Jemena Electricity Networks (Vic) Ltd

Legacy Meter Replacement Plan (LMRP)

Draft

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Glossary

Term	Definition
Affected Retailer	A retailer that is the financially responsible Market Participant for one or more connection points where a Legacy Meter is to be replaced under that LMRP.
Amending Rule	The National Electricity Amendment (Accelerating smart meter deployment) Rule 2024 No.20.
Amendment Application	An Affected Retailer's application for amendment of an Approved LMRP made in accordance with clause 11.177.5(b).
Approved LMRP	A LMRP approved by the AER under clause 11.177.4(c).
Interim Period	Each 12-month period commencing on 1 December within the LMRP Period, with the first period commencing on 1 December 2025.
Interim Target	The target for replacement of Legacy Meters in each Interim Period made available to an Affected Retailer in accordance with clause 11.177.6.
JEN	Jemena Electricity Networks
Legacy Meter	Any type 5 and 6 metering installation in operation, other than type 5 metering installations capable of remote acquisition.
Legacy Meter Replacement Plan (LMRP)	A plan developed and published by a Local Network Service Provider under clause 11.177.2.
LMRP Objective	The replacement of all Legacy Meters with type 4 metering installations in a timely, cost effective, fair and safe way during the LMRP Period.
LMRP Period	1 December 2025 to 30 November 2030.
LMRP Principles	The principles set out in clause 11.177.2(c).
LMRP Requirements	The requirements for a LMRP set out in clauses 11.177.2 and 11.177.3.
market body	Each of AEMO and the AER.
Material Change Event	A change in circumstances or event that is beyond the reasonable control of the Local Network Service Provider or Affected Retailer which could not have been reasonably foreseen at the time of the development of the LMRP and which would materially adversely affect the Affected Retailer's ability to comply with the LMRP.
Material Error	An error which would materially adversely affect the Affected Retailer's ability to comply with the LMRP.
Replacement Deadline	30 November 2030.
Resubmission Notice	A notice issued by the AER to a Local Network Service Provider requiring it to resubmit an amended LMRP under clauses 11.177.4(f) or 11.177.5(f) and explaining why the AER considers the LMRP to be non-compliant with the LMRP Requirements.

1. Background

Jemena Electricity Networks (Vic) Ltd (JEN) is an electricity distribution network service provider (DNSP). Every day we deliver electricity to over 387,000 homes and businesses in the north west area of Melbourne.

As part of our role in providing electricity distribution services, JEN manages approximately 383,000 Advanced Metering Infrastructure (AMI) meters and about 4,000 legacy (non-AMI) meters. Our legacy meters were installed between the period covering 1930 to 2009.

On 28 November 2024, the Australian Energy Market Commission (AEMC) published a final determination and final rules for the *Accelerating smart meter deployment rule change* (Rule Change)[1] The final rules aim to modernise the electricity grid by accelerating the efficient deployment of smart meters to all customers by 2030, under an improved metering framework in the National Electricity Rules (NER) and National Energy Retail Rules (NERR).

1.1 The LMRP Framework

The Rule Change has introduced a number of time-bound transitional rules, one of which is developing the Legacy Meter Replacement Plan (LMRP) framework, which will apply during the LMRP period of 1 December 2025 to 30 June 2030.
The Rule Change has set out the following key outcomes and success measures to be achieved through the LMRP framework:

- deliver a faster, more efficient and less costly rollout of smart meters than is possible under the existing regulatory framework whilst minimising regulatory burden on industry
- promote transparency by requiring DNSPs to justify their LMRPs against a set of clearly defined principles and the LMRP objective[2]

> The LMRP objective is to replace all existing legacy meters with smart meters in a **timely, cost-effective, fair, and safe way** during the LMRP period (1 December 2025 to 30 November 20230).[3]

- promote cooperation and consultation across the industry to deliver the deployment program in a way that best achieves the long-term interests of consumers
- provide sufficient flexibility to the industry to work in ways that best suit their customer base and business needs, give retailers and Metering Coordinators (MC)s certainty of where and when smart meters will need to be deployed over the acceleration period, allowing them to plan resource requirements.

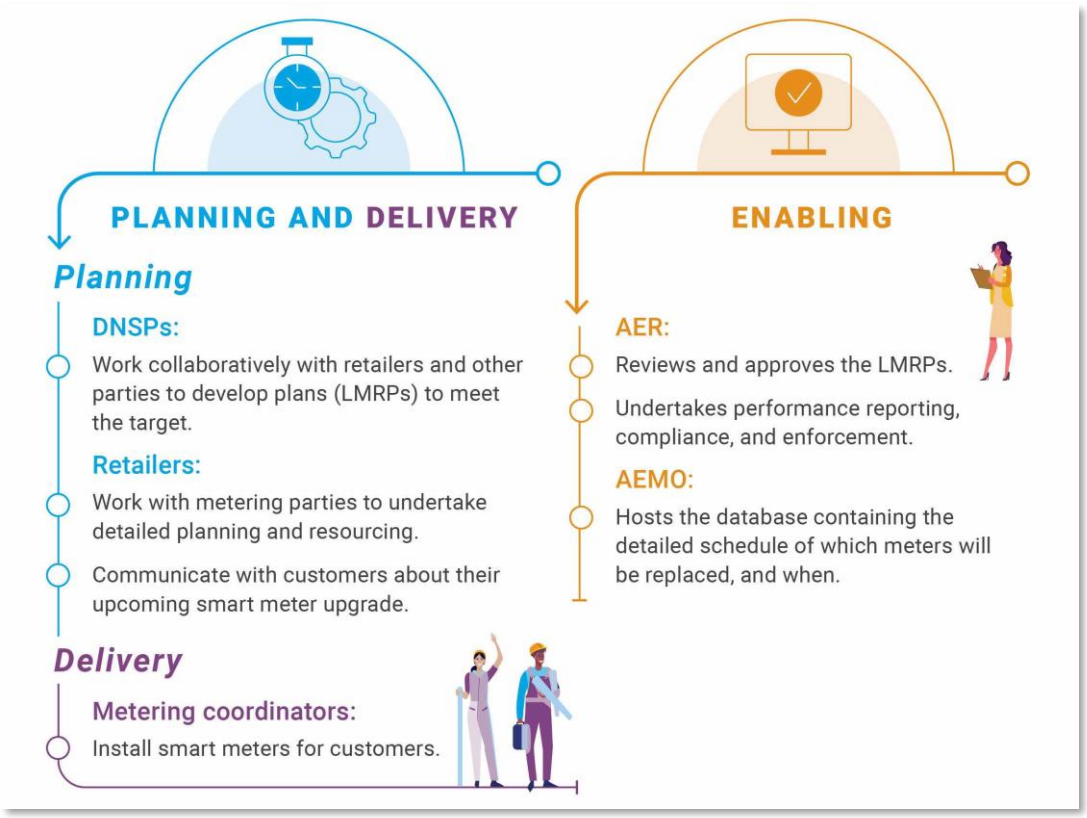
The LMRP framework directly affects DNSPs, including JEN, and therefore, we must comply with the LMRP requirements under the Rule Change.
Figure 1–1 sets out a high level overview of the Rule Change planning and delivery framework for the accelerated smart meter deployment by 2030.

1 AEMC, *Rule determination, National Electricity Amendment (Accelerating Smart Meter Deployment) Rule / National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule*, 28 Nov 2024.

2 Clauses 11.177.2(a) of the Rule Change.

3 Clauses 11.177.1 of the Rule Change.

Figure 1–1: AEMC Rule Change planning and delivery framework



Source: AEMC, *Rule determination, National Electricity Amendment (Accelerating Smart Meter Deployment) Rule / National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule*, 28 Nov 2024

1.2 Purpose of this document

We have developed this draft LMRP for submission to the Australian Energy Regulator on 30 June 2025 consistent with the Rule Change requirements.

This document sets out the details of JEN's LMRP and explains how it has complied with the LMRP requirements under the Rule Change. In developing the draft LMRP we have had regard to the feedback we have received from affected stakeholders.

1.3 Structure of the LMRP

- In section 2, we set out details about JEN's meter replacement profile and stakeholder engagement.
- In section 3, we provided details about our approach to meter replacement.
- In section 4, we listed the legacy meters to be replaced and corresponding NMIs (contains confidential information).
- In section 5, we summarised how JEN's draft LMRP is compliant with the LMRP requirements under the Rule Change
- In Appendix A, we provided an overview of the Rule Change.
- In Appendix B, we provided an overview of JEN's legacy meters.
- In Appendix C, we provided supporting information on our engagement with affected stakeholders.

2. Legacy Meter Replacement Plan

Smart meters are an important tool to facilitate that interaction, and to support the cost-effective decarbonisation of the energy market. They also offer a range of benefits, particularly for consumers, but also for market participants and the system overall. Smart meters:

- help facilitate the efficient integration of Consumer Energy Resources (CER) — such as solar photovoltaic (solar PV) systems, home batteries and electric vehicles (EVs)
- provide consumers with visibility and control of their electricity consumption and costs and more access to alternative pricing options
- create opportunities for greater data sharing, promoting competition and innovation, and support more targeted energy policies
- allow DNSPs to improve their management of the electricity network.

2.1 JEN's legacy meter replacement profile

The Rule Change requires that:

- the LMRP must be consistent with the LMRP objectives of replacing all existing legacy meters with smart meters in a **timely, cost-effective, fair, and safe way** during the LMRP period[4]
- the LMRP must include a description of the planned replacement program and the process for its development including the total number of legacy meters to be replaced and groupings of legacy meters by postcodes or geographical areas if it is the intention of the LMRP to replace legacy meters by reference to groups[5]
- a DNSP must have regard to the LMRP principles including:
  - the number of legacy meters planned for replacement in each interim period should be between approximately 15-25% per cent of the total number of legacy meters to be replaced under the LMRP[6]
  - the impact of the LMRP on affected stakeholders.[7]

Between 2009 and 2015, JEN was subject to Victorian jurisdictional meter order in council (Order) that required rolling out smart meters to its customers. At the conclusion of this program, a very small percentage of customers remained on legacy meter. JEN has completed the smart meter roll out as required by the Order, noting that the Order contemplated a residual population of legacy meters was likely. The Rule change, however, does not allow for a residual population of legacy meters and requires that all meters be changed to smart meters. Because of this, JEN must undertake a further rollout to replace residual legacy meters with smart meters. To further accelerate the deployment of smart meters, JEN will remediate most of the common defects at metering installations during JEN's replacement period.

During the delivery of the meter replacements, JEN will also conduct a number of important assessments of the site's electrical safety, such as testing supply neutrals (NST), as required by Victorian service installation rules.

JEN intends to replace approximately 4,000 of residual legacy metering installations during CY 2025(H2) and CY26(H1). We have had regard to the LMRP principle and does not consider that a slower replacement will be consistent with the LMRP objective of cost effectivity. There are several reasons why undertaking meter replacements in a shorter period as we proposed will be more cost effective. This includes:

4 Clauses 11.177.2(a) of the Rule Change.

5 Clauses 11.177.2(b) of the Rule Change.

6 Clauses 11.177.2(c)(1) of the Rule Change.

7 Clauses 11.177.2(c)(3) of the Rule Change.

- a focused one year replacement program allows for better planning, resource allocation and project management. Staff can be fully dedicated resulting in improved efficiency and oversight
- bulk purchasing of materials and services often leads to more efficient prices
- mobilisation costs are incurred once instead of annually
- prolonging the replacement cycle can result in emergency repairs and are typically more expensive and disruptive than planned replacements.

Further, a slower replacement period will have consequences for our customers. JEN's legacy meters, installed between 1930 and 2009, are old and have been operating for about 50 years on average. It is not safe to delay their replacement any further.[8] They are no longer supported by manufacturers, and they no longer meet the jurisdictional or national requirements for revenue metering in Victoria. Their continued use presents safety, compliance, and operational risks. JEN can no longer ensure their performance or serviceability, which undermines our obligations under both NER and the Essential Services Commission's (ESC) Metering Code of Practice.

Moreover, continued reliance on legacy meters impacts customer outcomes such as increased likelihood of billing errors and poor customer experiences. The lack of data visibility reduces JEN's ability to detect power quality issues, electricity theft, or hazardous conditions in a timely manner. As the equipment continues to age and degrade, the risks to both network safety and customer outcomes are expected to grow.

On the most part, the LMRP objectives and LMRP principles are aligned, however, where they are misaligned, we consider the LMRP objectives should take precedence. In the case of the LMRP rollout profile being between 15% and 25% per year, we have identified above that this could be more costly than our proposed accelerated rollout initiative. In this case, the LMRP objective and LMRP principle are not aligned. When considering these factors together, along with the situation being quite different in Victoria relative to the rest of the NEM, we believe more weight should be given to the LMRP objective of cost efficiency over the roll our schedule to deliver for the long-term intents of customers.

2.2 JEN's engagement with affected stakeholders

The Rule Change requires that:

- a DNSP must share a copy of the draft LMRP and schedule of meters to be replaced for each affected retailer on or before 28 February 2025 and sought their feedback[9]
- a DNSP must include a description of it has engaged with relevant stakeholders, the relevant concerns identified as a result of engagement and how the DNSP has sought to address their concerns[10]
- a DNSP must have regard to the LMRP principles including:
  - the impact of the LMRP on affected retailers.[11]

Between 25 and 28 February 2025, we circulated our draft LMRP to 24 affected retailers (see Appendix C1 for the list of retailers) and their respective schedule of meter replacement and sought their feedback. Out of the 24 affected retailers, Energy Australia, Momentum Energy and Powershop responded, seeking to have meet with JEN to discuss our plans further. We met with these three retailers separately on 10 April 2025 and had another follow up meeting with Energy Australia on 16 June 2025.

8 It is a requirement of the National Electricity objective that we consider safety in the services we provide.

9 Clauses 11.177.3(a) of the Rule Change.

10 Clauses 11.177.2(b)(3) of the Rule Change

11 Clauses 11.177.2(c)(3) of the Rule Change.

2.2.1 Outcomes of our engagement

We discuss below stakeholder concerns and our response.

Retailers are generally supportive of our draft LMRP

The three retailers note above are generally supportive of our draft LMRP. However, Energy Australia has some concerns on whether JEN can replace the 4,000 meters in the first Interim Period (1 December 2025 to 30 November 2026). Energy Australia also noted that while the draft LMRP has listed the total number of legacy meter installations for each affected retailer, it is expecting to see the number of meters that Energy Australia will be responsible for reporting at the end of each Interim Period.

We acknowledged Energy Australia's concern. However, given JEN's approach is to attempt replacement of all 4,000 meters during the first Interim Period, we do not consider that a further breakdown is necessary in the draft LMRP. Nonetheless, in JEN's engagement strategy, we will outline in detail the engagement and notification process we will follow to keep the affected retailers informed and to enable them to meet their regulatory obligations in relation to the accelerated smart meter deployment.

Regarding Energy Australia's concern about deliverability, we have the workforce to undertake the tasks during the current regulatory period. We have the workforce to undertake the legacy meter replacement in the current regulatory period.

Retailers seek to understand coordination and communication roles

All three retailers have expressed their interest in supporting JEN with communications with the affected customers. However, they have also raised the following questions:

1) They asked whether JEN would manage the full end-to-end LMRP and meter exchange process with the affected customers, and what, if anything, is required from the affected retailers.

2) JEN's communication or engagement strategy should be discussed with affected retailers given their reporting obligations to the AER.

3) How will JEN handle refusals and rejections from affected customers?

4) How the Explicit Informed Consent will be obtained from customers and how will the affected retailers know when it has been obtained?

5) What is the expected frequency and timeframes for the affected retailer to receive information from JEN?

We explained that JEN will be responsible for the end-to-end communications with affected customers but that we would work closely with the affected retailers in instances where there are customer refusals/rejections. We acknowledge that we would support the affected retailers with any reporting obligations they have. They agreed to confirm with JEN their regulatory obligations and will engage with us to explore how JEN can best help them. We also advised the affected retailers that the above details/concerns will be addressed in JEN's engagement strategy which we will share for their review/feedback.

Retailers seek to understand how we will manage defects and other matters

The three responding retailers also seek to understand how we will manage metering installation defects. On this point, we clarify that JEN will manage the small meter defects. In terms of Powershop's question about JEN's process for shared fuse customers, we clarify that JEN does not have many shared fuse customers. Nonetheless, we will cover this matter in our engagement strategy.

Engagement with the Victorian Government

At regular DNSP meeting with the Department of Energy, Environment and Climate Action (DEECA) during the first half of 2025, DEECA expressed concerns with JEN about a heavy-handed approach to managing affected customers. It has never been JEN's intent to be forceful with customers and have developed a 'light touch' and 'walk away' strategy should we encounter any resistance or objection to the rollout activities and a specific customer premise.

JEN wrote to the Deputy Secretary, Energy, within DEECA on 26 June 2025 outlining the approach that we propose taking in the interest of minimising any negative sentiment.

2.2.2 Our engagement will be ongoing

It is critical that JEN works closely with the affected retailers in replacing the legacy meters, especially under the accelerated smart meter initiative, for several reasons:

- The rule change introduces a formal defect tracking process requiring retailers to notify customers. It is therefore critical that JEN keeps the affected retailers informed about the outcome of our legacy meter inspection outlined above. We will set out a notification process in our engagement strategy, which we are currently developing closely with the affected retailers.
- Under normal, or business-as-usual circumstances, retailers are the primary point of contact for customers, not DNSPs. If there is no clear process about JEN's engagement with affected customers during the replacement period, there is a likelihood that the affected customers will complain directly to the affected retailers.

As per the guidance given in AEMC's final determination on the Rule Change, JEN will work collaboratively with retailers and other parties to ensure transparency and effectiveness of its approach to legacy meter replacement. Specifically, JEN is committed to working with affected retailers and other stakeholders to develop an effective final LMRP and customer engagement strategy to minimise customer impact and increase customer acceptance of the transition to the smart metering foundation.

Engagement strategy

We are currently developing our engagement strategy and will share it with affected retailers as soon as it is ready. In developing our engagement strategy, we are guided by the following principles:

- Customer-centric communication – timely and plain English communications, taking lessons from the past such as why customers refused to have smart meters into account.
- Transparent – setting out clear roles and responsibilities between JEN and affected retailers
- Inclusive and collaborative – close engagement with affected retailers in terms of engagement with affected customers and assisting them in meeting their reporting obligations under the Rule Change.
- Proactive in resolving issues – have a clear escalation process for resolving issues, including roles of respective each party.

3. Approach to delivering the meter replacement

The Rule Change requires that:

- the LMRP must be consistent with the LMRP objectives of replacing all existing legacy meters with smart meters in a **timely, cost-effective, fair, and safe way** during the LMRP period[12]
- a DNSP must have regard to the LMRP principles including:
  - the impact of the LMRP on affected stakeholders[13]
  - appropriate and efficient workforce planning[14].

Replacement of legacy meters could inconvenience customers, as they may need to be home or interrupt their business operations to provide access. There is also a temporary loss of service during the meter replacement. We have regard to this situation as reflected in our approach below.

JEN has extensive capabilities in managing smart meter rollout programs. Based on this prior experience, this next rollout phase will maximise program efficiency and minimise customer disruptions. JEN will also ensure that we will implement the replacement in a timely, fair and safe way.

3.1 Developing replacement route and scheduling

To maximise program efficiency, JEN intends to replace all its remaining legacy meters in the first interim period, drawing and optimising the replacement schedule by areas and pre-assessed challenges at specific customer sites.

3.1.1 Grouping by areas and type of metering required

To ensure efficient delivery of replacements, it is essential to prioritise target areas for accelerated replacement, thereby minimising travel time for installers and optimising operational productivity. JEN's prioritisation criteria include the following:

- number of legacy meters in each area
- contiguousness of areas
- number of meters from the same retailer
- number of known meter access issues in the area
- presence of known (pre-assessed) challenges with customer wiring / sites / unique metering requirements.

Alternative approaches such as coordinating work based on meter age have been discounted because they would involve more travel resulting in an elongated program and more travel costs.

3.2 Customer engagement during the replacement period

A positive customer experience is of the utmost importance to JEN. JEN will be proactive and inform customers of the forthcoming replacement activities including the reasons, timeframe, benefits of smart meters and customer

12 Clauses 11.177.2(a) of the Rule Change.

13 Clauses 11.177.2(c)(3) of the Rule Change.

14 Clauses 11.177.2(c)(4) of the Rule Change.

support if they want to lodge an objection. This ensures that our approach is fair to the affected customers. Further having a clear process will help JEN complete the replacement in a timely and safe manner.

3.2.1 Identify Customer Groups

To engage more effectively, we will group customers into the following categories:

- **Early Adopters:** Customers who are open to technology and innovation. New customers might have moved in since the previous smart metering rollout (approx. 10 -15 years ago). Liaise with retailers to support with the data (if needed).
- **Reluctant Customers:** Customers who previously declined metering replacement during the initial rollout but may now be receptive with the right messaging and engagement strategy.
- **Resistant Customers:** Customers who we expect to actively deny access or refuse to change decision, either due to scepticism, inconvenience, fear of electricity bills going up or misinformation.

Each group has different motivations, concerns and levels of openess to changes. By segmenting customers, we can tailor our messaging or strategy for each group, that is, we avoid a one-size fits all approach, which can be more resource intensive. For example, early adopters might require minimal effort and we can therefore focus on fast-tracking them.

3.2.2 Initiate contact with customers through email/SMS and letter

Customers shall be informed about the upcoming meter replacement, emphasising the benefits and the need for the upgrade. We will use multiple channels to communicate with customers, including:

- Direct electronic channels including email and SMS
- Letters
- Website updates

The key messages we will convey include:

- details including timeline, benefits and easy instructions on how to schedule an installation
- a detailed explanation of the changes, why they are required, where they can get more information or lodge an objection.

3.2.3 Assess meter condition and undertake physical card drop

Following the initiating contact with customers step as discussed in section 3.2.2, JEN will assess the condition of the site and legacy meters before the replacement. Our approach will be as follows:

- **Physical Meter Assessment:** Technicians performing an initial inspection of the site and existing meter to identify any immediate issues or need for upgrades.
- **Card Drop:** If a technician cannot directly engage with the customer, leave a physical card at the customer site with a note explaining the upcoming change and instructions for contacting JEN to schedule a return visit.
- **Engage Non-Responsive Customers:** Up to two attempts shall be made to gain access to the premises following an initial letter and a card drop.
- **Customer Refusal:** JEN will not replace meters where customers have clearly communicated their refusal to have smart meters installed as required under the Rule Change.

We consider this approach to be necessary and fair given we are giving the affected customer a number of opportunities to give us access to their premises and replace their meter(s).

If a customer has clearly communicated their refusal to have smart meters but our assessment shows that the meter is defective, the meter may need to be replaced, for safety and/or compliance reasons. We will manage this process in accordance with our existing procedures.

3.2.4 Nominated Contact for Customer Escalation

JEN will provide channels and resources for handling escalations or issues from customers who refuse the meter upgrade, would like to delay it or would like to get more information about it.

- **Customer Escalation Team:** Assign a team to handle customer complaints, concerns or escalations. A "Smart Meter Support Specialist" would be available via phone or email, specifically trained to respond to complex and often sensitive issues when it comes to rolling out smart meters.
- **Clear Contact Information:** Ensure customers know how to reach the escalation team for assistance by including contact details in all communication, including in the letter or physical card drop materials.

3.3 Deliverability and workforce planning

We have a flexible workforce with prior experience and able to execute the legacy meter replacement effectively in the LMRP period. With the smart meter rollout completed through the Order, the meter replacement volumes involved in the Rule Change rollout are very low. When considering the extent of the work program and the capabilities of our flexible workforce, we do not expect to have a material impact of workforce requirements, availability or capabilities.

3.4 Progress Reporting

JEN will advise affected retailers of the Interim Targets as per Clause 11.177.6 Interim Targets of the NER.

Furthermore, JEN will provide a monthly update to the affected retailers on the progress of legacy replacements.

4. Schedule of Meters to be replaced during the first interim period

Attached to this submission is the list of NMIs that would undergo meter replacement under this LMRP.

The interim periods are defined as 12-month periods commencing on 1 December 2025 until 30 November 2030. It is our intent to complete the replacement of our legacy meters by 30 June 2026, that is earlier than the end of the first interim period.

In providing the LMRP meter replacement schedules to affected retailers, DNSPs must not provide information to market participants that are not otherwise able to access that information in accordance with NER clause 7.15.5 (which governs access to NMI Standing Data).

- *Note: NMI Standing Data is confidential information under the NER.*

5. Summary of JEN's compliance with the LMRP requirements

Rule Change reference	Requirements	JEN comments
11.177.2 Legacy Meter Replacement Plans	(a) A Local Network Service Provider must develop and submit to the AER for approval, a LMRP that provides for the replacement of all Legacy Meters at connection points on its distribution network (other than an embedded network) over the LMRP Period in accordance with the LMRP Objective.	See comments (2) immediately below)
	(b) The LMRP must include a description of the planned replacement program and the process for its development, including: (1) an outline of the replacement profile over the LMRP Period, including: (i) the total number of Legacy Meters to be replaced and corresponding NMIs and the number to be replaced in each Interim Period; and (ii) if the LMRP proposes to replace Legacy Meters by reference to groups of Legacy Meters such as any grouping by postcodes or geographical areas, details of the proposed grouping, including which groups are intended to be replaced in each Interim Period; (2) an explanation of how the LMRP is consistent with the LMRP Objective and how the Local Network Service Provider has had regard to the LMRP Principles; and (3) a description of: (i) how the Local Network Service Provider has engaged with relevant stakeholders (including Affected Retailers, relevant Metering Coordinators, relevant local and state governments, and distribution end users or groups representing them in developing the LMRP); (ii) the relevant concerns identified as a result of that engagement; and (iii) how the Local Network Service Provider has sought to address those concerns.	(1) We set out in section 2.1 of this LMRP JEN's replacement profile (2) We explain in sections 2 and 3 of this document how JEN's LMRP is compliant with the LMRP objective. (3) We set out in section 2.2 of this LMRP the outcomes of our engagement with affected stakeholders. (Note, we have not engaged with any other MCs as JEN (in its role as MC) is the exclusive MC for the affected meters).

Rule Change reference	Requirements	JEN comments
	(c) In developing the LMRP, a Local Network Service Provider must have regard to the LMRP Principles, which are that: (1) the number of Legacy Meters planned for replacement in each Interim Period should be between approximately 15–25 per cent of the total number of Legacy Meters required to be replaced under the LMRP; (2) the overall efficiency of the LMRP, including costs and potential cost savings for affected Market Participants; Note For example, Legacy Meters may be most efficiently retired in geographic groupings, such as by postcode, zone substation or meter reading route. (3) the impact of the LMRP on Affected Retailers and other affected stakeholders; and (4) appropriate and efficient workforce planning, including in regional areas.	(1) See section 2.1 of this draft LMRP on how we have regard to this LMRP principle. (2) We explain across sections 2 and 3 of this document how JEN's LMRP is compliant with the LMRP objective. (3) See sections 2.2.2 and section 3 of this LMRP on we have had regard to the impact of the LMRP on affected stakeholders (4) See section 3.3 of this LMRP for information on workforce planning and deliberability.
11.177.3 Consultation regarding Legacy Meter Replacement Plans	(a) By no later than 28 February 2025, and prior to submitting its proposed LMRP to the AER, a Local Network Service Provider must: (1) provide to Affected Retailers and Metering Coordinators a draft of its LMRP; (2) provide to Affected Retailers and Metering Coordinators a schedule specifying the Legacy Meters and corresponding NMIs to be replaced in each Interim Period under the LMRP; and (3) invite feedback on the draft LMRP.	In section 2.2 of this LMRP, we provide information about our engagement with retailers..
11.177.4 Approval of Legacy Meter Replacement Plan by AER	(a) Following consultation under rule 11.177.3, and no later than 30 June 2025, a Local Network Service Provider must provide its draft LMRP to the AER.	We are submitting the draft LMRP to the AER on 30 June 2025.

Appendix A
Overview of the Rule Change

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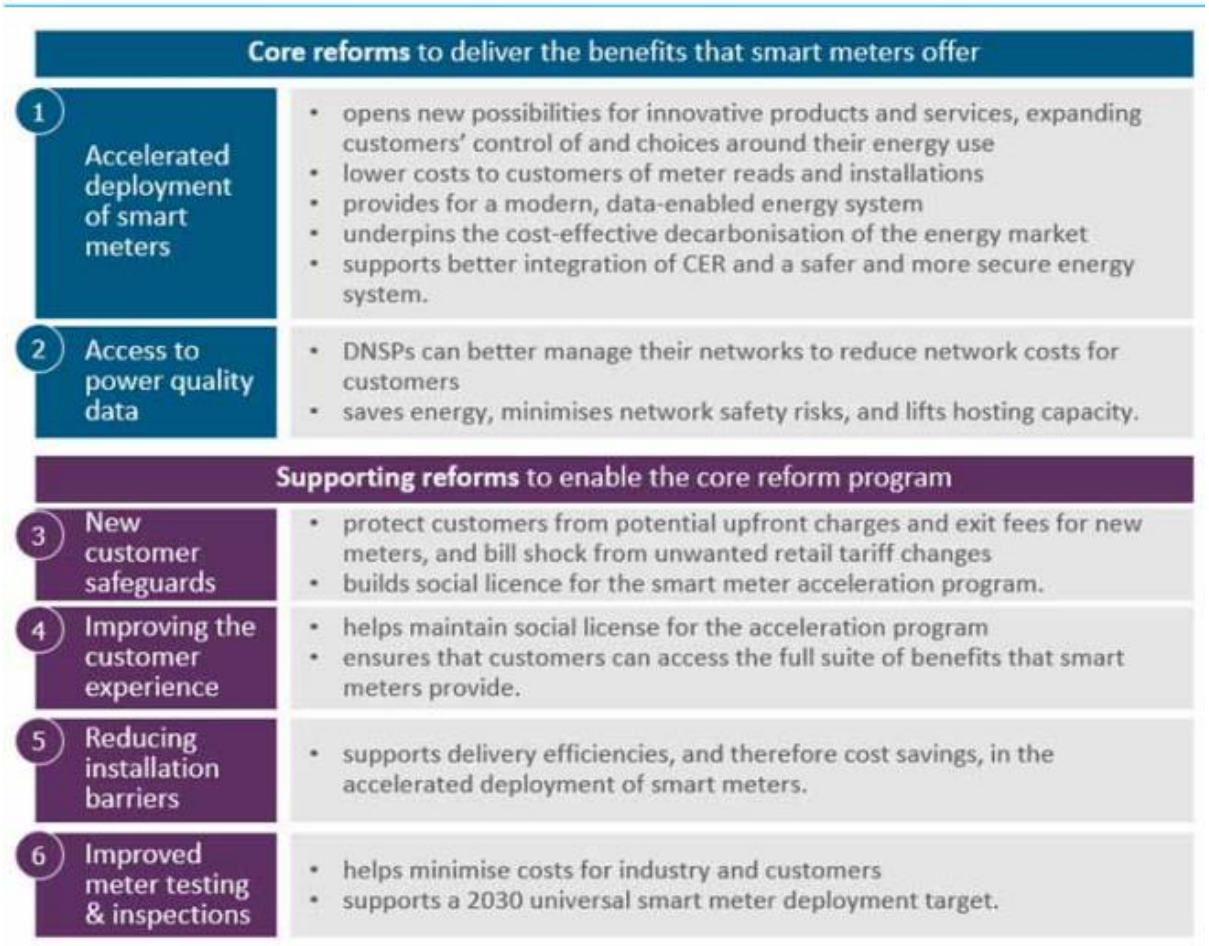
A1. Overview of the Rule Change

The Rule Change mandates the efficient rollout of smart meters to all customers across the NEM by 2030. To comply, JEN must replace its residual legacy meters with smart meters.

On 28 November 2024, the Australian Energy Market Commission (AEMC) published a final determination and final rules for the Accelerating smart meter deployment rule change (the Rule Change).[15] The rule change aims to modernise the energy grid by accelerating the deployment of smart meters across the National Electricity Market (NEM), providing consumers and the broader energy market with the benefits of a digital energy system.

The Rule Change is to be implemented under an improved metering framework in the National Electricity Rules (NER) and National Energy Retail Rules (NERR). The rule change also includes the core reform of accessing power quality data and other supporting reforms which make ongoing improvements to the metering regulatory framework and will continue beyond the duration of the acceleration period. See **Figure 5–1** below for a snapshot of the reforms and the final rule determination for more details.[16]

Figure 5–1: Reforms delivered under the final rules



Source: AEMC

15 AEMC, Rule determination – National Electricity Amendment (Accelerating Smart Meter Deployment) Rule, National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule, November 2024.

16 AEMC, Rule determination – National Electricity Amendment (Accelerating Smart Meter Deployment) Rule, National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule, November 2024.

a) What the rule change means for JEN

In addition to setting a clear target in the NER for the accelerated deployment of smart meters between 2025-2030, the Rule Change introduces time-bound transitional rules which include the following:[17]

- the LMRP framework will only apply during the acceleration period from 2025 to 2031. The Rule Change intends that the accelerated deployment of smart meters is completed by 2031.[18]
- provisions requiring the Australian Energy Market Operator (AEMO) to develop initial Asset Management Strategy Guidelines so that AEMO can develop and consult on the guidelines before they come into effect
- requirements on the Australian Energy Regulator (AER) and AEMO to review, amend and publish procedures, guidelines and other documents to take into account the final rules
- new customer safeguards prohibiting upfront costs and requiring a customer's explicit informed consent prior to retail tariff variations, which will only apply during the acceleration period.

As we have discussed in Appendix B1, JEN still has a residual of approximately 4,000 legacy (non-AMI) meters. To comply with the new rules, JEN will need to replace these legacy meters with smart meters no later than 2030 and therefore must meet the rules requirement for the implementation of the LMRP framework.

b) LMRP requirements we need to comply with

Under the Rule Change, DNSPs including JEN, are required to develop a LMRP, which provides for the replacement of all legacy meters at connection points on a DNSP's network over the LMRP period. The LMRP must be developed in accordance with the LMRP objective shown in Box 1.

Box 1

LMRP Objective means the replacement of all Legacy Meters with type 4 metering installations in a timely, cost effective, fair and safe way during the LMRP Period.[19]

The Rule Change also requires that the LMRP must:

2) include a description of the planned replacement program and the process for its development including an outline of the replacement profile over the LMRP period

3) include an explanation of how the LMRP is consistent with the LMRP objectives and how the DNSP has had regard to the following LMRP principles:

(1) the number of Legacy Meters planned for replacement in each Interim Period should be between approximately 15–25 per cent of the total number of Legacy Meters required to be replaced under the LMRP;

(2) the overall efficiency of the LMRP, including costs and potential cost savings for affected Market Participants;

(3) the impact of the LMRP on Affected Retailers and other affected stakeholders; and

(4) appropriate and efficient workforce planning, including in regional areas.

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17 AEMC, Rule determination – National Electricity Amendment (Accelerating Smart Meter Deployment) Rule, National Energy Retail Amendment (Accelerating Smart Meter Deployment) Rule, November 2024, p. iv.

18 The rollout will be completed by November 2030 but the AER must report on retailers' compliance with the final targets and whether the LMRP objective has been met (clause 11.177.8(e) of the Rule Change.

19 Clause 11.177.1 of the Rule Change.

4) include a description of how the DNSP has engaged with relevant stakeholders, their relevant concerns and the DNSP has sought to address those concerns.

The AER will assess our draft LMRP and approve it if it is satisfied that our draft LMRP has met these requirements.

c) Key milestones we need to adhere to

Table 2-1 sets out the key milestones for the implementation of the LMRP framework which we need to adhere to.

Table 5–1: LMRP, key milestones[20]

Date	Activity
No later than 28 February 2025	DNSP must provide to affected retailers and metering coordinators: 1. a copy of its draft LMRP 2. a schedule specifying the legacy meters and corresponding NMIs to be replaced in each Interim Period under the LMRP; and 3. invite feedback on the draft LMRP.
No later than 30 June 2025	DNSP must provide to the AER its draft LMRP
29 August 2025	The AER must either approve the draft LMRP or issue a Resubmission Notice to the DNSP 4. It the AER approves the draft LMRP a) it must publish a copy of the approved LMRP on its website within 10 business days of approving the LMRP b) the DNSP must notify the affected retailers and metering coordinators within 20 business days and 5. If the AER did not approve the draft LMRP: a) it must issue a Resubmission Notice to the DNSP as soon as practicable b) The DNSP must resubmit its LMRP 15 business days (or such other timeframe the AER specified) after receiving the Resubmission notice c) The AER must either approve the updated LMRP or issue a Resubmission Notice as per the above.
No later than 27 November 2025	Once the AER has approved the LMRP, the DNSP must record relevant details of the LMRP in accordance with the Market Settlement and Transfer Solution Procedures.
1 December 2025	Start date for the first interim period. The first interim period is the 12-month period commencing on 1 December 2025 until 30 November 2026.

d) An AER-approved LMRP can still be amended

A DNSP's LMRP which has been approved by the AER can still be amended. An affected retailer may apply to JEN to amend the LMRP if the LMRP is affected by a material error or material change event. If JEN decides to amend the LMRP, we must publish and consult on the proposed amendments, and following consultation, must submit the proposed amended LMRP to the AER, for approval. The AER must either approve or issue a Resubmission Notices within 20 business days of receiving the amended LMRP. The process for the amendment is set out in clause 11.177.5 of the Rule Change.

[20] Clause 11.177.4 of the Rule Change.

Appendix B
JEN's legacy meters

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B1. JEN's legacy meters

JEN has residual population of around 4,000 legacy (non-AMI) meters still in operation. These meters are primarily electromechanical units installed between 1930 and 2009. They are no longer supported by manufacturers, pose increasing safety and compliance risks, as they fail to meet jurisdictional and national requirements for revenue metering in Victoria. These legacy non-AMI meters need to be replaced with smart meters.

Advanced Metering Infrastructure (AMI) consists of a smart meter which is an electronic meter that records energy consumption in intervals of 30 minutes (or 5 minutes for meters installed after December 2018), and a mesh communications network that transmits meter reading information back to us acting on behalf of customers as the metering data provider (MDP). This meter reading information is then passed on to a customer's electricity retailer for billing purposes and to AEMO to settle the electricity market.

In 2008 the Victorian Government mandated electricity distribution businesses to roll out AMI or 'smart meters', to all Victorian residential and small business electricity customers consuming up to 160 MWh of electricity per annum. The mandate set out in a November 2008 Order in Council (OIC), made under the Electricity Industry Act 2000 (Vic), required electricity distribution businesses to roll out AMI in accordance with prescribed metering standards, service levels and timeframe.[21] The rollout commenced in 2009 and was completed by the end of 2015.

To date, JEN manages approximately 383,000 AMI meters. Prices for smart metering services, classified as alternative control services, are currently regulated by the Australian Energy Regulator (AER) under the National Electricity Rules (NER). In addition to price regulation by the AER, AEMO regulates how we manage, maintain, test, inspect and replace our meters. In particular, the NER[22] require us to have an AEMO-approved metering asset management strategy and to comply with it.

e) Legacy non-AMI meters

In addition to the 383,000 AMI meters, JEN currently manages approximately 4,000 legacy non-AMI meters.

Between 2009 and 2024, JEN replaced over 98% of its legacy electromechanical meters with AMI meters, following a series of Victorian Government Orders in Council. The remaining legacy meters — primarily electromechanical units installed between 1930 and 2009 — now represent a small proportion of the metering fleet consisting making up approximately 4,000 meters, mostly at residential sites.

JEN is committed to maintaining the safety, accuracy, and regulatory compliance of its metering infrastructure. As part of this commitment, we will address the residual population of legacy non-AMI meters still in operation within our network. Beyond compliance, replacing the remaining legacy meters unlocks a range of broader benefits:

- Retailer alignment: Several electricity retailers have requested accelerated replacement of legacy meters to meet new obligations under the global settlement framework.
- Improved network visibility: AMI meters provide real-time data and better monitoring capabilities, enhancing JEN's ability to oversee network operations and proactively address safety issues.
- Customer benefits: Most customers still on legacy meters (excluding a small number with remotely read Type 5 meters) cannot access Time-of-Use (**ToU**) tariffs. Upgrading to AMI meters would allow these customers to take advantage of flexible pricing, such as off-peak rates, helping them better manage and potentially reduce their electricity bills.

More broadly, continued reliance on legacy meters increases JEN's exposure to a range of risks. These include non-compliance with evolving regulatory standards, increased likelihood of billing errors, and poor customer

[21] Victorian Minimum Advanced Metering Infrastructure (AMI) Functionality Specification v1.2; and Victorian Minimum AMI Service Levels Specification.

[22] In NER Clause 7.9 and Schedule 7.6

experiences. The lack of data visibility also reduces JEN's ability to detect power quality issues, electricity theft, or hazardous conditions in a timely manner. As the equipment continues to age and degrade, the risks to both network safety and customer outcomes are expected to grow.

Although JEN has met its obligations under the *Advanced Metering Infrastructure (Obligations to Install Meters) Order 2017*[23] by making reasonable efforts to replace legacy meters, there is now a broader need to complete the remaining upgrades. A new initiative — the Australian Energy Market Commission's (**AEMC's**) *Accelerating smart meter deployment*[24] –requires JEN to accelerate the rollout of AMI smart meters across its customer base.

Given the increasing compliance requirements, asset risks, regulatory pressures, and missed customer benefits, it is important that the issue of remaining legacy meters is addressed as a matter of priority. JEN needs to act now to ensure that it remains compliant with the plethora of rules and regulations, reduces its operational risk, and continues to support broader market and customer outcomes.

We discuss in the next section our obligation to replace legacy non-AMI meters under the AEMC's *Accelerating smart meter deployment*.

f) Customer benefits of AMI smart meters

AMI smart meters provide important benefits to our customers. Customers on legacy non-AMI meters are therefore missing these benefits and opportunities which include:

- more accurate bills – remote meter reading (instead of manual meter reading) speeds up the deliver of meter data and decreases the risk of human error
- reduced cost and time required to connect and disconnect services given these services can be done remotely
- cost savings – enable the connection of technology that connects a customer's new smart appliances to the AMI meter to facilitate home energy management
- better electricity retail supply deals – through JEN's Electricity Outlook postal customers can see their electricity usage and pattern of usage allowing them to better respond to price signals and compare retail market offers
- lower energy bills and energy sustainability– with real-time data on energy consumption, customers can make informed decisions about their energy usage, leading to increased efficiency
- accurate measurement of solar feed in tariff and better energy consumption management – AMI meters allow solar customer to monitor the amount of energy they export back to the electricity network.

[23] See Clause 6(3)

[24] See https://www.aemc.gov.au/rule-changes/accelerating-smart-meter-deployment

Appendix C
Supporting documents on engagement with affected retailers

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C1. Email sent to affected retailers

From: Leonora Todesco [redacted]
Sent: Tuesday, 25 February 2025 4:13 PM
To: [redacted]
Cc: Tinku Dhiravedamani [redacted] Nicolas Piedrabuena [redacted] Leon Vilfand [redacted] Steve Dooley [redacted] Mohan Kuppusamy [redacted]
Subject: Jemena's Draft Electricity Networks (Vic) Legacy Meter Replacement Plan (LMRP) Updated

Dear Justin/Santina

Please find attached **Jemena's Draft Electricity Networks (Vic) Legacy Meter Replacement Plan (LMRP)**, as per the requirements of Accelerating smart meter deployment | AEMC rule change, along with a draft schedule specifying the legacy meters and corresponding National Meter Identifiers (NMIs) to be replaced.

Jemena intends to replace the remaining legacy meters on JEN with smart AMI meters that comply with all relevant jurisdictional and national obligations. To further accelerate the deployment of smart meters, Jemena will remediate most of the common defects at metering installations at no cost to the customer.

Jemena intends to replace all metering installations during CY 2025 and CY26 (H1).

As per the guidance given in AEMC's final determination on the Accelerating Smart Meter Replacement rule change, Jemena will work collaboratively with retailers and other parties to ensure transparency and effectiveness of its approach to legacy meter replacement. Specifically, Jemena is committed to working with affected retailers and other stakeholders to develop an effective LMRP and Customer Engagement Plan to maximise the efficiency, minimise customer impact and increase customer acceptance of the transition to the smart metering foundation.

As per requirements of the Accelerating smart meter deployment | AEMC rule, we intend to develop the final LMRP and associated plans & schedules over the next few months and submit them to AER and AEMO before June 2025.

Please contact me if you have any feedback or questions regarding the draft LMRP.

Kind regards,

Leonora Todesco
Relationship Manager-Energy Retail
Jemena
Level 11, 99 Walker Street, North Sydney, NSW 2060
[redacted]
www.jemena.com.au
www.gonaturalgas.com.au

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Table C1–1: Affected retailers

Retailer	Date email was sent	Date of meeting with JEN
AGL	25-Feb 2025	
Origin		
Energy Australia		10 April and 16 June 2025
Alinta		
Red		
Engie		
Momentum		10 April 2025
Tango		
Powershop		10 April 2025
Sumo		
OVO		
COVAU		
Energy Locals		
Shell	26-Feb	
Next Business	28-Feb 2025	
Electricity In A Box		
Amber		
Blue Energy		
Diamond		
Dodo		
1st Energy		
GloBird		
Nectr		
Flo Energy		