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27 August 2025

[REDACTED]  
Compliance Manager  
Essential Energy  
Email: [REDACTED]

Dear [REDACTED]

## Approval of Legacy Meter Replacement Plan – Essential Energy

On 27 June 2025, the AER received Essential Energy's (ABN 37 428 185 226) Legacy Meter Replacement Plan (LMRP) under clause 11.177.2(a) of the National Electricity Rules (Electricity Rules).

The final rules for the *Accelerating smart meter deployment* rule change established a new LMRP mechanism,<sup>1</sup> which aims to facilitate industry collaboration to deliver smart meters to all National Electricity Market customers by 30 November 2030.

We thank Essential Energy for engaging with the AER as part of the development of the LMRP.

This letter is to notify you that the AER has reviewed the Essential Energy's LMRP and is satisfied that the LMRP complies with the LMRP Requirements set out in clauses 11.177.2 and 11.177.3 of the Electricity Rules. We have approved Essential Energy's LMRP under clause 11.177.4(c) of the Electricity Rules. We will publish a public version of the approved LMRP on the AER website as required by this clause, together with this decision letter.

### Next steps

Under clause 11.177.4(d) of the Electricity Rules Essential Energy must:

- as soon as reasonably practicable and in any event within 20 business days:
  - notify Affected Retailers and Metering Coordinators (MCs)
  - provide Affected Retailers and MCs a schedule specifying the Legacy Meters and corresponding National Metering Identifiers (NMIs) to be replaced in each Interim Period under the LMRP
- no later than 27 November 2025, record relevant details of the LMRP in accordance with the [Markets Settlement and Transfer Solution Procedures](#).

From our review of the submitted LMRPs we have prepared guidance on several key matters relating to the implementation of LMRPs (see Attachment A to this letter). In particular, we acknowledge Essential Energy highlighting the limitations to the availability of telecommunications networks for some customers metering installations outlined in its

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<sup>1</sup> AEMC, [Accelerating smart meter deployment rule change](#), completed on 28 November 2024.

LMRP. We encourage Essential Energy to engage with retailers and MCs to address these sites so that these customers are not disadvantaged with the metering installation being manual read.

The AER understands that unforeseen issues may emerge as part of the accelerated smart meter deployment, and we encourage you to engage with us as soon as possible should you have any queries.

The AER will be prioritising activities to ensure consumers are protected through the accelerated smart meter rollout as detailed in our [Compliance and Enforcement Priorities for 2025-26](#). It is important that all participants fully understand and comply with their responsibilities so the switch from Legacy Meters is timely, cost-effective, fair and safe.

If you would like to discuss this letter or guidance, please contact [REDACTED] on [REDACTED] or at [REDACTED].

Yours sincerely

[REDACTED]

**Justin Oliver**  
Deputy Chair  
Australian Energy Regulator

## Attachment A – Guidance<sup>2</sup>

### Safe installation of meters

The LMRP Objective is to replace all Legacy Meters in a timely, cost effective, fair and safe way during the LMRP Period. While the AER encourages the implementation of each LMRP in a manner consistent with the LMRP Objective, we recognise that, despite the best endeavours of Affected Retailers and MCs, the replacement of all Legacy Meters by 1 December 2030 may not be possible.

Given the LMRP Objective, a key focus for the AER is that the replacement of Legacy Meters is done in a safe manner. The safety of workers and customers should always be the highest priority.

We acknowledge the commitment to supporting Affected Retailers and MCs in the safe installation of smart meters detailed in the LMRPs. The AER encourages Distribution Network Service Providers (DNSPs) to consider safety beyond the provision of information on any potential safety hazards to the relevant stakeholders. Various factors that may contribute to the presence of hazards include dogs, customer installation configurations, presence of asbestos and access restrictions (such as location and terrain).

DNSPs in the LMRPs have considered some of the following safety actions:

- engaging with Affected Retailers and MCs to ensure that all staff responsible for replacing Legacy Meters follow any relevant electrical safety codes or rules, such as the code developed by the National Electrical and Communications Association (NECA) for New South Wales
- participating in any relevant workshops or meetings on replacing Legacy Meters
- developing and implementing relevant policies or training for parties working on or near metering installations such as a policy for safe entry into a customer's property and/or training programs for technicians
- providing temporary isolation services for Affected Retailers and MCs upon request where it is identified that isolation of supply is required to safely exchange a Legacy Meter
- utilising existing regular meeting platforms, forums and communication channels to provide a platform for Affected Retailers and MCs to raise any questions, concerns or requests for support regarding safety.

The AER encourages the industry to coordinate its actions and to regularly share learnings and best practice approaches to ensure the safety of the community and people working near electrical assets.

### Life support customers

The AER expects DNSPs to maintain compliance with life support obligations under the National Energy Retail Rules (Retail Rules) during the rollout. These obligations are critical to ensure the safety and wellbeing of customers who depend on life support equipment. This is particularly important at a time where many customers will experience supply interruptions due to meter upgrades.

It is crucial that DNSPs have robust internal policies, systems and processes in place to provide required protections to customers who require life support equipment. We remind

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<sup>2</sup> This guidance is not binding and serves only as an informative tool. Definitive interpretation of the relevant legislation is reserved for the Courts.

DNSPs to ensure that life support equipment registration and deregistration details are maintained in accordance with the Retail Rules.<sup>3</sup>

We also remind DNSPs of the requirements to provide life support customers written notices in the case of a distributor planned interruption. This will be particularly important for metering installation with shared fusing.<sup>4</sup> An unexpected loss of supply can have significant consequences for customers who depend upon life support equipment. Distributors need to give these customers adequate notice to minimise the risk.

Life support continues as an enduring priority area for the AER, and we will continue to act where there are serious issues impacting life support consumers.

### **Shared fusing arrangements**

Shared fusing arrangements require coordination between DNSPs, MCs and retailers to ensure that customers with shared fusing arrangements are not significantly inconvenienced by a meter upgrade.

DNSPs should be aware of their obligations as part of the new Shared Fusing Meter Replacement Procedure (procedure).<sup>5</sup> This includes (but is not limited to):

- identifying NMIs that will be impacted by supply interruptions in shared fusing arrangements once informed of the shared fuse
- issuing Shared Fusing Meter Replacement Notices to relevant Retailers containing information about the replacement date for the Legacy Meters
- scheduling Shared Fusing Meter Replacement Dates as permitted by the procedure
- providing customers with a planned interruption notice.

The AER expects DNSPs to engage with MCs and retailers in a genuine and timely manner to ensure that Legacy Meters in shared fusing arrangements are replaced with minimal disruption to affected customers.

The AER acknowledges that several LMRPs included significant details on trials conducted as part of the 'one in all in' approach for replacing all Legacy Meters on a shared fuse at the same time. We encourage DNSPs to share learnings and adopt consistent approaches where possible to streamline processes.

### **Ongoing communication and engagement**

We acknowledge the engagement DNSPs undertook when consulting on their LMRPs. However, we expect that DNSPs maintain ongoing engagement with Affected Retailers, MCs and other relevant stakeholders about any implementation challenges throughout the LMRP Period (1 December 2025 to 30 November 2030). We particularly encourage DNSPs to engage with Affected Retailers and MCs in relation to any hazards that are identified and as previously mentioned, in coordinating the replacement of meters where shared fusing arrangements exist.

We also remind DNSPs of their obligations to give all reasonable assistance to MCs in relation to an interruption to replace metering equipment.<sup>6</sup>

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<sup>3</sup> Retail Rules, rules 124, 124A, 124B, 125 and 126.

<sup>4</sup> Retail Rules, rules 124B(2)(a)(iv) and 124B(2)(a)(v).

<sup>5</sup> Refer to National Electricity Amendment (Accelerating smart meter deployment) Rule 2024 No.20, particularly, new clause 7.8.10D of the Electricity Rules (Shared fusing meter replacement procedure), which takes effect on 1 December 2025.

<sup>6</sup> Retail Rules, rule 91A(f).

The AER notes the development of the voluntary [Smart Meter Customer Code](#) as part of the Energy Charter activities. We encourage this principle-based approach to prioritise transparency, innovation and collaboration across the energy industry.

### **Amending a LMRP**

Under the Electricity Rules, an Affected Retailer may apply to a DNSP to amend a published LMRP if the LMRP is affected by a Material Error or Material Change Event.<sup>7</sup>

The AER considers that it is most likely to occur in the event of a natural disaster (such as widespread floods or other severe weather events) or as part of protracted unforeseeable constraints that affect the supply or physical installation of meters. The AER therefore expects that amendments of LMRPs will occur in limited circumstances.

Before progressing an amendment of an approved LMRP, it is expected that the Affected Retailer or DNSP have early engagement with the AER to discuss the reasons for the amendment so that the AER may provide feedback on the proposal.

The AER's assessment of an amendment proposal to LMRP will involve the same criteria as approving initial LMRPs, namely an assessment of whether the amended LMRP aligns with the LMRP Requirements.<sup>8</sup>

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<sup>7</sup> Electricity Rules, clause 11.177.5(a).

<sup>8</sup> Which means the requirements for a LMRP set out in the Electricity Rules, clauses 11.177.2 and 11.177.3.