

16 March 2018

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Department of the Environment and Energy
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By email: SLWGSecretariat@environment.gov.au

Energy Networks Australia - Response to Proposal for a new 'Small Load' metering regulatory framework for street lighting

Dear Karen,

Energy Networks Australia values being a part of the SLSC Council and welcomes the opportunity to provide feedback on the proposed 'Small Load' Metering Regulatory Framework for street lighting.

As you know, Energy Networks Australia is the national industry association representing the businesses operating Australia's electricity transmission and distribution, and gas distribution networks. Member businesses provide energy to virtually every household and business in Australia.

Energy Networks Australia and our members support the objectives of the Australian Government and the Council of Australian Governments (COAG), Energy Council's Equipment Energy Efficiency (E3) Program, in supporting the aims of the SLSC Programme. As a key stakeholder, we remain committed to providing strategic, technical and policy guidance into this programme.

Value to customer

As the Department is aware, Energy Networks Australia has previously provided submissions into the related SLSC Roadmap and SLSC Model LED Public Lighting Specification consultation processes, which included concern for lack of demonstrated value to the customer of the widespread use of smart lighting controls and centralised management systems. The existing Type 7 metering approach is a cost effective approach suitable for many areas that will not benefit from implementation of smart lighting controls.

The most recent draft proposal for a small load metering regulatory framework for street lighting would benefit from including further detail regarding consideration of cost effectiveness when implementing the proposed metering framework, strengthening the need for the proposed metering framework to be an opt-in type arrangement. This will ensure that customers not seeking advanced functionality, will not be unfairly burdened with increased costs associated with installation and upkeep of smart lighting controls and central management systems.

Optional metering framework

Energy Networks Australia supports the realisation of value which new lighting technology brings. To aid in achieving this goal, Energy Networks Australia is open to consideration of a new optional metering framework for smart control street lighting, which may allow customers to realise the accurate value of their investment. Energy Networks Australia strongly advises that the Department consider the practicalities and preferred processes for an opt-in framework to ensure best outcomes for customers.

Energy networks Australia would be happy to participate in any further consultation on this matter in future, should it occur.

Networks' ability to provide service under proposed framework

The draft proposal for a new 'Small Load' metering regulatory framework for street lighting, evaluates the technical suitability of the current metering framework for Type 1 to 6 meters. However, we consider that it does not sufficiently evaluate the suitability of the associated regulatory framework. As shown in Figure 2 of the draft proposal, the regulatory framework for Type 1 to 6 meters includes the roles of the Meter Co-ordinator, Meter Provider, and Meter Data Provider, all under the engagement of an Electricity Retailer. These additional roles are not necessary for the provision of street lighting, and if adopted by the proposed new 'small load' metering framework will unnecessarily increase costs to customers and an unnecessary burden to stakeholders.

Furthermore, as detailed by the University of Melbourne in a [recent report](#), there are several serious barriers to the realisation of value from smart meters under the existing regulatory framework for smart meters. Namely, due to the framework placing ownership of meters in the hands of retailers, restricting distribution network operators from accessing these meters, and retailers installing minimum specification meters, customers are not able to realise value related to energy management and smart-grid management use of the meters, which would otherwise be provided to them by distribution network operators.

Use of intelligent street lighting in smart cities

Energy Networks Australia recognises the potentially vital role intelligent lighting could play in the establishment of smart cities and smart electricity grids. Energy Networks Australia is working in collaboration with senior representatives from the Department of the Environment & Energy, AEMO, AEMC and other key stakeholders to plan for management of the power system into the future. This includes consideration of data collection and communication needs for managing the impact of changing customer expectations and uses of the grid. To this purpose, Energy Networks Australia recommends the Department engage with senior stakeholders from within other Branches of the Department, AEMO, AEMC and Energy Networks Australia to ensure the proposed metering framework for smart street lighting is in line with the strategic direction that these stakeholders are formulating to prepare for the design and operation of future networks. Energy Networks Australia would welcome the opportunity to introduce you to our primary contacts within these agencies, and for all parties to further discuss the objectives and most appropriate measures for maximising benefit from intelligent street lighting technology for energy efficiency and smart cities.

Should you have any additional queries, please contact our Senior Program Manager – Asset Management, Heath Frewin on (02) 6272 1555 or hfrewin@energynetworks.com.au

Sincerely,



Stuart Johnston

General Manager -Network Transformation