

Decision to Approve Proposed Communication Rules pursuant to the Electricity Industry Metering Code 2005

Submitted by Western Power Corporation
Networks Business Unit

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Economic Regulation Authority

 WESTERN AUSTRALIA

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DECISION

1. On 4 January 2006, Western Power Corporation Networks Business Unit (**Western Power**) submitted to the Authority proposed communication rules pursuant to clause 6.3(2) of the *Electricity Industry Metering Code 2005* (**Metering Code**).
2. Following further consultation with Metering Code participants Western Power submitted revised proposed communication rules to the Authority on 10 February 2006, which incorporated a number of amendments.
3. Pursuant to clause 6.13(1)(a) of the Metering Code the Authority is satisfied that the network operator has complied with clauses 6.5, 6.7 and 6.11 of the Metering Code.
4. Accordingly, the Authority has decided to approve the proposed communication rules.

REASONS

5. Part 6 of the Metering Code specifies the approval procedure for proposed documents under the Metering Code.
6. The Authority must not approve a proposed document unless the Authority is satisfied that Western Power has complied with clauses 6.11(2) and 6.11(3) of the Metering Code.
7. Clause 6.11 of the Metering Code sets out the consultation requirements, as follows:

6.11 Consultation with Code participants

- (1) This clause 6.11 does not apply in respect of a proposed *registration process* or proposed *mandatory link criteria*.
- (2) Before seeking the *Authority's* approval under clause 6.2, a *network operator* must:
 - (a) give *Code participants* a reasonable opportunity to make submissions to the *network operator* concerning the proposed *document*; and
 - (b) take into account any submissions received from *Code participants* in developing the proposed *document*.
- (3) Before seeking the *Authority's* approval under clause 6.2, a *network operator* must provide a report to the *Authority* that:
 - (a) identifies the process through which the proposed *document* was developed, including details of consultation with *Code participants* under this clause 6.11; and
 - (b) describes how the proposed *document* complies with the criteria set out in clauses 6.5 to 6.9 (as applicable); and

- (c) describes how the *network operator* took into account any submissions received from *Code participants*; and
 - (d) includes copies of submissions received by the *network operator* from *Code participants*.
 - (4) The *Authority* must not approve a proposed *document* unless the *Authority* is satisfied that the *network operator* has complied with clauses 6.11(2) and 6.11(3).
8. Reports were provided by Western Power identifying the consultation that had taken place with retailers on the proposed communication rules. Submissions were received from Alinta Sales and Western Power Retail stating that they were in agreement with the proposed communication rules.
9. The Authority considered the reports on consultation with retailers on the proposed communication rules, the submissions received from Alinta Sales and Western Power Retail and was satisfied that Western Power had undertaken adequate consultation that accorded with the requirements of clauses 6.11(2) and (3) of the Metering Code.
10. Additionally, clause 6.14 of the Metering Code states that the Authority must not approve a proposed document unless it is satisfied that the proposed document meets the criteria set out in clause 6.5 and clause 6.7.
11. Clause 6.5 of the Metering Code sets out the requirements for all documents, as follows:

6.5 Requirements for all documents

A *document* must:

- (a) comply with this *Code*; and
 - (b) not impose inappropriate barriers to entry to a market; and
 - (c) be consistent with *good electricity industry practice*; and
 - (d) be reasonable; and
 - (e) be consistent with the *Code objectives*; and
 - (f) be consistent with the *market rules*; and
 - (g) unless this *Code* requires otherwise, be consistent with other enactments.
12. Clause 6.7 of the Metering Code sets out the specific approval criteria for communication rules, as follows:

6.7 Requirements for communication rules

- (1) *Communication rules* must at least:
 - (a) without limiting clause 6.5(g), be compatible with any “communications rules” (as defined in the *Customer Transfer*

- Code*) approved for the *network* under the *Customer Transfer Code*; and
- (b) specify a test for validity of communications and how invalid communications are to be dealt with; and
 - (c) provide for:
 - (i) requests for; and
 - (ii) the verification, updating, correction and notification of changes to, *data* in the *registry*; and
- (2) The paragraphs of clause 6.7(1) do not limit each other.
 - (3) Without limiting the generality of clause 6.7(1)(a) a *network operator* may incorporate the “communication rules” under the *Customer Transfer Code* as part of the proposed *communication rules* and submit the combined rules for approval by the *Authority* under this *Code*.
 - (4) If a *network operator* submits proposed *communication rules* under clause 6.7(3), approval by the *Authority* of those rules is deemed to also be approval of the “communication rules” by the *Authority* under clause 5.1(1) of the *Customer Transfer Code*.
13. The Authority acknowledged that the proposed communication rules were a ‘high level’ document. The detailed information will be specified in a Build Pack, which consists of documents detailing how the data and information exchange processes will be implemented including information relating to the design and development of information systems. Documents in the Build Pack are to be developed in consultation with Metering Code participants and must be published within 60 business days following approval of these proposed communication rules.
14. The Authority considered the proposed communication rules against the approval criteria set out in clauses 6.5 and 6.7 of the Metering Code. The Authority considered that the proposed communication rules comply with clauses 6.5 and 6.7 of the Metering Code and noted that the proposed communication rules are compatible with the communication rules approved by the Authority on 16 December 2005 under the *Electricity Industry Customer Transfer Code 2004*.