 5.4(d) should be made subject to both clauses 5.4(e) and 5.4(f).</p> <p>Further, as noted in its September Submission, Synergy considers the 18 month time limitation should not apply in circumstances where a Payment Error has occurred as a result of a party's wilful default or fraud.</p>	<p>Western Power has amended clause 5.4(d) by deleting the wording "subject to clause 5.4(e)".</p> <p>Western Power does not propose to amend the 18 month time limitation in circumstances of a Payment Error occurring as a result of a party's wilful default or fraud. Western Power confirms that the current approach is consistent with the approach under the ETAC.</p>
<p>Clause 5 Invoices (f) Interest on Underpayment</p> <p>Synergy does not agree with WP's response that "WP does not understand how an underpayment could result from Force Majeure". A Force Majeure event could, in Synergy's view, result in an underpayment. For example, if WP's system incorrectly billed Synergy, Synergy may underpay WP. If WP claims the billing system problem is as a result of a Force Majeure event, or something else</p>	<p>Western Power reiterates its earlier comments that the payment of interest is entirely appropriate in the case of underpayment in any event.</p> <p>If one party is withholding payment (and thereby earning interest or otherwise having the benefit of it) which actually should have already been paid to the other party, there seems no reason interest should not be payable so there is a proper accounting for the value of those funds.</p>

<p>beyond its control, then it is not fair that Synergy should be required to pay interest on the underpayment (even if it is something that is also beyond WP's control).</p> <p>See also Synergy's comments on the liability for interest under the sub-heading "(h) Clause 5.4(a)", below.</p>	
<p>Clause 5 Invoices</p> <p>(g) Clause 5.4</p> <p>Synergy acknowledges WP's response regarding the operation of clauses 5.3 and 5.4. However, see Synergy's comments under the sub-heading "Clause 5.4(a)", below regarding the charging of interest.</p>	<p>Noted.</p>
<p>Clause 5 Invoices</p> <p>(h) Clause 5.4(a)</p> <p>Synergy acknowledges that WP has extended the period for making an adjusting payment to 15 Business Days.</p> <p>Synergy notes WP's response to Synergy's request for (i) separate invoice line items and (ii) separate Standard Metering Services line item invoice files for network charges. WP notes that "if a party does not consider the other party has provided enough information to justify an adjustment it will just dispute the matter and not make the adjustment payment until such time as sufficient information is provided". However, Synergy notes that in accordance with clause 5.4(b), that adjusting payment will attract interest (from the date of the Payment Error until the date of the adjusting payment). Clause 5.4 does not take into account the situation where a party may not receive all of the necessary information in order to reconcile invoices. To address those circumstances, Synergy suggests that an appropriate procedure be introduced in clause 5.4 which:</p> <ul style="list-style-type: none"> allows time for the party receiving the (late) information to process and consider that information; 	<p>As noted above in Western Power's comments on "Clause 5 Invoices (a) Provision of data", the provision of Metering Services are transactional in nature, meaning that a User is provided with extensive data sets and receipts via B2B transactions in accordance with the <i>communication rules</i>, which allow for visibility and reconciliation of Services.</p> <p>Western Power reiterates its earlier comment that if a party does not consider the other party has provided enough information to justify an adjustment it may dispute the matter and not make the adjustment payment until such time as sufficient information is provided.</p> <p>In light of the above, Western Power does not consider that any amendments are necessary to clause 5.4 in this regard.</p>

<ul style="list-style-type: none"> states that interest will not accrue until a specified period (for example, 2-3 business days) after the party receiving the information has processed and considered that information. <p>Synergy considers that such a provision is reasonable in accordance with clause 6.5(d) of the Code.</p>	
<p>Clause 6 Warranties</p> <p>Synergy notes that, while the Code is a law (see section 39(3) of the EI Act) and the <i>Access Code</i> is a law (see section 107(2) of the EI Act), the AQP, <i>communication rules</i> and <i>metrology procedure</i> are probably not laws.</p> <p>The AQP, <i>communication rules</i> and <i>metrology procedure</i> are <i>documents</i> made by WP. While they must comply with the requirements of the relevant code under which they are required to be made and be approved by the Authority, that does not give them legislative effect.</p> <p>Accordingly, clause 13.1 of the MSLA does not require compliance with the AQP, <i>communication rules</i> and <i>metrology procedure</i>.</p> <p>Synergy considers it important the parties not only comply with applicable relevant laws (including the Code, the <i>Access Code</i> and the <i>Code of Conduct</i>, all of which are subsidiary legislation), but also</p> <p>with relevant documents made under them which are not themselves laws, but are nevertheless integral to the efficient operation of the MSLA. In this regard, Synergy considers the <i>communication rules</i> and the <i>metrology procedure</i> made under the Code and the AQP made under the <i>Access Code</i> are documents which the MSLA should require the parties to warrant they will comply with. That is because failure to comply with any one of those documents could adversely affect the proper operation of the MSLA in accordance with the Code.</p> <p>Synergy therefore considers a separate warranty is required for these documents and the Authority determines if the MSLA should contain warranties for compliance with the AQP, <i>communication rules</i> and the <i>metrology procedure</i>, having regard Code (including the <i>Code objectives</i>) and the matters required by section 26(1) of the ERA Act.</p>	<p>Western Power is already under a legislative obligation to comply with the <i>communication rules</i> and <i>metrology procedure</i> pursuant to the Code (clause 6.1). In addition, a User must also comply with the <i>communication rules</i> and <i>metrology procedure</i> under the Code (clause 6.1(2)).</p> <p>In addition, Western Power is required to have and comply with the AQP pursuant to the <i>Access Code</i>. As previously noted by Western Power, the AQP is primarily a regulatory instrument relevant to the ETAC, not the proposed MSLA.</p> <p>Further, clause 13.1 of the proposed MSLA requires each party to comply with all applicable laws, which includes the Code and the <i>Access Code</i> as noted by Synergy.</p> <p>On this basis, Western Power does not consider that a separate warranty is required in relation to compliance with the AQP, <i>communications rules</i> or the <i>metrology procedure</i>, as Western Power is already required to comply with these documents by law and clause 13.1 of the proposed MSLA.</p>

Clause 7 Liabilities and Damages

Synergy reiterates the concerns expressed in its September Submission and notes that just because a provision WP is proposing for the MSLA may be consistent with the ETAC does not mean that a defect or other shortcoming in that provision should go uncorrected (e.g. the shortcomings identified in the definition of Indirect Damage). Synergy submits that where such a defect or other shortcoming is identified, then both documents should be corrected.

With regard to WP's proposed amendments to clauses 7.3 to 7.5 of the MSLA, Synergy considers these appear generally appropriate. However, it is unclear why (other than for consistency with the ETAC), in the case of fraud (clause 7.4), WP is proposing the overall cap on liability in clause 7.2

should still apply, whereas in the case of personal injury (clause 7.3) it does not. Conceptually, if the clause 7.2 cap on liability is removed for personal injury, why should it not also be removed for fraud?

Synergy considers the Authority must make a determination whether WP's proposed liability exclusions and limitations are consistent with the Code, having regard to the issues raised by Synergy and the matters listed in section 26(1) of the ERA Act.

Western Power notes Synergy's comments in its September Submission that the exclusion of indirect damage in clause 7.1 and the liability limitations in clause 7.2 should align with the approach approved by the Authority in respect of the ETAC.

Western Power reiterates its previous comments in relation to clause 7.

The MSLA has been drafted with the intent it be consistent with the language used in the ETAC. The same definition of Indirect Damage has been used in each Agreement (which definition has been approved in prior ETAC regulatory reviews).

In terms of liability the provisions have been structured so that there is a global cap which applies to the ETAC and the MSLA. This is considered appropriate as together the MSLA and ETAC regulate the service relationship between the parties.

Western Power notes it is accepted practice in the utility industry (as well as the vast majority of unregulated and competitive markets) that service providers are not liable for indirect loss.

Additionally, Western Power confirms that the clause 7.2 cap on liability has not been removed for fraud in order to retain consistency between the ETAC and the proposed MSLA.

Western Power's amendments to clause 7 make clear it does not limited liability for fraud or personal injury (to better reflect the ETAC regime) and that it does not cut across the limited number of ETAC provisions where the exclusions of liability for indirect damage do not apply.

<p>Clause 8 Force Majeure Expenditure</p> <p>Refer also to Synergy's further comments at above in relation to the definition of "Force Majeure".</p> <p>Synergy acknowledges WP's explanations concerning clauses 8.3 and 8.4 of the MSLA.</p> <p>Synergy reiterates its concerns expressed in its September Submission on clause 8.2(a) of the MSLA. As regards WP's response, Synergy notes that just because a provision WP is proposing for the MSLA may be consistent with the ETAC does not mean that a defect or other shortcoming in that provision should go uncorrected (e.g. the shortcomings identified in the definition of Indirect Damage). Synergy submits that where such a defect or other shortcoming is identified, then both documents should be corrected.</p>	<p>Refer to Western Power's above comments in relation to its amendments to the definition of "Force Majeure".</p> <p>Western Power restates its earlier comments and confirms that the proposed clause 8.2 is aligned with the ETAC, which has been previously approved by the Authority.</p> <p>Western Power does not propose any changes to clause 8.2(a) of the proposed MSLA.</p>
<p>Clause 9 Default</p> <p>In Synergy's view, it is not clear that clause 9 only applies if the User is withholding payment when it is not entitled to. There is no express provision, for example, that clause 9 does not operate in those circumstances, or that clause 9 is subject to clause 7. Synergy requests that an express provision be included to this effect.</p> <p>The Authority is required to take into account, amongst other matters, those matters in sections 26(1)(a), (e) and (f) of the ERA Act. Synergy considers that, having regard to the matters of the need to promote regulatory outcomes that are in the public interest, the need to promote fair market conduct and the need to prevent abuse of monopoly power, the Authority should determine it is consistent with the <i>Code objective</i> in clause 2.1 and it is reasonable (consistent with clause 6.5(d) of the Code) to include provisions to the effect that a User will not be in default where WP:</p> <ul style="list-style-type: none"> • has not complied with the Code; • has not met the Service Standards under the MSLA; 	<p>Western Power notes that clause 9 operates where the User defaults in the due and punctual payment, at the time and in the manner required for payment by the MSLA, of any amount payable under the MSLA.</p> <p>In Western Power's view, clause 9 will only apply if the User is withholding payment when it is not entitled to under the MSLA.</p> <p>Western Power disagrees with Synergy's request that an express provision be included to confirm that clause 9 only applies if the User is withholding payment when it is not entitled to.</p> <p>Further, as noted previously, a User is entitled to dispute an invoice and withhold payment in accordance with clause 5.3 of the proposed MSLA, without threat of repercussions (other than the need to repay the amount with interest if the User was incorrect in withholding).</p>

<ul style="list-style-type: none"> • has not performed any other of its obligations under the MSLA. <p>Synergy notes WP's response that clause 9(b) requires WP to continue to provide "Standard Metering Services" in the event that "Extended Metering Services" are suspended in accordance with clause 9(a). However, Synergy remains of the view that proposed clause 9(c) will give WP excessive leverage in disputes with Users, particularly as the monopoly service provider.</p> <p>As a matter of ensuring fair market conduct, consistent with section 26(1)(e) of the ERA Act, Synergy remains of the view the MSLA should include a provision regarding default by WP. Additionally, such a provision could work to reduce the number of disputes under the MSLA (which disputes may be costly and time consuming).</p>	<p>Western Power repeats its earlier comment that it is still required to provide Standard Metering Services in the event that Extended Metering Services are suspended in accordance with clause 9(a).</p> <p>Finally, Western Power notes that clause 9(a) is essentially consistent with the default clause in the existing MSLA.</p>
<p>Clause 10 Disputes</p> <p>Synergy considers there will be occasions where the <i>dispute</i> process in Chapter 8 of the Code may not be an efficient process to resolve disputes. It would therefore be inconsistent with the <i>Access Code</i> objective (which is to promote the efficient operation and use of networks and services) to require parties to follow the Chapter 8 <i>dispute</i> procedures on such occasions. Additionally, if the Chapter 8 <i>dispute</i> procedure is not efficient and cost-effective, then requiring parties to follow this procedure will not be in the long term interests of consumers in relation to the price of <i>metering services</i> (contrary to section 26(1)(b) of the ERA Act).</p> <p>Synergy suggests the Authority require clause 10 of the MSLA to allow the parties to agree a different procedure.</p>	<p>Western Power restates its previous comments in relation to this clause.</p> <p>As previously noted, clause 10 is consistent with the existing MSLA, and no changes have been proposed by Western Power in this regard. Western Power considers it appropriate that disputes arising under the MSLA are dealt with in accordance with the dispute resolution provisions contained in the Code, as is required by the Code.</p> <p>Western Power disagrees with Synergy's suggestion that an alternative dispute procedure is required. Western Power considers that this could potentially lead to protracted and inefficient resolution of issues between Code participants.</p>
<p>Clause 14.11 Further Assurance (NB: now proposed clause 13.11)</p> <p>Synergy repeats its September Submission the Further Assurance clause be expanded to include an obligation for the parties to cooperate in relation to compliance with obligations under the <i>Code of Conduct</i> and the <i>Customer Transfer Code</i>.</p>	<p>As previously noted, given clause 13.1 (Compliance) and clause 13.11 (Further assurance) of the proposed MSLA, Western Power does not consider the inclusion of a provision requiring cooperation in relation to compliance with obligations under the <i>Code of Conduct</i> and the <i>Customer Transfer Code</i> to be necessary.</p>

<p>It is correct the MSLA requires each party to comply with all applicable laws. However, a requirement to comply with applicable laws, is not the same as a requirement for parties to cooperate to assist each other to comply with the laws.</p> <p>In Synergy's view, amending the provision to require the parties to cooperate with each other in order to allow the relevant party to comply with its obligations under the <i>Code of Conduct</i> and/or the <i>Customer Transfer Code</i>, is consistent with clause 2.1(1)(c) of the Code. Clause 2.1(1)(c) of the Code provides it is an objective of the Code to facilitate the operation of, amongst other things, the <i>Customer Transfer Code</i> and the <i>Code of Conduct</i>.</p>	<p>Western Power considers that this matter is comprehensively dealt with in the relevant legislation.</p> <p>In Western Power's view, a clause of this nature is beyond the scope of a service level agreement, and in particular, is not appropriate to be included in the proposed MSLA due to the vague nature of the proposed obligation.</p>
<p>ASP -1, MDP-13 De-energise (manually and remotely actioned)</p> <p>WP agrees this is a covered service regulated under the <i>Access Code</i>. This means the service can only be a:</p> <ol style="list-style-type: none"> 1. reference service approved by the Authority; or 2. non-reference service subject to negotiation under the <i>Access Code</i>. <p>Synergy, consistent with its <i>Access Code</i> rights, has requested this service to be provided as a reference service.</p> <p>Synergy does not understand the regulatory basis of WP's comments in relation to "a clear price signal" and how this is relevant in respect to Chapter 6 of the <i>Access Code</i>.</p> <p>Therefore, Synergy considers the Authority must determine if this is a reference service and whether it should, legally, be subject to an <i>access contract</i> or the MSLA, including the price control mechanism that should apply to this service.</p>	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power considers all of the service it provides are <i>covered services</i>, and are regulated as such. Western Power considers that it is the form of price control that is the key determining factor in assessing the classification and pricing of services, not whether or not the services are considered metrology services or not.</p> <p>Western Power considers that the de-energise service is appropriately charged directly to the User that is receiving the service via a fee, as per the pricing method outlined in section 5 of the proposed Access Arrangement. Western Power considers that this approach aligns with the requirements of clause 5.1(2)(c) of the Metering Code, which states:</p> <p style="text-align: center;"><i>"to the extent reasonably practicable in accordance with good electricity industry practice, permit a Code participant to acquire a metering service containing only those elements of the metering service which the Code participant wishes to acquire."</i></p> <p>Western Power considers this service classification as aligning with this requirement, where customers are accessing only the services they meaningfully require, and limiting as much as reasonably practical any cross-subsidisation.</p>

<p>ASP -1, MDP-13 De-energise (manually and remotely actioned)</p> <p>Synergy notes that WP has added a quotation methodology to Schedule 5.</p> <p>Synergy considers the Authority must determine the matters raised by Synergy in its MSLA submission being whether:</p> <ol style="list-style-type: none"> 1. De-energisation (including pole top disconnection) is a valid reference service. 2. For low voltage customers the service should expressly state where required WP will give effect to a pole or pillar de-energisation as required by clause 6.6(1)(b) of the Code. 3. WP’s quotation methodology for high voltage customers is consistent with clause 6.6(1)(d) and (3) (noting WP is not disclosing variable charges contemplated under 6.6(1)(d).) 4. WP’s disconnection time frames and practice in relation to disconnections are consistent with the <i>Code of Conduct</i>. 	<p>As noted in section 2.2 (MSLA Coverage) of this report, Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>ASP -1, MDP-13 De-energise (manually and remotely actioned)</p> <p>WP has not addressed Synergy’s requirement for industry standard notifications of remote services. It appears WP plans to use the same turnaround time frames for (AMI) services as the current manual services which is an economically inefficient outcome of installing AMI.</p> <p>The information WP has added it appears to create more ambiguity and uncertainty in relation to which <i>document</i> under Division 6.1 of the Code should specify the B2B transaction, methods and timing requirements in relation to manual versus remote service provision.</p> <p>Synergy considers the Authority must determine:</p>	<p>Synergy’s comments that Western Power has proposed the same turnaround times for AMI services as current manual services are inaccurate. Western Power has proposed different (shorter) turnaround timeframes for AMI services to that of manual services. The de-energise service proposed by Western Power for AMI meters effectively proposes the provision of a same business day service.</p> <p>Western Power has aligned its proposal to similar service proposals approved by the Australian Energy Regulatory for AMI providers operating in the NEM.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>

<p>1. the industry standard time frames in relation to (AMI) services, including how WP plans to practically deliver service improvements to <i>users</i> and <i>customers</i> from this \$209m investment;</p> <p>2. whether the additional information WP has added to the Schedule 4 of the MSLA is consistent with Division 6.1 of the Code and if this information can prevail over the <i>communications rules</i>.</p> <p>Synergy considers the Authority must determine whether Synergy’s 15 minute notification proposal:</p> <ol style="list-style-type: none"> will better support the operation of the <i>Code of Conduct</i>; and is inconsistent with clause 6.5 of the Code and with the long term interests of consumers (consistent with section 26(1)(b) of the ERA Act). 	
<p>ASP -1, MDP-13 De-energise (manually and remotely actioned)</p> <p>Synergy notes WP has not provided any regulatory substantiation for its opinion.</p> <p>If the services to be provided by WP (AMI) equipment is not safe, WP should not be providing the service nor receiving any return or reward for the service.</p> <p>Further it appears WP is proposing to transfer AMI safety requirements from itself to <i>network users</i> under its MSLA. It is entirely inappropriate to require a <i>user</i> to be responsible for the safe use of the <i>network operator’s</i> infrastructure. Further, Synergy questions WP’s legal authority to impose this under the MSLA.</p> <p>Synergy considers the Authority must determine under the WA regulatory framework:</p> <ol style="list-style-type: none"> who is responsible for <i>network</i> safety including equipment connected to the <i>network</i>; whether the proposed AMI services in the MSLA are contemplated by clause 6.6(1)(a) of the Code. 	<p>Western Power has not proposed the transfer of any of its obligations as suggested by Synergy.</p> <p>During Western Power’s engagement with Synergy in relation to its AMI requirements, Synergy repeatedly expressed, with emphasis, their requirement for a meter arming function and acknowledged the evolving role of retailers in relation to energy safety and AMI.</p> <p>Western Power’s proposed provisions are consistent with provisions in other Australian jurisdictions where AMI has been deployed.</p> <p>Western Power considers the provisions proposed to be consistent with good electricity industry practice.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposal that User’s establish protocols for interacting with customers in relation to meter arming and re-energisation is consistent with good</p>

	<p>electricity industry practice in section 2.14 (Further issues requiring determination) of this report.</p>
<p>ASP -1, MDP-13 De-energise (manually and remotely actioned)</p> <p>WP has not adequately addressed Synergy's concerns in its September Submission.</p> <p>Synergy considers the Authority must have due regard to section 26(1) of the ERA Act when considering WP's response and whether it is required to pass through contractual benefits consistent with clause 6.6(e) of the Code – i.e. "...in accordance with <i>good electricity industry practice</i>, seeking to achieve the lowest sustainable costs of providing the relevant <i>metering service</i>...".</p> <p>For manual services Synergy considers the proposed extended timeframe unacceptable due the financial consequences to Users for extended disconnection timeframes and also increased customer debt. Noting that WP has not addressed Synergy's concern (in its September Submission) and the Code requirement, Synergy repeats its September Submission and requires the current 1-2 business day metropolitan standard and 5-6 business day non-metro (country) standard to be maintained.</p> <p>Synergy considers the Authority must make a determination on the service standard that must apply in relation to de-energising a customer (in particular a small use customer) by taking into account WP's de-energisation performance.</p> <p>See also Synergy's further comments in respect of performance reporting frequency above under the sub-heading "Service Standard".</p>	<p>In developing its proposed MSLA, Western Power has benchmarked and aligned proposed service standards to equivalent services in the NEM.</p> <p>Independent consultancy provided to Western Power indicates shorter timeframes may contribute to higher costs for customers. Western Power's proposal seeks to mitigate price increases.</p> <p>Western Power's experience indicates that allowing a suitable "lead time" before de-energisation of a customer's supply, due to non-payment of a bill, typically results in fewer de-energisations occurring. That is, where a User advises a customer that they have requested Western Power disconnect their supply, the customer subsequently pays their bill and the de-energisation is no longer required.</p> <p>Western Power considers the timeframe proposed for this service is in the interest of customers and suitably balances this consideration with timely, reliable service provision.</p> <p>Further, Western Power's proposed timeframes are consistent with Synergy's Energisation Protocol which has been established through extensive collaboration between Western Power and Synergy over more than a decade.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power's proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>

<p>ASP-2, MDP-14 Re-energise (manually and remotely actioned)</p> <p>See Synergy's further comments above under the sub-heading "Service Classification" in respect of ASP-1. Synergy notes retailers do not have a legal obligation to negotiate services that are contemplated to be required and regulated under clause 6.6(1)(a) of the Code. For example, it appears</p> <p>WP proposes that if a person claiming life support customer needs to be re-connected urgently the only regulated service and time frame to do this will be the current re-energise services in the proposed MSLA. Therefore, Synergy considers the Authority must determine if the following services are required in respect of customers under the <i>Code of Conduct</i> and therefore should be regulated as a covered service in accordance with clause 6.6(1)(a):</p> <ul style="list-style-type: none"> • Urgent non-metro - completed within 3 hrs same day • Urgent County - completed within 24hrs • Emergency - by a time specified by the User 	<p>In response to Synergy's further comments Western Power has amended its proposal to include an "urgent" re-energisation service.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>ASP-2, MDP-14 Re-energise (manually and remotely actioned)</p> <p>WP has not addressed Synergy's concerns and the requirements of country customers and has maintained a 5 business day standard. Synergy considers the Authority must determine if WP's proposed time frame for country customers is consistent with clauses 6.5(c) and (d) of the Code.</p>	<p>Western Power has proposed to maintain standards for this service to those of the existing MSLA. Western Power consider these standards to be consistent with good electricity industry practice.</p> <p>Independent consultancy provided to Western Power indicates shorter timeframes may contribute to higher costs for customers. Western Power's proposal seeks to mitigate price increases.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power's proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>

<p>MDP-14 Re-energise (remotely actioned)</p> <p>Synergy notes that WP has removed the references to "Electrical Safety Certificates" in Schedule 3; however, the definition of "Electrical Safety Certificates" has not been removed. Synergy requests the definition be removed.</p>	<p>Western Power has removed the definition of Electrical Safety Certificates.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>ASP-2, MDP-14 Re-energise (manually and remotely actioned)</p> <p>Further to Synergy's concern in relation to the delivery KPI standard, WP has not fully addressed this concern but has raised the delivery KPI standard from 98% to 99%. Synergy considers the Authority must determine if WP's proposed KPI is consistent with:</p> <ol style="list-style-type: none"> 1. clauses 2.1(c), 6.5(c) and 6.5(d) of the Code; and 2. clause 8.2(2) of the <i>Code of Conduct</i>. <p>Synergy understands clause 8.2(2) of the <i>Code of Conduct</i> imposes an absolute obligation on the timeframes in which WP must connect a customer and not a 99% obligation as proposed in the revised MSLA.</p> <p>WP has not addressed Synergy's concerns in relation to service standards for regional <i>customers</i>. WP has effectively doubled the service standard, raising it from 3-5 business days to 5-6 business days.</p> <p>Synergy queries whether regional <i>customers</i> have been informed of this change as part of WP's stakeholder engagement.</p> <p>Synergy considers the Authority must determine if WP's increased time frame for regional <i>customers</i> is consistent with clause 6.5(c) and (d) of the Code.</p>	<p>Synergy's further comments indicate a misunderstanding of Western Power's proposal. Western Power seeks to deliver all metering services in accordance with the requirements of the Code. Western Power acknowledges there have historically been occasions where Western Power has not met these obligations. Western Power reports such instances to the ERA annually.</p> <p>Western Power has included KPIs in its proposal to ensure transparent tracking and reporting of performance. The inclusion of these indicators exceeds Western Power's obligations for a MSLA under the Code. These KPIs in no way undermine Western Power's obligations under the Code or other enactments.</p> <p>In general, the timeframes proposed by Western Power exceed the standards set for metering services in the National Electricity Market.</p> <p>Synergy's further comments in relation to service standards for regional customers suggest a misunderstanding of the existing MSLA and Western Power's proposal, by suggesting that "WP has effectively doubled the service standard". This is inaccurate. Western Power has not proposed a change to the existing service standard timeframe for regional customers. However, the revised key performance indicator (KPI) proposed by Western Power exceeds the indicator contained in the existing MSLA, effectively representing an uplift in the performance measure for these customers.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

	<p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>
<p>ASP – 3 Supply Abolishment</p> <p>WP has proposed ASP-3 be a service to abolish a <i>connection point</i> under an <i>access contract</i>. Therefore, Synergy considers the Authority must determine:</p> <ol style="list-style-type: none"> 1. whether this service under the MSLA can legally abolish a <i>connection point</i> under an <i>access contract</i>; and 2. whether the proposal is consistent with the standard ETAC and clause 5.1(3) of the Code. 3. whether the service needs to make clear it only deals with the removal of WP assets installed in relation to the Code. 	<p>Western Power has not proposed any technical changes, nor material drafting changes, to this service from the existing MSLA.</p> <p>The supply abolishment service is the mechanism in the market for abolishing a connection point from a user’s access contract. It is a service that completes (ends) the life cycle of a NMI.</p> <p>Western Power’s proposal is consistent with the standard ETAC, reflects current market practice and is consistent with service arrangements which have been in place for more than a decade.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>ASP – 3 Supply Abolishment</p> <p>WP’s explanation has not addressed Synergy’s concern and the impact on its customers. WP has dramatically increased the service standard for this service and has not provided a reasonable explanation why its practices to coordinate works have become less efficient.</p> <p>Therefore, Synergy considers the Authority must determine if WP’s increased time frame for all <i>customers</i> is consistent with clauses 6.5(c) and (d) of the Code as well as facilitating the operation of the <i>Code of Conduct</i> (consistent with the <i>Code objective</i> in section 2.1(1)(c) of the Code).</p>	<p>In developing its proposed MSLA, Western Power has benchmarked and aligned proposed service standards to equivalent services in the NEM.</p> <p>Independent consultancy provided to Western Power indicates shorter timeframes may contribute to higher costs for customers. Western Power’s proposal seeks to mitigate price increases.</p> <p>For this service, Western Power has proposed a 10 business day service standard for metropolitan areas (15 in regional areas). Network operators in the NEM are not subject to a service standard timeframe for this service.</p>

	<p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>
<p>MP-1 Meter installation and energisation</p> <p>WP has not adequately addressed Synergy's concerns.</p> <p>As part of its AMI transitional planning, WP now advises it will review B2B Procedures, the <i>metrology procedure</i> and the <i>mandatory link criteria</i>, as required, in consultation with <i>Code participants</i>. This highlights Synergy’s concerns the proposed MSLA may not be (and has not been demonstrated to be) consistent with the <i>Code documents</i> under Division 6.1.</p> <p>In Synergy's view, the MSLA cannot and should not be driving changes to the <i>documents</i> under Division 6.1 of the Code.</p> <p>Therefore, Synergy considers the Authority needs to determine if the MSLA can be approved without seeing the proposed changes to B2B Procedures, the <i>metrology procedure</i> and the <i>mandatory link criteria</i>. Including whether this sequencing issue is:</p> <ul style="list-style-type: none"> • consistent with the Code; • promotes regulatory outcomes that are in the public interest (section 26(1)(a) of the ERA Act); • is in the long-term interests of consumers in relation to the price, quality and reliability of • metering services (section 26(1)(b) of the ERA Act); • promotes fair market conduct (section 26(1)(e) of the ERA Act); 	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Western Power has prepared its proposed MSLA to complement its AA4 submission to the ERA. Western Power considers this necessary for the ERA to be able to consider the full value and broader benefits associated with AMI.</p> <p>The MSLA is a “model”. It serves where there is no written agreement between Code participants. It in no way limits services that can provided or requested by a participant.</p> <p>Western Power’s proposed MSLA is consistent with the Code.</p> <p>Western Power has previously acknowledged that it intends to review associated documentation, such as B2B procedures, as part of its AMI transition. This review naturally cascades from approval of Western Powers AMI proposal. These documents are intended to be dynamic to cater to the needs of an evolving electricity market. Further amendment to these documents are subject to consultation with Code Participants and approval by the Authority.</p> <p>Western Power intends to continue to engage with Code participants in relation to opportunities for value added services associated with its AMI proposal.</p>

<ul style="list-style-type: none"> prevents abuse of monopoly or market power (section 26(1)(f) of the ERA Act). <p>This is necessary so Synergy can determine its business and <i>customer</i> impacts of the proposed changes holistically prior to them being approved. For example depending on what B2B changes occur this can have significant SAP billing implications for Synergy.</p> <p>Synergy considers the Authority must determine if each of the service descriptions under the MSLA needs to expressly include, as part of the service, the corresponding <i>standing data</i> updates and notifications under the Code, in order to be consistent with clause 5.8, 6.6(a) and (b) of the Code.</p> <p>This includes determining whether it would be reasonable for retailers to transact with <i>customers</i> on the basis of the service descriptions in the MSLA. For example, charge <i>customers</i> for services WP consider have been delivered under the MSLA. Notwithstanding the regulated information that has been provided to the retailer in <i>standing data</i> is not up to date.</p>	<p>Western Power has presented Synergy and other Code participants with information relating to the functionality that AMI can provide.</p> <p>Western Power has included the AMI services and functionality requested by Synergy in its MSLA proposal.</p> <p>Western Power disagrees with Synergy’s view that the MSLA should expressly include transaction level detail. These requirements are serviced via the <i>communication rules</i>, not the MSLA.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-1 Meter installation and energisation</p> <p>WP has not adequately addressed Synergy’s concerns.</p> <p>Synergy considers the Authority must determine if WP proposed service MP-1 (formerly ASP-1) is an Extended Metering service subject to a price cap, having regard to the matters raised in Synergy’s September Submission.</p>	<p>Western Power has proposed to retain this service as a standard metering service. This classification is consistent with the existing MSLA.</p> <p>Western Power has requested that the ERA determine the appropriateness of Western Power’s proposed service classifications in section 2.2 (MSLA Coverage) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-1 Meter installation and energisation</p> <p>Synergy understands WP, based on Synergy’s September Submission, intended to remove references to the WAER from the MSLA. However, Synergy notes it is still being retained in the MSLA as a defined term.</p>	<p>In response to Synergy’s further comments, Western Power has removed all references to the WAER and WADCM from its proposed MSLA.</p>

<p>WP has not adequately addressed Synergy’s concerns and comments in relation to the WADCM.</p> <p>Therefore, Synergy considers the Authority must make a determination whether WP can use the WADCM to impose conditions or restrict services in the MSLA, including whether the Authority needs to review this document to confirm it:</p> <ol style="list-style-type: none"> 1. is consistent with the Code; 2. promotes regulatory outcomes that are in the public interest (section 26(1)(a) of the ERA Act); 3. is in the long-term interests of consumers in relation to the price, quality and reliability of metering services (section 26(1)(b) of the ERA Act); 4. promotes fair market conduct (section 26(1)(e) of the ERA Act); 5. prevents abuse of monopoly or market power (section 26(1)(f) of the ERA Act); 6. is consistent with section 115 of the EI Act; and 7. is amended in a manner that requires review and approval by the Authority. <p>Synergy notes that WP still prepared for the WAER reference to be retained as a defined term under the MSLA.</p>	<p>Western Power considers the matters raised by Synergy have been addressed.</p>
<p>MP-1 Meter installation and energisation</p> <p>WP, based on Synergy’s September Submission, has added a reference to the Build Pack service order type that must be used to request the relevant service in the MSLA. However, given the time available to make submission Synergy has not had an opportunity to confirm the proposed service orders:</p> <ul style="list-style-type: none"> • are fit-for-purpose; • are not currently subject to any known issues, defects and workarounds; • do not requires an amendment to the Build Pack. <p>Synergy considers that this analysis and industry consultation must be done prior to approving the MSLA. Synergy now understands from WP’s response, to</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>The <i>build pack</i> is a dynamic suite of documents with change management protocols intended to facilitate the efficient evolution of the WA Electricity Market.</p>

<p>Synergy’s submission, WP intend to do this consultation and amendment after the MSLA has been approved. If this is the case then there will be a contractual and compliance issue because users in complying with the MSLA will not be able to comply with the other instruments as required by clause 6.1(2) of the Code.</p> <p>Therefore, Synergy considers the Authority must confirm users can comply with clause 6.1(2) of the Code if WP’s proposed MSLA is approved.</p>	<p>Western Power considers that any amendments to the <i>build pack</i> that may be required to give operational effect to services naturally cascade from approval of the MSLA.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-1 Meter installation and energisation</p> <p>WP has not addressed Synergy’s concern and requirement in accordance with the Code. Synergy considers the Authority must make a determination on the service standard that must apply to reconnect a <i>customer</i> (in particular a small use <i>customer</i>), specifically whether the Authority can approve a contractual service standard which is lower than that prescribed in the <i>Code of Conduct</i> and whether by doing so this actually facilitates the operation of the <i>Code of Conduct</i>.</p> <p>Synergy further considers the Authority must make a determination on the performance reporting frequency that must be provided under the MSLA. Giving regard to the matters raised in the September Submissions, the volume of services Synergy is requesting and the importance of the services to customers especially those who consume less than 50MWh/annum, clauses 5.1 and 5.8 of the Code and the challenges of negotiating with a monopoly service provider.</p> <p>WP has not adequately addressed Synergy's concerns.</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>This service is associated with new connections (not reconnections) to the network. “Service standards that must apply to reconnect a customer” under the Code of Conduct are not relevant to this service.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-1 Meter installation and energisation</p> <p>Based on how services are defined under the Code and <i>Access Code</i>, Synergy has proposed this service should be a fixed priced fee for service offered under a reference service. It is reasonable for Synergy’s <i>customers</i> who build new</p>	<p>As per Western Power’s response in section 2.2 on MSLA coverage, Western Power considers that the price control classification is the critical determination the ERA must make on this matter. That is, if the service is more akin to a revenue-cap reference service, then its allocation as a Standard Metering Service is appropriate.</p>

<p>premises pay up front for a <i>metering installation</i> and not funded through a revenue cap mechanism.</p> <p>See Synergy's further comments in Section D on the definition of "Extended Metering Services".</p> <p>Synergy considers the Authority must determine how this service should be offered and whether it is consistent with the regulatory regime to treat a new <i>metering installation</i> as a "common service" under the <i>Access Code</i>.</p>	<p>If the ERA considers the service should reasonably incur a fee, then reclassification to an Extended Metering Service (and therefore a non-revenue cap non-reference service), with pricing akin to the meter exchange service fee, is appropriate.</p> <p>Western Power has requested that the ERA determine the appropriateness of Western Power's proposed service classification in section 2.2 (MSLA Coverage) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-2 Meter Installation Repair</p> <p>The meter upgrade service is not a service that <i>users</i> use. It is specifically a compliance function WP must perform to ensure its <i>meters</i> are compliant with clause 3.9(3) of the Code. This is similar to the compliance function WP also performs under clause 3.11A of the Code. Synergy notes WP, sensibly, is not specifying a service for its obligation under clause 3.11A of the Code.</p> <p>Therefore, Synergy considers WP's obligation and this service under clause 3.9(3) of the Code should be treated similarly to the functions required under clause 3.11A.</p> <p>Therefore, Synergy considers the Authority must determine whether Synergy's request, under clause 5.1, of the Code:</p> <ol style="list-style-type: none"> 1. is consistent with clauses 2.1(c) and 6.5(c)-(e) of the Code; 2. better achieves the <i>Code objectives</i> under clause 2.1(2) of the Code, noting the impact on <i>customers</i> and WP's compliance obligations to read the <i>meter</i> under clauses 5.3 and 5.4 of the Code. 	<p>Synergy has requested for compliant, functioning meters to be upgraded in circumstances where Western Power has been unable to read a meter for 9 months. Western Power considers, where such a circumstance occurs, a more prudent and efficient solution to be to read the meter, rather than replace it. This is consistent with Western Power's current practice and good electricity industry practice in general.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

<p>Further Synergy considers the Authority must determine whether the functions WP performs under clause 3.11A should be a service specified under the MSLA in accordance with clause 6.6(1)(a)(i) of the Code.</p>	
<p>MP-2 Meter Installation Repair</p> <p>Synergy acknowledges the changes WP has made. However, further change is required to be consistent with clause 3.5(9) of the Code.</p> <p>The current drafting of the service requires a customer to request, through its retailer, a test or audit and does not cover circumstances where WP becomes directly aware under clause 3.5(9) of the Code. That is, according to the MSLA Synergy cannot accept a simple notification by the customer and can only raise the matter with WP if the customer agrees to be bound by the terms and conditions of the meter test or audit.</p> <p>Synergy considers the Authority must determine whether the service description needs to be expanded to include a notification from a customer (for example where the meter has been vandalised or damaged by lightning) under clause 3.5(9) of the Code. That is, circumstances that do not include a billing query under the <i>Code of Conduct</i>. In Synergy's view any person should be able to notify WP directly if their equipment is faulty – this is similar to what occurs with streetlights and what is contemplated under clause 3.5(9) of the Code. In Synergy's view, this would be a more efficient and practical outcome for customers than currently exists under current arrangements.</p> <p>Synergy has previously requested local access under clause 4.8(3) to: (a) address meter access issues, (b) obtain <i>interval energy data</i> from <i>Type 5 meters</i> WP has registered as <i>accumulation meters</i> and (c)</p> <p>reduce the number of instances of <i>customers</i> receiving estimated bills. WP has declined to provide this access or service. Therefore, Synergy seeks the Authority to determine whether:</p> <ol style="list-style-type: none"> 1. Synergy is entitled to receive an <i>energy data</i> validation service under the MSLA, in accordance with clauses 4.8(3), 5.16 and 6.6(1)(a)(i) of the Code. 	<p>Western Power has no intention of excluding the circumstances described by Synergy. Western Power's proposal in no way limits the ability of a User to notify Western Power of an outage or malfunction to a metering installation.</p> <p>Western Power has made minor amendments to its proposal to address this item.</p>

<p>2. the MSLA, in order to be consistent with clause 6.6(1)(a), needs to provide a service in relation to clause 4.8(3) of the Code.</p>	
<p>MP-4 Meter exchange</p> <p>Regarding the naming conventions, Synergy’s view is the new MSLA uses service names and service codes that are not aligned with the <i>communication rules</i> and Build Pack. Synergy considers the proposed MSLA requires consequential amendments to the <i>communication rules</i> or the Build Pack under the Code, but notes that WP has not confirmed its view in relation to these matters.</p> <p>WP has not addressed Synergy’s service request nor has explained why a <i>metering installation</i> at new premises is any different from a <i>metering installation</i> at an existing premises. A single <i>metering installation</i> service will reduce the administrative burden of supporting two processes and managing <i>standing data</i> in for two processes that deliver the same end outcome to the <i>customer</i>.</p> <p>Synergy considers the Authority should determine whether it is consistent with clauses 6.6(c) - (e) of the Code to have two different services that deal with <i>metering installations</i>. Synergy’s view it is more efficient to have just one.</p>	<p>Western Power disagrees with Synergy’s comments that that proposed service names are not aligned with the <i>communication rules</i> and <i>build pack</i>.</p> <p>Western Power has not proposed materials changes to existing naming conventions or the treatment of services.</p> <p>Synergy’s further comments relate to 2 distinct services:</p> <ul style="list-style-type: none"> • the installation of a meter associated with a new connection to the network; and • the replacement of an existing meter. <p>These are not the same service and shouldn’t be treated as such.</p> <p>Synergy’s proposed amendments are inconsistent with existing WA and national frameworks.</p> <p>Western Power has requested that the ERA determine the appropriateness of Western Power’s proposed service classification in section 2.2 (MSLA Coverage) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-3 Meter exchange</p> <p>Synergy requires clarity under the MSLA as to the circumstances where a <i>meter</i> cannot be exchanged for a new <i>Type 4 meter</i> unless the <i>customer</i> pays for the works. <i>Customers</i> paying metering charges are a sensitive issue; therefore if</p>	<p>Synergy’s September’s submission requested that Western Power add detail to the service description to provide clarity of technical limitations. Western Power addressed this item by incorporating reference to the WADCM in the</p>

<p>there is greater MSLA clarity then there will be less likelihood of payment disputes.</p> <p>Therefore, Synergy the Authority must determine:</p> <ol style="list-style-type: none"> 1. what WP legally means by "... a Metering Point arrangement that is inconsistent with WA Distribution Connection Manual..."; 2. what legal effect the WA Distribution Connection Manual has in relation to a <i>metering installation</i> and a request for service under the Code; 3. what <i>meter</i> WP must legally install at a <i>connection point</i>; 4. whether WP's restriction that prevents a User "...to replace an AMI Meter with a Non-AMI Meter..." is consistent with the Code and section 115 of the EI Act; and 5. whether WP's use of the WADCM is consistent with section 115 of the EI Act. 	<p>service description. Synergy's November submission has requested reference to the WADCM be removed.</p> <p>Western Power has proposed minor amendments to the service description to alternatively address items raised by Synergy.</p> <p>Western Power considers that defining an inability to revert to a basic data stream is necessary to ensure the forecast non-tariff benefits of AMI are able to be achieved independent of whether a customer is on a flat tariff or alternative tariff product such as Time of Use.</p> <p>Western Power considers the matters raised by Synergy have been addressed.</p>
<p>MP-3 Meter exchange</p> <p>Synergy considers the Authority should review WP's supplier contractual arrangements and performance to determine whether the extended timeframes is warranted.</p> <p>Further Synergy the Authority must determine if WP's substantially increased time frame with a 95% delivery:</p> <ol style="list-style-type: none"> 1. is consistent with clauses 5.8, 6.5(c) and (d) of the Code; and 2. allow <i>users</i> to comply with clause 4.12 of the <i>Code of Conduct</i>. <p>In Synergy's experience, extending the timeframes will be contentious with <i>customers</i>.</p>	<p>In developing its proposed MSLA, to ensure its proposal is consistent with good electricity industry practice, Western Power has benchmarked service standards to equivalent services in the NEM.</p> <p>Independent consultancy provided to Western Power indicates shorter timeframes may contribute to higher costs for customers. Western Power's proposal seeks to mitigate price increases.</p> <p>For this service, Western Power has proposed a 10 business day service standard for metropolitan areas (15 in regional areas). Metering providers in the NEM operate to a 20 business day service standard and are permitted to extend beyond 20 business days, to 40 business days in some instances. This service standard is defined by the AEMO in its Service Level Procedure for Metering Provider Services.</p>

	<p>Western Power considers the service standard proposed reflects the reasonable expectations of customers and is consistent with good electricity industry practice.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-3 Meter exchange</p> <p>Synergy considers the Authority must determine which of the <i>meters</i> under clause 3.9(1) and Appendix 1 of the Code the charges apply to.</p>	<p>Western Power’s proposal addresses the requirements for all meters.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-5 Meter Investigation</p> <p>WP has not addressed the material issues raised by Synergy in its September Submission including addressing the Code requirements cited.</p> <p>Synergy considers the Authority must determine the following matters giving regard to the issues raised in Synergy’s September Submission:</p> <ol style="list-style-type: none"> 1. Reporting method not specified: Whether it is consistent with the Code for WP to provide a verbal “report” or whether it should be a written report Users can legally rely on. Synergy, in accordance with clauses 5.1 and 3.5(9)(a) of the Code, requires binding written report recognising that Synergy will need to rely on the advice in relation to fulfilling its regulatory obligation. Such written advice is required for example when responding to 	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <ol style="list-style-type: none"> 1. Western Power’s proposal does not reference a “verbal report” as suggested by Synergy. Outcomes are reported, in writing through defined market protocols, in accordance with the <i>communications rules</i>. <p>Western Power regularly provides Users with information relating to investigations to assist in the resolution of customer queries, complaints and disputes.</p>

the *customer* queries/complaints and Energy & Water Ombudsman requests for advice.

2. **Applicable Procedure:** Whether the MSLA services must specify the procedure WP must follow in relation to providing the service (e.g. as required under clause 5.21(4) of the Code). Including whether the *metrology procedure* must be updated to reflect WP proposed AMI implementation.
3. **Witnessing:** Whether the MSLA should provide a provision for Users to witness test or audits in respect of an investigation in accordance with clause 5.21(4) of the Code (as an exception but not the rule).
4. **Data corrections:** Whether the MSLA should specify the details in relation to correction of energy data as required by clauses 5.21(11)(c), 6.5(a)-(e) and 6.6(1)(b).

Bulk meter investigation: Whether the MSLA should provide a bulk meter investigation service to deal with the systemic and multiple (simultaneous) cross meter issues in relation to *metering* installations. Common examples include apartment buildings, shopping centres and residential complex. Noting customers in a residential complex will each need to pay (and currently do pay) to have the systemic issue investigated. The Authority should give regard to the impact on customers and the requirements under clauses, 2.1(b), 3.27, 5.1 and 6.5(a)-(e) of the Code.

Synergy considers the Authority must determine, giving regard to the matters raised in Synergy's September Submission, whether;

the cost to customers of this service may be higher than it needs to be and therefore inconsistent with clause 6.6(1)(e) of the Code because it is not reflective of the effort in relation to the majority of investigation scenarios;

this service should be split into two types – Meter Investigation (Technical) and Meter Investigation (Non-Technical), having regard to the costs customers need

2. Western Power has made minor amendment to the service description for this service to incorporate explicit reference that this service will be conducted in accordance with the *metrology procedure*.
3. The Code allows a User to witness a test or audit. Western Power's proposal in no way prohibits this from occurring and includes provisions that it must comply with the Code. Western Power does not propose any further amendments to its proposal in relation to this item.
4. The Code defines what Western Power must do if there is a requirement for the replacement of energy data and Western Power's *metrology procedure* defines detailed technical procedures for the validation, estimation and substitution of energy data. Western Power considers it unnecessary to duplicate provisions in the MSLA.
5. Western Power disagrees that this service should be split into two. Western Powers experience suggests that this would potentially lead to market inefficiencies and protracted investigations. Western Power considers this would result in unsatisfactory customer outcomes.

Western Power has provided detailed fee methodology for services that may fall outside the scope of standard service descriptions.

Western Power considers the matters raised by Synergy have been addressed.

<p>to pay to determine a problem caused by incorrect network installation or practices that allow standing data to be materially incorrect and affect a customer's bill.</p>	
<p>MP-5 Meter Investigation</p> <p>Synergy considers the Authority must determine, giving regard to the matters raised in Synergy's September Submission, whether WP proposed time frames are consistent with clause 5.8 of the Code (including the time frames in relation to the customer having to wait for the investigation report and correction of standing data before their billing concerns can be resolved).</p>	<p>In developing its proposed MSLA, Western Power has benchmarked service standards to equivalent services in the NEM.</p> <p>Independent consultancy provided to Western Power indicates shorter timeframes may contribute to higher costs for customers. Western Power's proposal seeks to mitigate price increases.</p> <p>For this service, Western Power has proposed a 10 business day service standard for metropolitan areas (15 in regional areas). Metering providers in Victoria operate to a 20 business day service standard (all areas) and providers in the NEM operate to a 15 business day service standard (all areas). This service standard is defined by the AEMO in its Service Level Procedure for Metering Provider Services.</p> <p>Western Power considers the service standard proposed reflects the reasonable expectations of customers and is consistent with good electricity industry practice.</p> <p>Western Power has requested that the ERA determine whether Western Power's proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

<p>MP-6 Communications installation</p> <p>Synergy notes WP changes. However Synergy considers the Authority must determine what function the communications link is required to legally perform under the Code and whether WP’s proposed communication infrastructure is consistent with this or goes beyond this (including whether the function of the communications link needs to be reflected in the service to be consistent with clauses 6.6(1)(a) and (b) of the Code).</p> <p>Synergy considers the Authority must determine if the mandatory link criteria needs to be amended to cater for WP’s proposed Type 4 (AMI) meter roll out.</p> <p>Synergy considers the Authority must determine if WP must disclose, consistent with clauses 3.20(1), 6.6(1)(b) and (e) of the Code, all the non-metrology functionality that can be provided in relation to remotely enabled services via the communications link so that Users may request services under clause 5.1 of the Code and do not have to pay for a different behind the meter solution. Synergy considers the Authority should also give regard to section 115 of the EI Act.</p> <p>Synergy cannot form a view on the above matters as WP has yet to publish its full Type 4 meter specification nor release details on its preferred communications technology.</p>	<p>See Western Power’s response to the “communications infrastructure” matters raised by Synergy in section 2.1 (AMI deployment) of this report.</p> <p>Communications link is a term defined in the Code. Western Power considers this definition to be sufficiently clear.</p> <p>Western Power has previously acknowledged that it intends to review its <i>mandatory link criteria</i>. This review naturally cascades from approval of Western Powers AMI proposal.</p> <p>Western Power intends to continue to engage with Code participants in relation to opportunities for value added services associated with its AMI proposal. Western Power has presented Synergy and other Code participants with information relating to the functionality that AMI can provide.</p> <p>Western Power has included the AMI services and functionality requested by Synergy in its MSLA proposal.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-6 Communications installation</p> <p>WP has proposed that Users request a communications link installation through a meter “...Reconfigure Service Order...”.</p> <p>Therefore, Synergy considers the Authority must determine if the proposed Service Order under the Build Pack is consistent with clauses 2.1(b), 2.1(c) and 6.7(1)(ab) of the Code, including whether the communication rules and Build Pack need to be amended to cater for the various transactions that deal</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Western Power’s proposal reflects current market practice.</p> <p>Western Power has previously acknowledged that it intends to review the <i>communication rules</i> as part of its transition to the provision of AMI services. This review naturally cascades from approval of Western Powers AMI proposal.</p>

<p>specifically with effecting the operation of an existing or new communication link (e.g. including switching on the device or installing an antenna).</p> <p>Synergy considers the Authority must determine if the MSLA should specify what happens if there is an inconsistency between:</p> <p>the communication rules/Build Pack and the MSLA.</p> <p>the communication rules/Build Pack and the Code of Conduct.</p> <p>the communication rules/Build Pack and section 115 of the EI Act.</p>	<p>Western Power considers that part 5 of the <i>communication rules</i> already contemplates requirements for change control management for events such as an inconsistency with a legislative provision.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-6 Communications installation</p> <p>WP has not addressed the issues raised in Synergy’s September Submission. Further, it is important to note cost effective interval energy data is the most important service a user requires from an AMI solution. Considering that AMI value added services can already be obtained by a number of behind the meter solutions, WP has not substantiated why it requires replacing existing meters with its new meter when a communications link can be cost effectively added to the existing Type 5 meters.</p> <p>Therefore Synergy considers the Authority must determine whether existing meters that can work with WP proposed communication infrastructure should be replaced with an “AMI Meter”, including whether this is consistent with the Access Code and clause 6.6(1)(e) of the Code.</p> <p>Synergy considers it the Authority must determine WP’s actual costs in relation to providing remote interval energy data from existing meters and how it has sought to achieve the lowest sustainable costs in accordance with clause 6.6(1)(e) of the Code.</p>	<p>See Western Powers response to the “communications infrastructure” matters raised by Synergy in section 2.1 (AMI deployment) of this report.</p> <p>Synergy’s further comments indicate a misunderstanding of Western Power’s proposal. Western Power’s proposed MSLA does not preclude the installation of a communications link to an existing meter which is capable of being connected to a communications link.</p> <p>Also see Western Power response to “manual interval data from type 4-6 meters” in section 2.6 of this report.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

<p>Synergy considers the Authority must determine whether WP AMI communication solution is also designed to work with and maximise the use of existing assets.</p>	
<p>MP-7 and MP-8 Meter Test</p> <p>Synergy notes WP proposes to provide itself the discretion to replace or repair the meter. Synergy considers the Authority must determine whether this discretion should be subject to clause 6.6(1)(e) of the Code and whether it is the lowest cost option for the customer.</p>	<p>Western Power’s proposal is consistent with the existing MSLA and good electricity industry practice.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-10 Enablement of Signal Pulse Outputs</p> <p>Synergy acknowledges the changes that WP has made but notes the service offering has changed. The current MSLA service provides for “...a one off basis, with the customer funding the full capital cost of the signals, and paying a full cost recovery rate for any signal board failure. The customer can opt for the daily charge, which includes the ongoing maintenance of the signal board”. Therefore, it not clear how these legacy customers should be legally treated. For example, is WP proposing that customers who have previously selected the “one-off” option will now get the maintenance provided for free under the proposed MSLA.</p> <p>Synergy considers the Authority must determine how the new terms and conditions for this service will apply to existing customers who have selected the “one-off” option or the “daily charge” option, giving regard to:</p> <ul style="list-style-type: none"> • clause 6.5 of the Code; • the requirements of the Code of Conduct; and 	<p>Western Power’s proposal reflects the current market practice. Western Power currently has no customers with ‘daily charge’ arrangements for this service.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>

<ul style="list-style-type: none"> matters the Energy Ombudsman would consider in relation to a complaint. 	
<p>MP-10 Enablement of Signal Pulse Outputs</p> <p>Synergy considers the Authority should give regard that this is a legacy service and other alternative “behind the meter” solutions and technology are now available to customers.</p>	<p>Code participants other than Synergy currently use this service. Therefore, Western Power has included it in its MSLA proposal.</p> <p>Synergy is not obliged to use this service.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MP-11 Remove meter</p> <p>Synergy acknowledges WP's explanation, but Synergy still does not understand the regulatory rationale underpinning WP's comments.</p> <p>Is WP suggesting the “second meter”:</p> <ol style="list-style-type: none"> is not a <i>Revenue Meter</i> under the Code; must only be a <i>Check Meter</i> under the Code; material changes have occurred in respect of the <i>connection point</i> such the requirements of clause 3.13 of the Code no longer apply? <p>If this is the case Synergy considers the proposed service description does not meet the requirements of clauses 6.5 and 6.6 of the Code.</p> <p>Therefore, Synergy considers the Authority must determine the regulatory basis that underpins this service and whether the proposed service is consistent with the Code.</p>	<p>Western Power currently provides this service to Synergy. This service also exists in the NEM.</p> <p>Although a one-to-one relationship is more common in the SWIS, it is permissible for a NMI and revenue meters to have a one to many relationship and there are circumstances which may arise where a second meter becomes redundant due to an action taken by the user or their customer.</p> <p>Synergy is not obliged to use this service.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>MDP-1 Scheduled Bi-Monthly Meter Reading</p> <p>WP has not addressed the material matters raised in Synergy's submission. WP considers the nomination of a Reference Service by a User ultimately defines</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to this service.</p>

the Standard Metering (data) Service for a *connection point*. However, at the same time WP, under the Standard

ETAC, has also proposed to use the AMI meter infrastructure to restrict the Reference Service a User may use (including removing the right of the User or customer to choose the Reference Service).

Therefore, Synergy considers the Authority must determine the following matters giving regard to the matters Synergy has raised in its September Submission:

1. **Users right to choose energy data service:** Can WP use a reference service (for the conveyance of electricity) to legally limit a *user's* requirement for *energy data* including *interval energy data* services under the MSLA and Code.
2. **User Agreement required prior to changing meter reading schedule:** In Synergy's experience WP's view is that an obligation to consult only requires notification of changes and does not require agreement. This has created billing and compliance issues for Synergy. The Authority should determine if WP's proposal to consult and change the Meter Reading Schedule without a User's agreement is consistent with clause 5.8 of the Code and *the Code of Conduct*, including whether the MSLA needs to make it clear the consultation needs to be consistent with clause 5.8 of the Code.
3. **Meter read frequency:** The current MSLA specifies a meter read frequency of 42 business days. This is required to ensure *customers* can be billed in accordance with the required timelines under the *Code of Conduct*. The Authority should determine whether the meter read frequency should be reinstated in the proposed MSLA, including whether the proposed read frequency or cycle is consistent with the billing time frames under the *Code of Conduct*.
4. **Time limit for estimations:** The current MSLA makes it clear it is a contractual condition of the service that "...A site cannot be estimated for more than 365 days: the Code requires that an attempt must be made to

1. Western Power considers that its reference service eligibility criteria does not "legally limit" a user's requirement for energy data, as energy data is provided under all reference services.

Western Power considers that the Metering Code nor existing MSLA provides for the extraction of interval data from meters designated as accumulation meters. This is specifically defined in section 3.2 of the Metering Code, which states that:

"A network operator may install a meter with interval energy data storage capability and other enhanced technology features but (by recording it as an accumulation meter in the registry) declare it to be an accumulation meter and only record the accumulated energy data registered by the meter."

Western Power's position is that where a user requires data sets from a meter that exceed the requirements of the Code, that results in incremental cost, that such a service should be provided on a user pays basis, with cost reflective fees. This is consistent with the Code.

Western Power considers that the AMI services Western Power has proposed enable users to obtain access to interval energy data services.

Also see section 2.6 for further information relating to the manual collection of interval data.

2. Western Power proposal is consistent with the existing MSLA. Western Power has included provisions which ensure operational efficiency, whilst ensuring the requirements of the user are considered.

Western Power has amended items 4.1, 4.2, 4.3 and 4.4 of Schedule 3 to the proposed MSLA to confirm that Western Power will publish the Meter Reading Schedule when amendments are made to the schedule, as requested by Synergy.

Western Power will not amend these items to require the User's agreement to amend the Meter Reading Schedule. Western Power is comfortable to

obtain a reading once within the 365-day period”. WP has removed this contractual requirement from the proposed MSLA. Therefore, the Authority should determine if this requirement should be reinstated under the proposed MSLA in order to be consistent with 6.1(a)(i) and 6.1(b)(i) of the Code.

5. **Interval data accuracy standard:** WP has removed *interval energy data* accuracy requirements from the current MSLA. *Interval energy data* accuracy refers to the ratio of actual intervals to estimated intervals. It is important to note this fundamental specification is also not listed in the amended *metrology procedure*. However, because of its impact on billing the *Code of Conduct* now specifies an accuracy requirement to make it clear when *interval energy data* bills can be determined to be actual and when they must be determined to be estimated. Therefore, the Authority should determine if the MSLA must contain an *interval energy data* accuracy standard to be consistent with clauses 2.1, 6.6(1)(a)(i) and 6.6(1)(b)(ii) of the Code. The Authority should also determine how the MSLA will operate with the *Code of Conduct* accuracy requirements when interval data is provided to retailers on a daily basis.
6. **Monthly billing for customers:** Synergy also notes the current monthly based *accumulated energy data* service has been removed. Synergy currently has *customers*, with *accumulation meters*, being billed on a monthly basis. The Authority should determine if Service 10 under the current MSLA should be reinstated into the proposed MSLA.
7. **Meter reading optimisation:** The Authority should determine what is meant by “Meter Reading optimisation” and how it is legally consistent with clauses 2.1, 5.8 and 6.1(b) of the Code. It has been Synergy’s experience WP’s meter reading optimisation initiatives have resulted in outcomes that were contrary to clause 2.1(b), 2.1(c) and 5.8 of the Code.
8. **Estimating energy data:** The Authority should determine whether the MSLA and *metrology procedure* are sufficiently clear when estimations can be

consult with the User on a reasonable basis, however control of the Meter Reading Schedule must remain with Western Power to ensure operational efficiency in the provision of Metering Services and to balance the competing needs of multiple electricity retailers and other network users.

3. Western Power has no intention of unilaterally varying meter reading frequency. Western Power has amended its proposed MSLA to address Synergy’s concern in relation to this item.
4. Western Power’s proposal includes provisions that it must comply with the Code. Western Power does not propose any further amendments to its proposal in relation to this item.
5. Western Power has amended its proposed MSLA to incorporate an interval data accuracy measure in Schedule 4.
6. Western Power considers the existing monthly service to be a legacy arrangement that exceeds the requirements of the Code. Western Power proposes to grandfather this existing arrangement with Synergy; and work with Synergy to transition customers to alternative cycles.
7. See Western Power’s response to item 2 above. Western Power does not propose any further amendments to its proposal in relation to this item.
8. Western Power considers the *metrology procedure* to be sufficiently clear. Western Power does not propose any further amendments to its proposal in relation to this item.
9. Western Power has amended its proposed MSLA to include a standard metering service for unmetered connection points.
10. Western Power has not proposed changes to energy data file formats and has no intention of changing formats so that they would be unusable by Synergy.

Western Power notes that the *communication rules* is the relevant document for oversight and control of change management relating to energy data file formats, not the MSLA.

conducted. Including the matters that may be agreed under method 64 and 74 under the Code.

9. **Type 7 energy data:** The MSLA does not provide a service for *Type 7 connection points*. This appears to be inconsistent with clauses 6.1, A2.4, A2.9, and A3.6 of the Code. The Authority should consider whether the MSLA, to be consistent with the Code, is required to include services in respect of *Type 7 connection points* or whether *users* are required to negotiate these services and service standards.
10. **Regulatory oversight on energy data format:** Clause 2.1 of the Code contemplates that *energy data* must be provided to *users* in a **useable**, consistent and reliable format. Synergy receives, under the current MSLA, receives *energy data* for metered connection points in NEM12 and NEM13 as defined under the Build Pack. The format for *Type 7 energy data* is not defined in the Build Pack. It is important to note these formats in the SWIS currently may not align with the NEM. However, under the proposed MSLA WP is proposing to change the formats to align with the NEM. If this were to occur the *energy data would not be useable* by Synergy's billing system. The Authority should determine if the NEM formats proposed in the MSLA is consistent with what is in the Build Pack, including whether the proposed MSLA can legally require WP to change the NEM formats in the Build Pack if the proposed MSLA is approved. Further, the Authority should determine whether the format for *Type 7 energy data* needs to be defined to be consistent with the clause 2.1 of the Code. In Synergy's view, in order to ensure regulatory certainty, the definitions for NEM12 and NEM13 must reference the format in the Build Pack used in the SWIS.
11. **Skipped reads:** Synergy also requests the service includes a mandated service standard on skipped read (estimates) and erroneous reads. There are circumstances where WP chooses to skip reading a meter for convenience or as part of a meter read optimisation initiative to reduce opex (as opposed to an access issue). The Authority should determine whether this practice is permissible under the MSLA and whether it requires

Further, Synergy's statement that "the format for type 7 energy data is not defined in the *build pack*" is incorrect. These data file formats are specified across two *build pack* documents:

- Streetlights Data CSV File Specification; and
- UMS Data CSV File Specification.

Western Power has amended its proposal to include reference to these documents.

11. The Code includes requirements relating to the collection of actual meter readings and Western Power reports its performance to this requirement to the ERA annually.

On occasions, Western Power "skips" meter readings for safety and operational reasons which are consistent with general metering practice and transparently contemplated by B2B procedures consistently across all Australian jurisdictions.

Western Power has amended its proposal to include data accuracy measures, linked to estimated meter readings.

Western Power refutes the assertion made by Synergy in relation to opex reduction.

<p>a service standard to be specified in accordance with clauses 2.1(b) and 6.1(b) of the Code.</p>	
<p>MDP-2 Scheduled Manual Interval Meter Reading (Interval Data)</p> <p>Synergy's billing frequency is established under its supply contract with customers. WP has proposed under the MSLA it will unilaterally determine the meter read cycle and therefore the billing cycle for interval metered customers. This is contrary to clause 5.8 of the Code. Synergy considers the Authority must determine whether WP, under the MSLA, can determine the meter read and billing cycle and provide energy data that is not consistent with a customer's supply contract (noting the <i>user's</i> obligations under clause 5.17, 2.1(c) and 2.1(2) of the Code).</p> <p>Clause 5.22(5)(b) of the Code requires that <i>energy data</i> is required to be estimated if it cannot be obtained within the required time frame. Clause 5.22(5)(b) does not permit <i>energy data</i> to be estimated as a matter of operational convenience – this would be contrary to clauses 2.1(1) and 2.1(2) of the Code. Further, clause 5.3 of the Code also permits WP to read a <i>meter</i> no later than 2 business days after the date for a scheduled <i>meter</i> reading. Therefore, Synergy considers the Authority must determine if the WP's practice for the provision of manually obtained <i>interval energy data</i> is consistent with clauses 2.1(1) and 2.1(2) of the Code. Synergy requests the Authority have regard to the matters raised in Synergy's September Submission and the need for customers to receive a bill mainly based on actual <i>interval energy data</i>.</p> <p>WP has proposed that data service descriptions "...should be read in conjunction with the Code, Metrology Procedure, and the Communications Rules, which incorporates the Build Pack...". Synergy's recent conversations with WP IT teams indicate that substantial changes are planned for these documents following approval of the MSLA. Noting that WP has previously maintained that no regulatory changes are required to these instruments - Synergy considers the Authority must determine if it can approve the proposed MSLA without considering the changes WP is contemplating to the other documents regulated under Division 6.1 of the Code.</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's concerns relating to this service.</p> <p>Western Power has no intention of unilaterally varying meter reading frequency. Western Power has amended its proposed MSLA to address Synergy's concern in relation to this item.</p> <p>Western Power has also amended its proposal to include data accuracy measures, linked to estimated meter readings.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>

<p>MDP-2 Scheduled Manual Interval Meter Reading (Interval Data)</p> <p>Giving regard to the matters raised in Synergy’s September Submission, Synergy considers the Authority must determine whether WP can:</p> <ol style="list-style-type: none"> propose a data service contrary to Synergy’s request under clauses 5.1 and 3.9(2)(3A) of the Code; and. legally apply clause 3.2(2) of the Code when it is contrary to a <i>user’s</i> request under clause 5.1 and the <i>Code Objectives</i>. 	<p>See Western Power’s responses in section 2.1 (AMI deployment) and 2.6 (Manual interval data from type 4-6 meters) in this report.</p>
<p>MDP-2 Scheduled Manual Interval Meter Reading (Interval Data)</p> <p>Synergy has previously requested WP to explain what it means by “...recovery of efficient costs”. However, Synergy has not received a response from WP.</p> <p>In Synergy’s views the “...recovery of efficient costs” must be at least:</p> <ol style="list-style-type: none"> consistent with what WP incurs under its sub-contract agreements including any liquidated damages for non-performance in accordance with contractor KPIs. consistent with clause 6.6(1)(e) of the Code, which requires WP to seek to achieve the lowest sustainable cost <p>Therefore, Synergy considers the Authority must determine if the charges for MDP-9, MDP-10 and MDP-11 are:</p> <ol style="list-style-type: none"> consistent with the charges and conditions WP has negotiated under its sub-contract agreements. based on WP seeking to achieve the lowest sustainable cost under its sub-contract agreements. 	<p>See Western Power’s responses in section 2.4 (AMI deployment) and 2.6 (Manual interval data from type 4-6 meters) in this report.</p>
<p>MDP-3 and MDP-4 Scheduled Remote Meter Reading - AMI Meter (Interval Data)</p> <p>It is widely accepted a key benefit AMI provides retailers is daily <i>interval energy data</i> to support retail offerings and customer choice. For example, retail offerings based around mobile apps so customers can choose when they</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p>

consume and what they pay. It has been well established that *meter data* provided on a monthly or bi-monthly basis is not sufficient (and is a barrier) to meet the retail product offerings of the future – especially offerings designed around combined PV, battery and EV solutions.

This is why the provision of daily interval data is a standard service in the NEM. Synergy is concerned WP has stepped away from its public commitments in relation to this matter and reinforces the need for regulatory oversight and binding commitments in the relation to WP’s AMI proposal.

Further, Synergy questions the need for an AMI investment if it is not going to deliver service benefits.

The monthly and bi-monthly service proposed by WP can already be provided by existing *Type 4* and *Type 5 meters*.

Synergy has experienced dysfunction in negotiating and obtaining interval data from WP and wishes for an approach that is based on regulatory scrutiny rather than good faith negotiation.

Synergy requires the daily interval data service, provided by WP’s regulated asset base, to form part of the services and prices reviewed and approved by the Authority.

Therefore, Synergy considers the Authority must determine:

1. whether the daily provision of *interval energy data* must form part of the MSLA services, approved by the Authority, in accordance with clauses 5.1 and 5.17(1)(a) of the Code.
2. whether WP’s reluctance to provide a regulated daily *interval energy data* service is consistent with:
 - the promotion of promoting regulatory outcomes that are in the public interest (section 26(1)(e) of the ERA Act);
 - the long-term interests of consumers in relation to the price, quality and reliability of goods and services (section 26(1)(b) of the ERA Act);

Western Power reiterates its prior commitment to provide users with access to daily interval data. This commitment is reflected in Western Power’s proposed MSLA.

Western Power notes Synergy’s acknowledgement of the key benefits associated with AMI.

Western Power does not propose any further amendments to its proposal in relation to this item.

Western Power considers the items raised by Synergy have been addressed.

<ul style="list-style-type: none"> – the need to promote competitive and fair market conduct (section 26(1)(e) of the ERA Act); – the need to prevent abuse of monopoly or market power (section 26(1)(f) of the ERA Act); – the need to promote transparent decision-making processes that involve public consultation (section 26(1)(g) of the ERA Act). 	
<p>MDP – 15 (New) Customer / User Self Read Meter Data Validation</p> <p>WP's response mischaracterises Synergy's concerns. Synergy requests the Authority considers Synergy's September Submission.</p> <p>WP is essentially charging customers for <i>meter</i> reading and data validation in circumstances where WP should not be recovering ready costs. It would be unreasonable and potentially unlawful to charge customers:</p> <ol style="list-style-type: none"> 1. for services they are already paying for under a regulated tariff; 2. contrary to the statutory framework; 3. where WP has not exercised its regulatory powers in relation to meter access. <p>WP has not explained how it could legally "charge self-read customers the validation costs that are otherwise provided as a standard metering service".</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to this service.</p> <p>Western Power considers Synergy's requirements are satisfied via Western Power's proposed MDP-5.</p> <p>Self-read arrangements reduce high cost outliers which would otherwise contribute to higher meter reading opex. The benefits of self-read services are ultimately passed through to users and customers.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>MDP – 15 (New) Customer / User Self Read Meter Data Validation</p> <p>Synergy considers the Authority must determine:</p> <ol style="list-style-type: none"> 1. Whether WP can legally require a <i>customer</i> to read a <i>meter</i> without the <i>customer's</i> consent. 	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to this service.</p>

<p>2. Whether WP incurs any <i>meter</i> read costs from its contractors when a <i>customer</i> reads the meter.</p> <p>3. What the <i>customer</i> read meter-validation costs are, and whether this should be reflected in a separate service under the MSLA to be consistent with clauses 2.1(C), 5.1 and 5.16 of the Code and clauses 4.6(1)(b) and 4.7 of the <i>Code of Conduct</i>.</p> <p>4. Whether the web portal arrangement for <i>customers</i> to provide their <i>meter</i> readings needs to be subject to regulatory oversight under the MSLA in order to be consistent with clauses 4.6(1)(b) and 4.7 of the <i>Code of Conduct</i>.</p> <p>5. Whether WP must provide in the MSLA a “User self-read meter data validation service”, in accordance with clauses 2.1(c), 5.16 and 6.6(1)(a)(i) of the Code, and clause 4.7 of the <i>Code of Conduct</i>.</p>	<p>Western Power considers Synergy’s requirements are satisfied via Western Power’s proposed MDP-5.</p> <p>Self-read arrangements reduce high cost outliers which would otherwise contribute to higher meter reading opex. The benefits of self-read services are ultimately passed through to users and customers.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>MDP – 15 (New) Customer / User Self Read Meter Data Validation</p> <p>WP has not addressed the regulatory matters raised in Synergy’s submission to WP nor has it provided a regulatory substantiation for its position.</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Western Power considers Synergy’s requirements are satisfied via Western Power’s proposed MDP-5.</p> <p>Self-read arrangements reduce high cost outliers which would otherwise contribute to higher meter reading opex. The benefits of self-read services are ultimately passed through to users and customers.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>

MDP- 6 Standing Data Provision

WP's changes to Schedule 4 of the proposed MSLA does not address Synergy's concerns.

Giving regard to the matters raised in its September Submission, - Synergy considers the Authority must determine whether :

1. the MSLA must provide the detailed description of the services and timelines for the services contemplated under clauses 5.13 and 5.14 of the Code;
2. the MSLA must provide the detailed description of the services and timelines for mandated *standing data* provisions in relation to changes to the *metering installation*; and
3. compared to the proposed MSLA, the services described in the current MSLA better achieves the *Code Objectives* and clauses 6.5 and 6.6(1) of the Code.

Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to this service.

Western Power's proposal reflects the maturity of the WA electricity market. The existing MSLA was drafted and approved in 2006, prior to establishment of the *communication rules*. The establishment of the *communication rules* now make the inclusion of transaction level detail superfluous.

The *communication rules* include detailed standing data file formats, B2B data flows and timings. Current aseXML Schema's were developed by the aseXML Standards Working Group and are based on National Electricity Market standards, with some variations to meet the requirements of the WA market. These standards are technical in nature and not required to be included in the MSLA under the Code.

Clause 4.7 (1) of the Code requires Western Power to notify the user of updates to standing data within 2 business days of the update.

Clause 5.13 of the Code also defines a requirement for Western Power to provide the user with standing data within 2 business days of a request.

Further, Clause 5.14 of the Code defines Western Power's obligations in relation to the provision of bulk standing data to a user.

Western Power has incorporated the Code by reference in its proposed MSLA and considers it unnecessary to duplicate provisions of the Code.

Western Power has included timeliness provisions relating to standing data in Schedule 4 of its proposed MSLA. The provisions Western Power has proposed exceed the requirements of the Code.

Western Power also notes the standards it has proposed exceed those of equivalent activity in the NEM.

In response to Synergy's feedback Western Power has made minor amendments to its proposal to ensure that it includes reference to file formats.

	<p>The structure of Western Power’s proposal is consistent with the NEM, where service agreements are read in conjunction with the National Electricity Rules, transaction level detail documents and B2B procedures. This is a widely accepted documentation structure within the industry. Therefore, Western Power considers its proposal consistent with good electricity industry practice.</p> <p>Western Power considers its proposal is consistent with the Code objectives, Clause 6.5 and Clause 6.6.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>MDP- 7 Historical Energy Data Provision</p> <p>Synergy acknowledges that WP has addressed Synergy's request that this service provide energy data (not just interval energy data) but notes that WP has not addressed Synergy's concern the service specify what form the data will be provided in by referencing the necessary provision in the <i>communications rules</i> or the Build Pack.</p> <p>Synergy re-states its concern that WP's proposed approach breaches the Code requirements detailed above.</p> <p>Synergy considers the Authority must determine whether WP's approach is consistent with the Code, or whether Synergy's position is correct.</p>	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Western Power has made minor amendment to its proposal to ensure that it includes reference to file formats.</p> <p>Energy data file formats are defined in the <i>communication rules</i>. The structure of Western Power’s proposal is consistent with the NEM, where service agreements are read in conjunction with the National Electricity Rules, transaction level detail documents and B2B procedures. This is a widely accepted documentation structure within the industry. Therefore, Western Power considers its proposal consistent with good electricity industry practice.</p> <p>Western Power has incorporated the Code and <i>communication rules</i> by reference in its proposed MSLA and considers it unnecessary to duplicate provisions of the Code in their entirety.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>

<p>MDP- 7 Historical Energy Data Provision</p> <p>By treating this as a Standard Metering Service WP, in effect, has created a cross subsidy between retailers. Further, the service is principally used in connection with <i>customer</i> change from one retailer to the next. It is unclear why <i>customers</i> who do not wish to, or cannot, transfer to a new retailer should subsidise those who can or will churn. The propose approach is not consistent with economically efficient principles and cost allocations. WP has not substantiated how this approach or the feedback receive is consistent with the <i>Access Code</i> or the Code.</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine whether:</p> <ol style="list-style-type: none"> 1. it is consistent with the <i>Access Code</i> and the Code for this service to be funded under a revenue cap mechanism, giving regard to the potential cross subsidy it creates which financially benefits some retailers over others; and 2. the retailer can act as agent of the <i>customer</i> and whether WP can charge a <i>customer</i> or an agent of a <i>customer</i> for a data request made under clause 10.7(2) the <i>Code of Conduct</i>. 	<p>Western Power’s proposed classification is consistent with the existing treatment of this service.</p> <p>Western Power’s consultation identified that Code participants other than Synergy were in favour of retaining the existing classification for this service.</p> <p>Western Power considers that the provision of this service as a standard metering service promotes competition and is aligned to the Code Objectives.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine the appropriateness of Western Power’s proposed service classifications in section 2.2 (MSLA Coverage) of this report.</p>
<p>MDP- 8 Verify Meter Data</p> <p>Synergy notes WP has amended the service standard from 6 business days to be 5 business days but has only proposed it will meet 98% requests.</p> <p>WP has not addressed the other matters raised by Synergy irrespective of <i>meter</i> data verification performance standards. Further, Synergy continues to have issues where WP does not consistently provide replacement <i>energy data</i> following the detection of errors in <i>energy data</i>. Noting WP’s obligation under clause 5.8 of the Code, Synergy cannot legally adjust the <i>customer’s</i> bill, in accordance with clause 5.17 of the Code, unless it is provided with replacement <i>energy data</i>.</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine whether:</p>	<p>Synergy’s further comments indicate a misunderstanding of Western Power’s proposal. Western Power disagrees Synergy’s suggestion that it has proposed to only meet 98% of requests. Western Power seeks to deliver all metering services in accordance with the Code.</p> <p>Western Power has included Key Performance Indicators (KPI) in its proposal to ensure transparent reporting and tracking of performance. The inclusion of these indicators exceeds Western Power’s obligations for a MSLA under the Code. These KPIs in no way undermine Western Power’s obligations under the Code.</p> <p>In response to Synergy’s further comments, Western Power has minor amendment to its proposal to address errors in energy data.</p>

<ol style="list-style-type: none"> 1. it is consistent with the Code and <i>Code of Conduct</i> to comply with the notification time of 5 business days 98% of the requests; 2. it is consistent with the Code and <i>Code of Conduct</i> for there to be no compliance requirement for the remaining 2% of service requests under the MSLA; 3. it is consistent with clause 5.20(3)(a) of the Code for the service not to address an error in <i>energy data</i> (as opposed to a file format issue); 4. it is consistent with clause 5.20(3)(b) of the Code for the service not to address the circumstance where the WP has not resolved the query; 5. the service under the MSLA must specify what form of notification is provided to the User in order to be consistent with clauses 5.20(4)(b) and 6.6(1)(a) and 6.6(1)(b) of the Code; and 6. the service under the MSLA must specify what WP must do if the <i>energy data</i> fails verification, including whether the service must specify what replacement data will be provided to the User in order to be consistent with clauses 5.8, 5.20(4)(b) and 6.6(1)(a) and 6.6(1)(b) of the Code. 	<p>Western Power has also made minor amendment to its proposal to ensure that it includes reference to file formats.</p> <p>Western Power has also updated the KPI measure for this service to 99%.</p> <p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p> <p>The Code defines what Western Power must do if there is a requirement for the replacement of energy data and Western Power’s <i>metrology procedure</i> defines detailed technical procedures for validation, substitution and estimation. Western Power considers it unnecessary to duplicate these provisions in the MSLA.</p>
<p>MDP- 8 Verify Meter Data</p> <p>Synergy notes WP has amended the service standard from 6 business days to be 5 business days but has only proposed it will meet 98% requests.</p> <p>WP has not Synergy’s concerns raised in its September Submissions. Giving regard to the matters raised in its September Submissions, Synergy considers it important the Authority determine whether the:</p> <ol style="list-style-type: none"> 1. timeline of 5 business days (98%) proposed by WP for a desktop/system verification in the MSLA is consistent with clauses 5.8 and 6.5 of the Code; and 2. current MSLA service better achieves the <i>Code Objectives</i> and clause 6.5 of the Code compared to the proposed MSLA. 	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Synergy’s further comments indicate a misunderstanding of Western Power’s proposal. Western Power disagrees with Synergy’s suggestion that it has proposed to only meet 98% of requests. Western Power seeks to deliver all metering services in accordance with the Code.</p> <p>Western Power has included Key Performance Indicators (KPI) in its proposal to ensure transparent tracking and reporting of performance. The inclusion of these indicators exceeds Western Power’s obligations for a MSLA under the</p>

	<p>Code. These KPIs in no way undermine Western Power’s obligations under the Code.</p> <p>In response to Synergy’s further comments, Western Power has made minor amendments to its proposal to address errors in energy data.</p> <p>Western Power has requested that the ERA determine whether Western Power’s proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>
<p>MDP-9, 10, 11 Non-Scheduled Special Meter Reading</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine whether:</p> <ol style="list-style-type: none"> 1. a multiple non-scheduled meter read service better achieves the Code Objectives and clause 6.5 of the Code compared to a single service delineated by different prices; 2. the provision of estimated <i>energy data</i> for a final bill is consistent with clauses 2.1, 5.8, 5.24 and 6.5 of the Code and the billing and customer complaint requirements under the <i>Code of Conduct</i>; 3. the current service under the MSLA better achieves the <i>Code Objectives</i> and clause 6.5 of the Code, compared to the proposed MSLA; and 4. the <i>Code Objectives</i> and clause 6.5 of the Code are better achieved by providing a “Required By” and “Nominated Day” options as proposed by Synergy. 	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s requirements and concerns relating to this service.</p> <p>Following further consultation:</p> <ol style="list-style-type: none"> 1. Western Power has consolidated the proposed multiple service structure into a single service delineated by price, as suggested by Synergy. 2. Western Power has amended the service description to include the provision of a substituted or estimated value, subject to consultation with the User, to ensure Users can meet their Code of Conduct obligations. 3. Western Power has not materially changed this service from the existing MSLA. 4. Western Power considers that the concept proposed by Synergy is already contemplated by the <i>communication rules</i>, the WA B2B Procedures and Western Power’s proposed MSLA. <p>Schedule 4 of Western Power’s proposal already incorporates provisions relating to a “Nominated Day” (referred to as “the requested date”) and “Required By” (referred to a “# Business Days after acceptance of a Service Order),as suggested by Synergy. Western Power notes that revised provisions effectively enables the User to request an “appointment day”.</p>

	<p>Western Power has amended the service description for this service to improve clarity of this provision.</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>MDP-9, 10, 11 Non-Scheduled Special Meter Reading</p> <p>Synergy acknowledges WP's amendment but has identified subsequent to the September Submission the <i>Code of Conduct</i> refers to 3 to 5 days, rather than business days, which is the measure set out in the MSLA. In order to facilitate the operation of the <i>Code of Conduct</i>, in accordance with clause 2.1 of the Code, Synergy requires that all references to performance standards and KPIs in the MSLA should be sufficient such that Synergy can perform its obligations under the <i>Code of Conduct</i>.</p> <p>Synergy considers the Authority must, in order to achieve the Code objective and particularly clause 2.1(1)(c) of the Code, require there is alignment between service standards and KPIs under the MSLA and the <i>Code of Conduct</i>.</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's requirements and concerns relating to this service.</p> <p>Western Power seeks to deliver all metering services in accordance with the Code. Western Power has included key performance indicators (KPI) in its proposal to ensure transparent reporting and tracking of performance.</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Western Power's proposed service standards are consistent with good electricity industry practice in section 2.8 (Service Standards) of this report.</p>
<p>MDP-9, 10, 11 Non-Scheduled Special Meter Reading</p> <p>Synergy notes WP is not providing a daily interval data service under the proposed MSLA.</p>	<p>Further to receipt of Synergy's November submission, Western Power met with Synergy's representatives to seek clarification of Synergy's concerns relating to this service.</p> <p>Western Power reiterates its commitment to providing daily interval data from communicating AMI meters.</p>

<p>MDP-12 Meter Reconfiguration</p> <p>Synergy has not proposed any custom requirements in relation to this service that will be provided to small use customers under the <i>Code of Conduct</i>.</p> <p>WP has not addressed Synergy’s concerns and it is not clear what this service will deliver including which <i>meter Types</i> under the Code it will apply to. Further WP has not explained what it means by “reconfigure the Registry” and the legal effect of reconfiguring the <i>registry</i>.</p> <p>In Synergy’s view a <i>user</i> may not legally use this service to request WP reconfigure the meter at a <i>customer’s</i> premises for bi-directional flows. The proposed MSLA does not provide for this service.</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine:</p> <ol style="list-style-type: none"> 1. what WP’s proposed service will legally and contractually deliver in respect to a reconfiguration request made to facilitate a <i>customer’s</i> request under the <i>Code of Conduct</i> (e.g. when the customer installs a PV and selects a different retail offering); 2. how WP and the service described will facilitate the operation of the <i>Code of Conduct</i> under clauses 2.1(c), 6.6(1)(a)(i) and 6.6(1)(b). 3. whether a <i>user</i> can legally use this service to request a meter is reconfigured for bi-directional flow; 4. what WP means by “reconfigure the Registry” and if the practice being proposed is consistent with the Code and <i>Access Code</i>; and 5. If the charges to “reconfigure the Registry” are consistent with clause 6.6(1)(e) of the Code. 	<p>Further to receipt of Synergy’s November submission, Western Power met with Synergy’s representatives to seek clarification of Synergy’s concerns relating to this service.</p> <p>Western Power has not proposed material changes to this service from the existing MSLA.</p> <p>The service proposed is associated with AMI meters.</p> <p>The configuration of a metering installation is defined within standing data. Standing data is contained in the registry. Therefore, when a metering installation is reconfigured, it is inherent that the service being delivered may change items of standing data.</p> <p>To address Synergy’s concern that the proposed drafting may have unintended consequence, Western Power has amended references to ‘reconfigure the registry’ to ‘reconfigure market data streams’.</p> <p>This service explicitly includes the reconfiguration of a metering installation to allow for the measurement of bi-directional flows (e.g. when the customer installs a PV system and selects a different retail offering).</p> <p>Western Power considers the items raised by Synergy have been addressed.</p>
<p>MDP-12 Meter Reconfiguration</p> <p>WP has not addressed the concerns Synergy has raised in the September Submission.</p>	<p>Western Power considers that defining an inability to revert to a basic data stream is necessary to ensure the forecast non-tariff benefits of AMI are able to be achieved independent of whether a customer is on a flat tariff or alternative tariff product such as Time of Use.</p>

<p>WP has sought to restrict a User’s rights and regulatory oversight on certain matters through the eligibility criteria for the MSLA services. WP has not explained the reasons for these restrictions. For example, under the eligibility criteria WP has restricted Users and customers from requesting and receiving <i>accumulated energy data</i> under the Code.</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine if the matters and effects proposed by WP under MSLA eligibility criteria are:</p> <ol style="list-style-type: none"> 1. consistent with, and legally permissible under, the Code and <i>Access Code</i>. 2. consistent with section 115 of the EI Act. 	<p>Western Power does not propose any further amendments to its proposal in relation to this item.</p>
<p>Cancellation Service</p> <p>WP has not addressed Synergy’s the concerns Synergy has raised in its September Submission.</p> <p>It is not clear whether WP is proposing a cancellation service under clause 6.6 of the Code (and contemplated under the <i>communication rules</i> or Build Pack) or whether it is proposing to impose contractual terms and liabilities that will be required to be contractually passed through to customers and its application under the MSLA.</p> <p>Giving regard to the matters raised in its September Submission, Synergy considers the Authority must determine whether:</p> <ol style="list-style-type: none"> 1. WP’s proposed cancellation terms and charges are consistent with the Code, in particular, clause 6.5; 2. the <i>Code of Conduct</i> contemplates it would be reasonable for small use customers to pay these charges under the terms proposed by WP; 3. WP’s proposal is reflective of the actual or real contractual risk (or perceived risk), including whether it is consistent with the good faith and cost provisions under clause 6.6(1)(e) of the Code; and 4. the proposal is consistent with: 	<p>Western Power has proposed the inclusion of a cancellation service in its proposed MSLA to reflect the requirements of Users.</p> <p>On occasion, Users request the cancellation of a metering service they have previously requested. This process is contemplated under the <i>communication rules</i>. Therefore, Western Power considers it appropriate for the provisions proposed to be included in the MSLA.</p> <p>Western Power is not introducing a new concept here, rather reflecting current market arrangements in the MSLA for transparency and to clarify certain circumstances in which Western Power will be entitled to charge the fees to recover the costs that it will incur by processing a service order and dispatching the relevant resource to carry out that service but the service is cancelled prior to delivery, akin to a “call-out” fee.</p> <p>Western Power considers that it is just that Western Power recovers its costs in these circumstances.</p> <p>Western Power understands that this approach is consistent with the accepted industry approach and that of service industries generally. Accordingly, Western Power does not agree with Synergy’s submission that its proposed approach in</p>

<ul style="list-style-type: none"> – the promotion of regulatory outcomes that are in the public interest (section 26(1)(a) of the ERA Act); – the long-term interests of consumers in relation to the price, quality and reliability of goods and services (section 26(1)(b) of the ERA Act); – the need to promote competitive and fair market conduct (section 26(1)(e) of the ERA Act); – the need to prevent abuse of monopoly or market power (section 26(1)(f) of the ERA Act); and – what is currently proposed under the Build Pack (including the legal effect of what is currently in the Build Pack). 	<p>not consistent with the public interest considerations set out in section 26(1)(a) of the ERA Act.</p> <p>Western Power does not understand the relevance of clause 6.6(1)(b) of the Code in relation to this concept. The Metering Services are otherwise described in the proposed MSLA. This term is used to describe the portion of fees which Western Power is entitled to charge once it starts performing that service but it is cancelled,</p> <p>Western Power does not propose any further amendments to its proposal in relation to this item.</p> <p>Western Power has requested that the ERA determine whether Users should incur a fee where they request Western Power perform a service and subsequently cancel that request, to ensure the recovery of Western Power’s reasonable and efficient costs, in section 2.14 (Further issues requiring ERA determination) of this report.</p>
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