

Draft decision

SP AusNet

AMI remote services charges 2014 and 2015

Review under ESCV Guideline 14

28 October 2013

1.
2. © Commonwealth of Australia 2013

This work is copyright. Apart from any use permitted by the Copyright Act 1968, no part may be reproduced without permission of the Australian Competition and Consumer Commission. Requests and inquiries concerning reproduction and rights should be addressed to the Director Publishing, Australian Competition and Consumer Commission, GPO Box 3131, Canberra ACT 2601.

Inquiries about this document should be addressed to:

1. Australian Energy Regulator
2. GPO Box 520
3. Melbourne Vic 3001
4. Tel: (03) 9290 1444
5. Fax: (03) 9290 1457
6. Email: AERInquiry@aer.gov.au

AER reference: 52183

1. Contents

[Contents 2](#_Toc369699833)

[Request for submissions 3](#_Toc369699834)

[Summary 4](#_Toc369699835)

[1 Introduction 5](#_Toc369699836)

[2 Guideline 14 requirements 7](#_Toc369699837)

[3 SP AusNet's proposal 8](#_Toc369699838)

[4 AER issues and considerations 10](#_Toc369699839)

[4.1 Statement of proposed charges 10](#_Toc369699840)

[4.2 Cost of service provision 10](#_Toc369699841)

[4.3 Cost allocation 13](#_Toc369699842)

[4.4 Cost differentials 13](#_Toc369699843)

[4.5 Simplicity 13](#_Toc369699844)

[5 AER draft decision 14](#_Toc369699845)

1. Request for submissions
2. This document sets out the Australian Energy Regulator’s (AER) draft decision on the regulation of advanced metering infrastructure (AMI) remote services in Victoria for SP AusNet.
3. This draft decision relates to SP AusNet's statement of proposed charges and terms and conditions for the provision of AMI remote services. These charges and terms and conditions will take effect in the period 1 January 2014 to 31 December 2015. Interested parties are invited to make written submissions on this draft decision to the AER by close of business AEDST Friday 15 November 2013. The AER will deal with all information it receives in accordance with the ACCC/AER information policy. The policy is available at [www.aer.gov.au](http://www.aer.gov.au).
4. We note that CitiPower, Powercor, Jemena Electricity Networks and United Energy already have charges in place for AMI remote services. Those charges carry over and are set out in this decision. For clarity, we do not seek submission on these DNSPs' charges, only SP AusNet's.
5. Submissions can be sent electronically to AERinquiry@aer.gov.au.
6. Alternatively, submissions can be mailed to:

Mr Chris Pattas

General Manager

Network Operations and Development

Australian Energy Regulator

GPO Box 520

1. Melbourne Victoria 3001
2. The AER prefers that all submissions be publicly available to facilitate an informed and transparent consultative process. Submissions will be treated as public documents unless otherwise requested. Parties wishing to submit confidential information are requested to:
* clearly identify the information that is the subject of the confidentiality claim
* provide a non–confidential version of the submission.
1. All non-confidential submissions will be placed on the AER website, [www.aer.gov.au](http://www.aer.gov.au).
2. A copy of SP AusNet's statements of proposed charges and terms and conditions for AMI remote services, and submissions from interested parties will be available on the AER website [www.aer.gov.au](http://www.aer.gov.au).
3. Inquiries about the draft decision or about lodging submissions should be directed to the Network Operations and Development Branch on (03) 9290 1436 or alternatively emailing AERinquiry@aer.gov.au.
4. Summary
5. The Victorian distribution network service providers (Victorian DNSPs) are rolling out advanced metering infrastructure (AMI, or smart meters) to all Victorian households and small businesses. This technology will enable DNSPs to remotely provide metering services previously offered manually at a customer’s premises. Remote services provision is undertaken at much lower cost to customers.
6. This draft decision sets out SP AusNet's charges for remote special meter reads, remote re-energisation and de-energisation, and remote meter reconfigurations for the period 1 January 2014 to 31 December 2015 (2014–15). The AER previously set remote AMI service charges for CitiPower, Powercor, Jemena Electricity Networks and United Energy Distribution.[[1]](#footnote-1)
7. The process for setting remote services charges is set out in the AMI Order in Council (AMI Order). It requires the AER to assess proposed charges under the Essential Services Commission of Victoria's (ESCV) Guideline 14.[[2]](#footnote-2) In future, we will likely review remote services charges during the Victorian distribution determination for the regulatory control period beginning 1 January 2016. We will undertake this review under the National Electricity Rules framework.
8. This draft decision sets the charges in table 1, and terms and conditions for the services in appendix A. In arriving at this draft decision, we considered SP AusNet's remote services charges application, our previous analysis of the other Victorian DNSPs' remote services charges proposals, and other information sought from SP AusNet.[[3]](#footnote-3) The charges set out in table 1 will apply until further amendment by the AER. They will not be automatically indexed for inflation or any other factor.

Table 1 AER draft decision on SP AusNet remote AMI services charges for 2014–15 (excluding GST, $2013)

|  |  |
| --- | --- |
| Name of service | Draft decision charges |
| Remote re-energisation | 2.45 |
| Remote de-energisation | 3.35 |
| Remote meter reconfiguration | 20.15 |
| Remote special meter read | 0.55 |

Source: AER analysis

# Introduction

1. In 2006 the Victorian Government decided to introduce remotely read interval meters (smart meters) to Victorian residential and small business electricity customers. This required the Victorian distribution network service providers (DNSPs) to use their best endeavours to rollout advanced metering infrastructure (AMI) to all customers consuming less than 160MWh by the end of 2013.[[4]](#footnote-4)
2. Smart meters enable two way communications between a customer and their DNSP. With AMI, DNSPs will be able to remotely provide metering services that they previously provided manually at a customer’s premises. Remote services are cheaper to supply to customers than manual ones. In addition, the technology will allow for a variety of different services, mostly provided remotely, that would not have been possible without the AMI rollout.
3. Under sections 15A and 46D of the Electricity Industry Act 2000, the Victorian Governor in Council published an Order in Council in August 2007 to facilitate the AMI rollout. This was then amended in November 2008, January 2009 and March 2009 (the ‘revised Order’). The revised Order specifies that AMI remote services are to be regulated as "excluded services" until the end of the 2011–2015 regulatory control period. Excluded services are regulated under the ESCV’s Guideline 14 and the Victorian electricity distribution licences.
4. Four of the Victorian DNSPs were in a position to provide AMI remote services to eligible customers from 2011. CitiPower, Powercor, United Energy Distribution (United Energy) and Jemena Electricity Networks (JEN) each submitted proposals for remote services charges in August 2010. The AER subsequently reviewed and published draft and final decisions on these remote services charges.[[5]](#footnote-5)
5. SP AusNet did not submit a proposal for remote services charges at the time, advising that delays in its AMI rollout prevented it from being in a position to provide the services and calculating accurate pricing for remote services.
6. On 30 August 2013, SP AusNet submitted its AMI remote services charges application.[[6]](#footnote-6) This draft decision relates to SP AusNet's proposed charges and terms and conditions for the following four services:
* Remote re-energisation
* Remote de-energisation
* Remote special meter reads
* Remote meter reconfigurations
1. This draft decision does not cover manual services. Where SP AusNet provides such services, we have assessed them as alternative control services as part of our 2011–15 Victorian distribution determinations.

# Guideline 14 requirements

1. The Victorian DNSPs' charges and terms and conditions for AMI remote services must meet the requirements of Guideline 14. Importantly, the guideline does not require proposed charges to be an exact representation of the costs incurred to provide the relevant services. Rather, it requires the AER to approve proposed charges only where they are deemed fair and reasonable. Here we describe the relevant sections of the guideline.
2. As required by the revised Order, AMI remote services are regulated as excluded services. Section 5.5 of Guideline 14 outlines the information DNSPs must provide when issuing a statement of proposed charges and terms and conditions for the provision of an excluded service for the AER's approval. At a minimum, any statement of proposed charges must include:
* a description of the excluded service including details of what is actually provided as part of that service
* an explanation for any change in the proposed terms and conditions and charge for the excluded service, including the change in costs incurred by the DNSP and its effect on the excluded service
* details of what is required of the DNSP in providing the excluded service, such as materials and labour.[[7]](#footnote-7)
1. Section 5.6 of Guideline 14 sets out the following principles against which the AER must assess the Victorian DNSPs' charges and terms and conditions for AMI remote services. The AER must not approve a DNSPs statement of proposed charges and terms and conditions for an excluded services unless it decides that the proposed charge and terms and conditions are fair and reasonable.[[8]](#footnote-8) The AER must assess the fairness and reasonableness of the proposed charge and terms and conditions on the basis of the following principles:
* terms, conditions and charges for the services must be based on the costs incurred by the DNSP in providing the excluded service
* any costs for which a DNSP has been remunerated under their distribution tariff cannot be classed as costs incurred by providing the excluded service
* DNSPs must appropriately allocate shared or common costs (costs incurred by providing both the excluded service and other goods or services) whether in the conduct of their business as a DNSP or any other business
* terms, conditions and charges must be the same for all customers unless there is a material difference in the costs of proving the excluded service to different customers or classes of customer
* terms, conditions and charges for excluded services should be simple and easily comprehensible.[[9]](#footnote-9)

# SP AusNet's proposal

Table 2 summarises the AMI remote services and their respective charges in SP AusNet's proposal. SP AusNet proposed these charges to apply from 1 January 2014 to 31 December 2015.

Table 2 SP AusNet proposed remote AMI services charges for 2014–15 (excluding GST, $2013)

|  |  |
| --- | --- |
| 1. Name of service
 | Proposed charges |
| 1. Remote re-energisation
 | 2.45 |
| 1. Remote de-energisation
 | 3.35 |
| 1. Remote meter reconfiguration
 | 20.15 |
| 1. Remote special meter read
 | 0.55 |

Source: SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, pp. 4, 17.

1. SP AusNet described AMI remote services as:
* Re-energisation—refers to the use of the AMI/smart metering infrastructure communications system to control a supply contactor inside the meter such that the customer is connected to the DNSP’s network (also referred to as ‘connection’).
* De-energisation—refers to the use of the AMI/smart metering infrastructure communications system to control a supply contactor inside the meter such that the customer is disconnected from the DNSP’s network (also referred to as ‘disconnection’).
* Special meter reads—an actual meter reading performed outside of the usual reading cycle for the meter.
* Meter reconfigurations—is a change to the software in the meter that enables changes to parameters for a specific meter function. Examples of meter reconfigurations include:
* changing the switching times for controlled loads.
* changes associated with the installation of embedded generation and / or the premium feed in tariff.
* implementation of supply capacity.[[10]](#footnote-10)
1. SP AusNet proposed that the commercial terms and conditions for providing remote AMI services be the same as the terms and conditions in sections 4.2, 6 and 7 of the Use of System Agreement between SP AusNet and the relevant retailer.[[11]](#footnote-11)
2. Regarding the minimum requirements set out in paragraph 5.5.2 of Guideline 14, SP AusNet:
* provided a description of each AMI remote service in its proposal (paragraph 5.5.1(a)).[[12]](#footnote-12)
* did not provide an explanation for any changes in the charges or terms and conditions for excluded services as referred to in paragraph 5.5.1(b), as this is SP AusNet’s first application for approval of excluded service charges. Therefore, there were no existing changes for which an explanation was required under paragraph 5.5.1(b). SP AusNet noted that it may adjust AMI remote services charges over time, subject to AER approval, as it gains more information regarding actual costs of providing the services.[[13]](#footnote-13)
* provided details regarding the internal processes required to provide AMI remote services in relation to paragraph 5.5.1(d).[[14]](#footnote-14)

# AER issues and considerations

The following section outlines our consideration of SP AusNet's proposed charges.

## Statement of proposed charges

1. Paragraph 5.5.2 of Guideline 14 requires that SP AusNet's statement satisfies paragraphs 5.5.1(a), (b), and (d) as a minimum requirement in order to comply with Guideline 14. Appendix A sets out the requirements of these paragraphs.
2. Section 3 of this draft decision outlines the content of SP AusNet's proposal. We consider that SP AusNet's proposal satisfies paragraphs 5.5.1(a), 5.5.1(b) and 5.5.1(d).
3. We are satisfied that the default Use of System agreement between SP AusNet and retailers represents reasonable terms and conditions for the provision of the proposed services. We have included that agreement as a separate attachment to this decision on our website.

## Cost of service provision

1. Paragraph 5.6.2(a) of Guideline 14 requires that the proposed charges and terms and conditions are based on the costs incurred by SP AusNet in providing the excluded service. To determine compliance, we reviewed the various processes that SP AusNet needs to complete for each AMI remote service.
2. SP AusNet proposed to use terms and conditions that currently apply to other excluded services. We reviewed these and consider they are appropriate for AMI remote services. Appendix A of this draft decision includes the relevant terms and conditions.
3. When reviewing the proposed costs, we took into account SP AusNet's application document and model.[[15]](#footnote-15) We also considered our previous determination for the AMI remote service charges of the other Victorian DNSPs.[[16]](#footnote-16)
4. The following sets out our consideration of SP AusNet's proposed charges for AMI remote services, including the activities that comprise these charges. These charges and activities relate to the back office manual intervention SP AusNet anticipates it will need to do as it establishes the processes for undertaking remote services. We acknowledge SP AusNet will need to perform manual intervention as it establishes the processes for remote services. This is in line with the other DNSPs' current practices. However, we anticipate SP AusNet will be in a position to reduce these charges as the need for manual intervention declines in future.

Remote re-energisation

1. We consider SP AusNet's proposed charge of $2.45 ($2013) is fair and reasonable.
2. SP AusNet assumed 10 per cent of eligible service orders will require manual validation of five minutes.[[17]](#footnote-17) This is within the 6.6 minutes that Impaq Consulting advised us was appropriate and which we adopted in our determination for the other Victorian DNSPs.[[18]](#footnote-18)
3. SP AusNet also assumed 10 per cent of eligible service orders will require back office support for system timeout of 20 minutes. Our previous analysis of the other DNSPs did not account for this additional back office time. However, as discussed above, we consider that DNSPs will initially require manual intervention for remote services as they finalise internal processes to ensure a reliable level of service with minimal risk.[[19]](#footnote-19) It is expected that time claimed for manual intervention will be supported by observed data as more services are provided to customers.[[20]](#footnote-20) In light of this, and considering that SP AusNet's charges for remote re-energisation is significantly less than those of the other Victorian DNSPs, we do not consider this to be a material issue.
4. To calculate its charge for remote re-energisation, SP AusNet used an hourly rate for back office support of $42.00 ($2013).[[21]](#footnote-21) We consider this is reasonable as it compares favourably with the hourly rate we approved for back office workers ($66.02, $2013) in the 2011-15 Victorian distribution determination.[[22]](#footnote-22) SP AusNet used its rate for back office support to calculate proposed charges for all remote services. Our assessment that SP AusNet’s hourly rate for back office support is fair and reasonable also applies to the other remote services discussed below.
5. We note SP AusNet's proposed charge of $2.45 ($2013) for remote re-energisation compares favourably with the charges we approved for the other Victorian DNSPs, which range from $5.83 ($2013) to $6.20 ($2013).[[23]](#footnote-23)

Remote de-energisation

1. We consider SP AusNet's proposed charge of $3.35 ($2013) is fair and reasonable.
2. SP AusNet assumed 28 per cent of eligible service orders will require manual validation of five minutes.[[24]](#footnote-24) This time is less than the 6.6 minutes that Impaq Consulting considered appropriate, and which we adopted in our determination for the other Victorian DNSPs.[[25]](#footnote-25)

SP AusNet also assumed 10 per cent of eligible service orders will require back office support for system timeout of 20 minutes. Our previous analysis did not account for this additional back office time. As with remote re-energisation, we consider that DNSPs will initially require manual intervention for remote services as they finalise internal processes to ensure a reliable level of service with minimal risk.[[26]](#footnote-26). Given this uncertainty, and considering that SP AusNet's charges for remote de-energisation is significantly less than those of the other Victorian DNSPs, we do not consider this to be a material issue.

We note SP AusNet's proposed charge of $3.35 ($2013) for remote de-energisation compares favourably with the charges we approved for the other Victorian DNSPs, which range from $5.46 ($2013) to $5.83 ($2013).[[27]](#footnote-27)

Remote meter reconfiguration

1. We consider SP AusNet's proposed charge of $20.15 ($2013) is fair and reasonable.
2. SP AusNet assumed all eligible service orders will require manual validation of 12 minutes, while 10 per cent of eligible service orders will require back office support for system timeout (20 minutes).[[28]](#footnote-28) This manual intervention time of 12–32 minutes is below, or at most equal, to the times the other Victorian DNSPs proposed previously (which ranged from 32 minutes to 39 minutes).[[29]](#footnote-29)
3. Impaq Consulting previously considered those times (proposed by the other DNSPs) to be relatively high, but acknowledged DNSPs had not yet had time to establish more definitive determinations on times for those services. Impaq Consulting accepted these times on the basis they would apply for approximately two years (until the DNSPs gained more definitive information on the times required).[[30]](#footnote-30) We concurred with Impaq Consulting in our previous determination.[[31]](#footnote-31) At this stage, we consider SP AusNet's estimate of manual back office times to be reasonable.
4. We note SP AusNet's proposed charge of $20.15 ($2013) for remote meter reconfiguration compares favourably with the charges we approved for the other Victorian DNSPs, which range from $30.91 ($2013) to $34.52 ($2013).[[32]](#footnote-32)

Special meter reads

1. We consider SP AusNet's proposed charge of $0.55 ($2013) is fair and reasonable.
2. SP AusNet assumed four per cent of eligible service orders will require manual validation (taking five minutes to complete); while five per cent will require back office support for system timeout (10 minutes).[[33]](#footnote-33) This manual intervention time of 5–15 minutes is consistent with the time Impaq Consulting considered appropriate, and which we adopted in our determination for the other Victorian DNSPs.[[34]](#footnote-34) We had regard to Impaq's previous advice when forming our view about SP AusNet's estimates of manual intervention times.
3. We note SP AusNet's proposed charge of $0.55 ($2013) for special meter reads compares favourably with the charges we approved for Jemena and United Energy of $1.52 ($2013) and $0.77 ($2013), respectively.[[35]](#footnote-35)
4. SP AusNet noted in its proposal that a remote special meter read is providing interval meter data for the previous day, not a within day or part day meter read.[[36]](#footnote-36) We consider this is appropriate given our understanding that special reads for intra-day consumption provides little value, for several reasons. For example, the market settles on a daily basis, so a retailer is responsible for whole days of energy usage, not part thereof.[[37]](#footnote-37)

## Cost allocation

1. Paragraph 5.6.2(b)(1) of Guideline 14 requires that any costs SP AusNet has been remunerated for under their distribution tariff cannot be classed as costs incurred in providing the excluded service.
2. We consider that SP AusNet has not been remunerated for the costs of manual intervention in providing AMI remote services under our 2009–11 or 2012–15 AMI budget determinations, or in the SP AusNet 2011–15 distribution determination.
3. Paragraph 5.6.2(b)(2) requires SP AusNet to appropriately allocate shared or common costs. SP AusNet has complied with this requirement through its costs allocation methodology and information reported in its regulatory information notices.

## Cost differentials

1. Paragraph 5.6.2(c) requires SP AusNet to propose charges that are the same for all customers unless there is a material difference in the costs of providing the excluded service to different customers or classes of customer.
2. SP AusNet proposed the same charges for all customers, thereby satisfying paragraph 5.6.2(c).[[38]](#footnote-38)

## Simplicity

1. Paragraph 5.6.2(d) requires that SP AusNet's charges are simple and easy to comprehend. We consider SP AusNet has met this requirement because both the charges and the services are clearly defined in the proposals and do not differ by customer size.

Duration of charges

1. SP AusNet proposed its charges (as table 2 sets out) apply from 1 January 2014 to 31 December 2015, which we accept. Those charges will not be adjusted by any variable, including the consumer price index during that time.

# AER draft decision

These charges will apply from 1 January 2014 to 31 December 2015. The charges set out in table 3 (identical to that in table 1) will apply until further amendment by the AER. They will not be automatically indexed for inflation or any other factor.

Table 3 AER draft decision on SP AusNet remote AMI services charges for 2014 and 2015 (excluding GST, $2013)

|  |  |
| --- | --- |
| 1. Name of service
 | Draft decision charges |
| 1. Remote re-energisation
 | 2.45 |
| 1. Remote de-energisation
 | 3.35 |
| 1. Remote meter reconfiguration
 | 20.15 |
| 1. Remote special meter read
 | 0.55 |

Source: AER

* + - * 1. Terms and conditions

SP AusNet proposed the terms and conditions for providing AMI remote services should be the same as the terms and conditions in sections 4.2, 6 and 7 of the Use of System Agreement between SP AusNet and the relevant retailer, which states:

4.2 Deemed request for Distribution Services

The Retailer shall be deemed to have requested the Distributor to provide Distribution Services in respect of a Customer as follows:

* + 1. In respect of Use of System Services and the services specified in Schedule 1, whilst a person is a Customer in relation to a Supply Point which is connected to the Distributor’s Distribution System; and
		2. In respect of Alternative Control Services and Excluded Services (AMI), when the Retailer requests the Distributor to provide those services or confirms the Customer’s request for the provision of those services, provided that if the Customer was receiving any of those services from another electricity retailer immediately prior to the time that it became a Customer, the Retailer will be deemed to have requested the Distributor to provide those services in respect of that Customer at the time that it became a Customer.
		3. Where a person who was receiving any service to which clause 4.2(b) applies becomes a Customer, the Distributor shall notify the Retailer of the services that the Customer is receiving to which clause 4.2(b) applies. The notification may be provided in the next invoice provided by the Distributor to the Retailer for Distribution Service Charges in accordance with this agreement or otherwise, as soon as practicable.
		4. Where a person who becomes a Customer occupies premises to which services specified in Schedule 1 were provided immediately prior to that person commencing to occupy the premises, the Retailer must notify the Distributor if it becomes aware that the Customer does not wish to be provided with any of those services. If requested by the Distributor, the Retailer must make enquiries with the Customer and notify the Distributor if the Customer does not wish to be provided with the services within 30 Business Days of the request by the Distributor.

Use of system agreement

1. See separate SP AusNet standard form Use of System Agreement.
	* + - 1. Guideline 14—relevant sections

Paragraph 5.5

1. 5.5 Submission of statements for approval

5.5.1 A distributor should include the following details in any statement of the distributor’s proposed charge and terms and conditions for the provision of an excluded service submitted for the Commission’s approval or in a document supporting the statement:

(a) a description of the excluded service, including details of what is actually provided as part of that service;

(b) an explanation for any change in the distributor’s proposed charge and terms and conditions for the excluded service including reasons for any change in, or change in the magnitude of, costs incurred by the distributor in providing the excluded service and the effect of any such change on the distributor’s proposed charge and terms and conditions for the excluded service;

(c) a breakdown of each estimated cost to be incurred by the distributor in providing the excluded service reflected in the distributor’s proposed charge for the excluded service;

(d) details of what is required of the distributor in providing the excluded service, such as materials and labour (including labour type, hourly rates and estimated man-hours to complete the work);

(e) if a different charge or different terms and conditions are proposed for providing the excluded service to different customers or classes of customers, the magnitude of and justification for the different costs incurred by the distributor in providing the excluded service to those different customers or classes of customers;

(f) if there are any shared or common costs incurred by the distributor in providing the excluded service and in providing any other goods or services, whether in the conduct of the distributor’s business as a distributor or any other business, a proportional breakdown and allocation of those costs;

(g) if the proposed charge for the excluded service is a standard charge reflecting the average costs incurred by the distributor in providing the excluded service across the distributor’s customer base, details of the assumptions and calculation used to derive the standard charge;

(h) details of any consultations with customers undertaken by the distributor in developing the distributor’s proposed charge and terms and conditions for the excluded service; and

(i) any other information relevant in the context of whether the distributor’s proposed charge and terms and conditions for the excluded service are fair and reasonable.

5.5.2 As a minimum, the details contemplated by clause 5.5.1(a), (b) and (d) should be included in the proposed statement itself.

Paragraph 5.6

1. 5.6.2 The Commission will assess the fairness and reasonableness of a distributor’s proposed charge and terms and conditions for an excluded service on the basis of the following principles:

(a) Costs of service provision: a distributor’s charge and terms and conditions for an excluded service must be based on the costs incurred by the distributor in providing the excluded service;

(b) Cost allocation: in respect of the costs incurred by a distributor in providing an excluded service:

(1) those costs must not include costs in respect of which the distributor is remunerated under the distributor’s distribution tariff; and

(2) those costs must only include an appropriate allocation of any shared or common costs incurred by the distributor in providing the excluded service and in providing any other goods or services, whether in the conduct of the distributor’s business as a distributor or any other business;

(c) Cost differentials: a distributor’s charge and terms and conditions for an excluded service must be the same for all customers unless there is material difference in the costs of providing the excluded service to different customers or classes of customers. Different charges and terms and conditions for different customers or classes of customers must only be attributable to differences in:

(1) the volume or quantity of the excluded service provided;

(2) the places to or from which the excluded service is provided;

(3) the time of day at which the excluded service is provided;

(4) the performance characteristics at which the excluded service is provided; or

(5) any other difference in the costs of providing the excluded service; and

(d) Simplicity: charges and terms and conditions for excluded services should be simple and easily comprehensible

* + - * 1. Remote AMI service charges

For completeness, the charges set out in table C1 reproduce approved charges for all Victorian DNSPs' remote AMI services (excluding GST, $2013).

1. Table C1 Approved Victorian DNSPs remote AMI services charges, (excluding GST, $2013).

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Name of service | CitiPower | Powercor | Jemena | United Energy | SP AusNet(draft decision) |
| Remote re-energisation | 5.83 | 5.83 | 5.46 | 6.20 | 2.45 |
| Remote de-energisation | 5.83 | 5.83 | 5.46 | 5.82 | 3.35 |
| Remote meter reconfiguration | 30.91 | 30.91 | 34.52 | 32.64 | 20.15 |
| Remote special meter read | 0.00 | 0.00 | 1.52 | 0.77 | 0.55 |

Source: AER

Note: SP AusNet charges are draft decision only. Final charges yet to be approved.

1. AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV Guideline 14, February 2011. [↑](#footnote-ref-1)
2. ESCV, Electricity industry guideline no. 14: Provision of services by electricity distributors, Issue 1, April 2004. [↑](#footnote-ref-2)
3. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013. The relevant documents for the determination of the other Victorian DNSPs' remote services charges proposals are available on the AER's website: <http://www.aer.gov.au/node/15899>. [↑](#footnote-ref-3)
4. The rollout will likely continue into 2014 as DNSPs return to difficult site locations where a meter could not be installed, or where the owner refused installation. [↑](#footnote-ref-4)
5. AER, Draft decision: Victorian electricity distribution network service providers: Advanced metering infrastructure remote services charges: Review under ESCV guideline 14, November 2010; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011. The relevant documents for this determination process are available on the AER's website: <http://www.aer.gov.au/node/15899>. [↑](#footnote-ref-5)
6. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013. [↑](#footnote-ref-6)
7. Guideline 14, Paragraphs 5.5.2, 5.5.1(a), (b), and (d). [↑](#footnote-ref-7)
8. Guideline 14, Paragraph 5.6.1. [↑](#footnote-ref-8)
9. Guideline 14, Paragraphs 5.6.2(a)–(d). [↑](#footnote-ref-9)
10. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 7; AER, Final decision: Victorian electricity distribution network service providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, pp. 12, 15, [↑](#footnote-ref-10)
11. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 8. [↑](#footnote-ref-11)
12. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, pp. 7, 9–16. [↑](#footnote-ref-12)
13. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, pp. 7–8. [↑](#footnote-ref-13)
14. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, pp. 9–16; SP AusNet, Proposed 2014 AMI remote service charges model, 30 August 2013. [↑](#footnote-ref-14)
15. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013; SP AusNet, Proposed 2014 AMI remote service charges model, 30 August 2013. [↑](#footnote-ref-15)
16. See: <http://www.aer.gov.au/node/15899>. [↑](#footnote-ref-16)
17. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 11. [↑](#footnote-ref-17)
18. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 9; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 13 [↑](#footnote-ref-18)
19. AER, Draft decision: Victorian electricity distribution network service providers: Advanced metering infrastructure remote services charges: Review under ESCV guideline 14, November 2010, p. 27. [↑](#footnote-ref-19)
20. AER, Draft decision: Victorian electricity distribution network service providers: Advanced metering infrastructure remote services charges: Review under ESCV guideline 14, November 2010, p. 27. [↑](#footnote-ref-20)
21. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 18. [↑](#footnote-ref-21)
22. AER, Final decision: Victorian electricity distribution network service providers: Distribution determination 2011–2015, October 2010, p. 917. [↑](#footnote-ref-22)
23. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 10; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 21. [↑](#footnote-ref-23)
24. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 14. [↑](#footnote-ref-24)
25. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 9; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 13. [↑](#footnote-ref-25)
26. AER, Draft decision: Victorian electricity distribution network service providers: Advanced metering infrastructure remote services charges: Review under ESCV guideline 14, November 2010, p. 27. [↑](#footnote-ref-26)
27. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 6; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 21. [↑](#footnote-ref-27)
28. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 14. [↑](#footnote-ref-28)
29. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 14. [↑](#footnote-ref-29)
30. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 14. [↑](#footnote-ref-30)
31. AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 18. [↑](#footnote-ref-31)
32. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 6; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 21. [↑](#footnote-ref-32)
33. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 16. [↑](#footnote-ref-33)
34. AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 13 [↑](#footnote-ref-34)
35. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 6; AER, Final decision: Victorian electricity distribution network service Providers: AMI remote services charges: Review under ESCV guideline 14, February 2011, p. 21. [↑](#footnote-ref-35)
36. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 7. [↑](#footnote-ref-36)
37. Impaq Consulting, Remote services price review, Revision 1.3, 27 September 2010, p. 5. [↑](#footnote-ref-37)
38. SP AusNet, Advanced metering infrastructure remote services charges application, 30 August 2013, p. 6. [↑](#footnote-ref-38)