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**Essential Services Commission's Draft Decision on Smart Meters Regulatory Review – capacity control and verifying bills, June 2011.**

Dear Khayen

Jemena Electricity Networks (**JEN**) welcomes the opportunity to provide comments on the Essential Services Commission's (**ESC**) draft decision on *Smart Meters Regulatory Review – capacity control and verifying bills*, June 2011.

The ESC's draft decision:

- continues the ban on retailers offering supply capacity control for credit management purposes until 31 December 2013 unless revoked earlier;
- considers it is too early to make a decision about allowing or regulating retailers' use of load control;
- requires the retailers to continue to provide a start index read on customers' bills;
- acknowledges supply capacity control and load control may be used by distributors in emergencies to ration power and avoid outages;
- does not sanction the use of supply capacity control and load control by distributors outside of emergencies; and
- does not consider it necessary to require distributors to leave a reminder notice or a card with the final reading from a basic meter when it is replaced with a smart meter.

JEN's response is confined to matters relating to distributors.

JEN welcomes the ESC's decision that it does not consider it necessary to require distributors to leave a reminder notice or a card with the final reading from a basic meter when it is replaced with a smart meter.

JEN also welcomes the ESC's decision to allow the distributors to use supply capacity control and load control in emergencies. However it does not understand why the ESC does not allow distributors to use the supply capacity control outside of emergencies.

The minimum Advanced Metering Infrastructure (AMI) functionality specification requires smart meters to have two supply capacity limit settings—a normal supply capacity limit and an emergency supply capacity limit.

Setting of maximum supply limit is necessary to protect the distributors' supply assets such as the meters and service cables. Currently, distributors use fuses or a circuit breaker to set normal supply capacity limit to a customer's premises. JEN believes the use of smart meter supply capacity control is a far better technology.

When demand exceeds a fuse rating, the fuse blows and supply is interrupted. Supply can only be restored by a faults crew attending the site. In comparison, supply capacity control of the smart meters provides a benefit whereby the power will be switched off when the supply reaches a certain upper limit and then resume after a set short period. It would save faults crews travelling to the site to restore supply enabling quicker restoration times. This is a significant AMI benefit and JEN believes the use of this functionality should not be unjustifiably delayed.

JEN urges the ESC to reconsider the use of supply capacity control for the purposes of setting upper limits on normal supply capacity in order to protect the distributors supply assets; or the supply capacity specified in a customer's connection contract.

If you wish to discuss this submission, please contact me on (02) 9844 944 or at [siva.moorthy@jemenacom.au](mailto:siva.moorthy@jemenacom.au).

Yours sincerely

**Siva Moorthy**  
Manager Network Regulation