

# AUSTRALIAN CAPITAL TERRITORY

## UTILITIES ACT 2000

### UTILITIES (VARIATION OF FRANCHISE CUSTOMER ELECTRICITY METERING CODE) APPROVAL 2003 (NO 1)

#### Disallowable instrument DI2003—256

#### EXPLANATORY STATEMENT

Part 5 of the *Utilities Act 2000* (the Act) provides for the making and variation of technical codes as part of the requirements that licensed utilities must observe. Section 236 of the Act allowed the determination of first technical codes. On 21 December 2000 the Minister for Urban Services determined first technical codes including a Franchise Customer Electricity Metering Code (“the Code”) in Instrument No 369 of 2000. Notification of the making of this determination was published in Gazette No S69 of 21 December 2000.

Provisions for technical codes are set out as variations on the provisions of Part 4 of the Act for industry codes. Sections 61 and 65 of the Act provide for the variation of technical codes and under section 62 a variation of a technical code is a disallowable instrument. The present instrument varies the Code, as part of the preparation for full retail contestability, in accordance with a proposal by the affected utilities.

“Franchise customers” originally meant customers who had not been allowed to choose their own electricity supplier. Under the arrangements for full retail contestability the Treasurer has changed this definition in an instrument under section 18 of the Utilities Act. It now means small electricity customers who receive the power of choice but do not change to an individual supply contract or initially change to an individual supply contract but revert to ActewAGL’s standard terms of supply.

The present instrument sets standards for metering data for the electricity supplied to these franchise customers and to customers who are “first tier” customers in the national electricity market (customers who obtain their electricity from a supplier linked to the electricity distributor). It does so by requiring compliance with the requirements of ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations published by the Independent Competition and Regulatory Commission as part of the ACT’s implementation of metering procedures for the national electricity market. That procedure would otherwise only deal with persons who are “second tier” customers for the national electricity market (any customer other than a first tier customer).

## **Details**

### **1 Code title**

The title of the Code is amended to correspond to its new scope.

### **2 New part 1 title**

A new part title for part 1 is inserted before clause 1. The provisions of the revised Code do not all apply to the same categories of person. The existing provisions apply to electricity distributors and electricity suppliers while the new provisions on metering data apply only to electricity distributors. The revisions therefore include a division of the Code into general provisions and two other parts according to their application. The new provisions form Part 3.

The original Code includes statements about the provision of metering equipment to franchise customers. Provision of metering equipment is a matter that the ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations deals with for second tier customers. The revisions to this Code include the extension of statements of the Code on this subject to first tier customers.

### **3 Clause 1.1**

The description of the application of the Code is modified as part of the changes described for amendment number 2.

### **4 Clause 1.2 (1)**

The description of the purpose of the Code is modified as part of the changes described for amendment number 2.

### **5 Clause 1.2 (2)**

The description of the purpose of the Code is modified as part of the changes described for amendment number 2.

### **6 Clause 2.1**

The title of the Code is quoted in clause 2.1 and is modified in accordance with the change in it made by amendment number 1.

### **7 Clause 3.1 (1)**

Clause 3.1 (1) is amended as part of the changes described for amendment number 2.

### **8 Clause 3.1 (2)**

Clause 3.1 (2) is amended as part of the changes described for amendment number 2.

### **9 Clause 3.1 (3)**

Clause 3.1 (3) is amended as part of the changes described for amendment number 2.

### **10 New part 2 title**

A new part title for part 2 is inserted as part of the changes described for amendment number 2.

### **11 Clause 4.1**

Clause 4.1 is amended as part of the changes described for amendment number 2.

**12 Clause 5.1**

Clause 5.1 is amended as part of the changes described for amendment number 2.

**13 Clause 6.1**

Clause 6.1 is amended as part of the changes described for amendment number 2

**14 New part 3**

A new part title for part 3 and two new clauses are inserted after the other clauses.

**Metering Data Services**

New **clause 15** provides that metering data services for franchise customers and first tier customers must comply with the ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations.

Type 5 metering stores consumption data for each half-hourly period and the data is collected periodically, Type 6 metering is the standard manually-read domestic meters that are read periodically but record only total energy consumption, and Type 7 metering refers to estimation by simple engineering calculations and is used for unmetered supplies such as some ACT street lighting. Type 5 but not Type 6 is considered to be interval metering.

**Threshold for Franchise Customer Loads And First Tier Loads for Type 5 , Type 6 and Type 7 Metering Installations**

The rules of the national electricity market, including the ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations, provide for the setting of upper limits on the use of Type 5, Type 6 and Type 7 metering. New **clause 16** states that there is no upper limit under this Code to the loads to which Type 5, 6 and 7 Metering Installations may be applied for franchise customers and first tier customers but that unmetered installations must comply with the requirements of the national electricity code and the ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations.

**15 Dictionary-New Definitions**

The Dictionary of the Code is modified by adding definitions of ACT Metrology Procedure for Type 5, 6 and 7 Metering Installations, Connection Point, First Tier Customer, First Tier Load, Load, Local Area, Local Electricity Supplier, Metering Installation, Metering Point, Supply, Type 5 Metering Installation, Type 6 Metering Installation and Type 7 Metering Installation.

**16 Dictionary-Revised Definitions**

The Dictionary of the Code is modified by moving the definition of Australian Standard to its correct alphabetical place, adding to the definitions of Franchise Customer and Non-franchise Customer a reference to the Determination of non-franchise customers under Section 18 of the Utilities Act, revising a definition of this Code so that it corresponds to the title of the Code as revised by amendment number 1 and moving it to its new alphabetical place, and adding to the definition of Standard Metering Equipment a reference to first tier customers as among those to whom this equipment is supplied.

**17 Dictionary-Numbering**

The items in the modified Dictionary are renumbered.

Copies of the code will be made available for public inspection at the offices of the Independent Competition and Regulatory Commission. These offices are currently located at Level 7, Eclipse House, 197 London Circuit, Canberra City ACT 2601. Under section 63 of the Act the Commission's office is a place where copies of industry codes made under Part 4 of the Act must be available for public inspection.