

Draft findings on Western Power's Model Service Level Agreement

16 June 2020

Economic Regulation Authority

WESTERN AUSTRALIA

D215263

Invitation to make submissions

Submissions are due by 4:00 pm WST, 14 July 2020

The ERA has published its draft findings on Western Power's proposed amendments to its model service level agreement.

The model service level agreement sets out the metering services that Western Power must provide and the terms and conditions it must offer, including applicable charges. It is required under the *Electricity Industry (Metering) Code 2012*.

As required under clause 6.20(3)(b) of the Metering Code, the ERA now invites Metering Code participants and interested parties to make submissions on the ERA's draft findings.

We would prefer to receive your comments via our online submission form <https://www.erawa.com.au/consultation>

You can also send comments through:

Email: publicsubmissions@erawa.com.au
Post: PO Box 8469, PERTH BC WA 6849

Please note that submissions provided electronically do not need to be provided separately in hard copy.

All submissions will be made available on our website unless arrangements are made in advance between the author and the ERA. This is because it is preferable that all submissions be publicly available to facilitate an informed and transparent consultative process. Parties wishing to submit confidential information are requested to contact us at info@erawa.com.au.

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Draft findings

1. Western Power's model service level agreement (MSLA) is a requirement under the *Electricity Industry (Metering) Code 2012* and was first approved by the Economic Regulation Authority in March 2006.
2. The MSLA sets out the metering services that Western Power must provide and the terms and conditions it must offer, including applicable charges. The MSLA automatically applies to metering services if a user does not have its own agreement with Western Power.
3. The MSLA has not been amended since March 2006.
4. On 13 November 2019, Western Power submitted a proposed revised MSLA to the ERA in accordance with Division 6.2 of the Metering Code.¹
5. As required under clause 6.20(2) of the Metering Code, the ERA published a notice to initiate a review of Western Power's MSLA on 21 November 2019.² The ERA published Western Power's proposed revised MSLA and invited public submissions from Metering Code participants and interested parties.
6. The public consultation period closed on 19 December 2019. The ERA received one submission, from Synergy.³
7. The ERA published a consultation paper on 18 March 2020 setting out details of the proposed changes and its preliminary views, highlighting areas where the ERA was particularly seeking feedback from stakeholders with practical experience of metering services.
8. Submissions were received from Western Power, Synergy and Alinta.⁴ The ERA has taken account of those submissions to make its draft findings.
9. The ERA's view is that amendments are needed to the proposed MSLA so that it complies with the requirements of the Metering Code. Details of the ERA's review and draft findings are set out in the following pages.
10. The changes required include:
 - Amending the process for requesting services.
 - Amending the process for changing the meter reading schedule.
 - Clarifying the service standards.
 - Amending prices, the process for updating prices and cancellation fees.
 - Clarifying Western Power's obligations and responsibilities for the delivery of metering services and the consequences if those services are not provided in accordance with the MSLA.

¹ The *Electricity Industry (Metering) Code 2012* replaced the *Electricity Industry (Metering) Code 2005*.

² A copy of Western Power's proposal can be found here: <https://www.erawa.com.au/electricity/electricity-access/western-power-network/model-service-level-agreement>

³ The submission received can be found here: <https://www.erawa.com.au/electricity/electricity-access/western-power-network/model-service-level-agreement>

⁴ The submissions received can be found here: <https://www.erawa.com.au/electricity/electricity-access/western-power-network/model-service-level-agreement>

11. As required under the Metering Code, the ERA has published its draft findings for consultation for 20 business days. The ERA will take account of any submissions received and then publish its final finding with details of any amendments required to the MSLA.
12. Western Power will be required to amend the MSLA in accordance with the ERA's final findings. If Western Power fails to amend the document in accordance with the final findings, the ERA will publish an amended MSLA.

Background

Regulatory requirements

13. The Metering Code requires Western Power to have an MSLA specifying the metering services provided, together with the service levels and prices for those services. The MSLA and any amendments to it must be approved by the ERA.
14. Under clause 5.2 of the Metering Code, the MSLA automatically applies if there is no written service level agreement:

5.2 Unwritten service level agreement adopts model service level agreement

If a network operator provides, and a user accepts, a metering service and there is no written service level agreement between the parties in respect of the metering service, then unless the parties agree otherwise, the terms of the unwritten service level agreement for the metering service are to be taken to be those set out in the model service level agreement in respect of the metering service.

15. Clause 6.5 of the Metering Code states the requirements for all documents required under the Metering Code:⁵

6.5 Requirements for all documents

A *document* must:

- (a) comply with this *Code*; and
- (b) not impose inappropriate barriers to entry to a market; and
- (c) be consistent with *good electricity industry practice*; and
- (d) be reasonable; and
- (e) be consistent with the *Code objectives*; and
- (f) be consistent with the *market rules*; and
- (g) unless this *Code* requires otherwise, be consistent with other enactments.

16. The Metering Code objectives are set out in clause 2.1 of the Metering Code:

2.1 Code Objectives

- (1) The *Code objectives* are to:

⁵ The Metering Code also requires Western Power to have:

- A metrology procedure containing information on the devices and methods used to measure, record, prepare and provide energy data. The procedure must also specify the minimum requirements for meters and metering installations, the procedures for estimating, substituting and validating energy data and procedures for ensuring accuracy of meters.
- A mandatory link criteria specifying any communication links required as part of a metering installation.
- Communication rules setting out rules for the communication of information and data between Code participants.

- (a) promote the provision of accurate metering of electricity production and consumption;
 - (b) promote access to and confidence in *data* of parties to commercial *electricity* transactions;
 - (c) facilitate the operation of Part 8 and Part 9 of the Act, the *Customer Transfer Code* and the *Code of Conduct*.
- (2) *Code participants* must have regard to the *Code objectives* when performing an obligation under this *Code*, whether or not the provision under which they are performing refers expressly to the *Code objectives*.

17. Clause 6.6 of the Metering Code sets out the requirements specific to the MSLA:

6.6 Requirements for model service level agreement

- (1) A *model service level agreement* must at least:
- (a) specify the *metering services* that the *network operator*:
 - (i) must provide (which must include at least all the *metering services* that this *Code*, the *Code of Conduct* and the *Customer Transfer Code* require the *network operator* to provide); and
 - (ii) may provide, to other *Code participants* on request,
 and
 - (b) for each *metering service* referred to in clause 6.6(1)(a), specify:
 - (i) detailed description of the *metering service*; and
 - (ii) a timeframe, and where appropriate other service levels, for the performance of the *metering service*,
 and
 - (c) subject to clause 5.21(9), specify the maximum *charges* that the *network operator* may impose for each *metering service* referred to in clause 6.6(1)(a); and
 - (d) if any of the *charges* specified under clause 6.6(1)(c) is variable, provide details of the methodology and cost components that will be used to calculate the variable *charge* including (where applicable) hourly labour rates, distance-related costs and equipment usage costs; and
 - (e) provide that the *charges* which may be imposed under a *service level agreement* may not exceed the costs that would be incurred by a *network operator* acting in good faith and in accordance with *good electricity industry practice*, seeking to achieve the lowest sustainable costs of providing the relevant *metering service*; and
 - (f) require the *network operator* to *publish*, annually, a list setting out for each *metering point* on the *network* either:
 - (i) each *date* for a *scheduled meter reading* in the coming year; or
 - (ii) the *reading day number* to apply for the current year,
 and specify the procedures by which, and frequency with which, this list may be revised;
 and
 - (g) specify the procedures for a *Code participant* to make a request for *metering services* (“**metering service order**”) and the procedures for dealing with a *metering service order*.

{Note: Without limiting clause 6.6(1), a *model service level agreement* must, at least:

- (a) specify service levels (including timeframes) under clause 3.11(2);
- (b) specify test and audit service levels under clause 5.21;
- (c) contain a mandatory charging provision under clause 5.21(9);
- (d) specify the service levels (including timeframes) for the provision, installation, operation and *maintenance of metering installations* under clause 3.5(1);
- (e) specify a time limit for the purposes of clause 5.13(2);
- (f) specify service levels (including timeframes) for *metering repairs*.)

(2) The paragraphs of this clause 6.6 do not by implication limit each other.

18. Clause 6.20 sets out the requirements for the review and amendment of all documents required under the Metering Code:

6.20 Review and amendment of network operator's documents (other than communication rules)

- (1A) This clause 6.20 does not apply in respect of communication rules.
- (1) The Authority may in its absolute discretion:
- (a) of its own initiative; or
 - (b) upon request by a Code participant,
- require or permit a network operator to amend a document provided that the document as amended must comply with this Code.
- (2) Before requiring or permitting an amendment to a document under this clause 6.20, the Authority must initiate a review of the document under clause 6.20(3), which review may be of the whole document or only that part of the document for which the amendment is proposed.
- (3) The Authority must, if it undertakes a review under this clause 6.20:
- (a) within 50 business days after initiating the review:
 - (i) publish its draft findings in relation to the review; and
 - (ii) notify the network operator of its draft findings;
 and
 - (b) allow a period of at least 20 business days after publication of the draft findings for persons to make submissions in relation to the draft findings; and
 - (c) within 10 business days after the end of the period in 6.20(3)(b):
 - (i) publish its final findings in relation to the review (which must detail any amendments required to the document) together with any submissions made under clause 6.20(3)(b) in relation to the review; and
 - (ii) notify the network operator of its final findings.
- (3A) The Authority may on one or more occasions extend the time limits specified in clauses 6.20(3)(a) and 6.20(3)(c) for a period determined by the Authority.

- (3B) The Authority must not exercise the power in clause 6.20(3A) to extend the time limits specified in clauses 6.20(3)(a) and 6.20(3)(c) unless, before the day on which the time would otherwise have expired, it publishes notice of, and reasons for, its decision to extend the time limit.
 - (4) The network operator must amend any document in accordance with the Authority's final findings.
 - (5) The network operator must publish any document that has been amended under clause 6.20(4).
 - (6) If a network operator fails to amend a document as required under clause 6.20(4), the Authority may publish the amendment, and the document has effect as amended by the published amendment, from the time of publication or such other time as is stated in the publication.
19. The ERA must also have regard to the requirements of section 26 of the *Economic Regulation Authority Act 2003*:
- 26. Authority to have regard to certain matters**
- (1) In performing its functions, other than the functions described in section 25(c)⁶ and (d)⁷, the Authority must have regard to –
 - (a) the need to promote regulatory outcomes that are in the public interest;
 - (b) the long-term interests of consumers in relation to the price, quality and reliability of goods and services provided in relevant markets;
 - (c) the need to encourage investment in relevant markets;
 - (d) the legitimate business interests of investors and service providers in relevant markets;
 - (e) the need to promote competitive and fair market conduct;
 - (f) the need to prevent abuse of monopoly power or market power;
 - (g) the need to promote transparent decision-making processes that involve public consultation.
 - (2) The Authority has the discretion as to the weight it gives to each of the matters referred to in subsection (1) in the performance of a particular function.
 - (3) Nothing in subsection (1) limits a provision of another written law that requires the Authority, in performing a particular function, to have regard to, or take into account, particular objectives, considerations or other matters.
 - (4) If there is any conflict or inconsistency between subsection (1) and a provision described in subsection (3), the latter provision prevails to the extent of the conflict or inconsistency.

Western Power's proposal

- 20. Western Power's MSLA has not been amended since it was first approved by the ERA in March 2006.
- 21. The details of Western Power's proposal are set out in the relevant sections below.

⁶ The functions it is given by or under the *National Gas Access (WA) Act 2009*.

⁷ The functions referred to in section 20(1) of the *Railways (Access) Act 1998*.

Public consultation

22. As required under clause 6.20(2) of the Metering Code, the ERA published a notice to initiate a review of Western Power's MSLA on 21 November 2019. The ERA published Western Power's proposed revised MSLA and invited public submissions from Metering Code participants and interested parties.
23. The ERA received one submission, from Synergy. Synergy stated that it supported the proposed metering service standards, metering service descriptions and metering service transactions. However, Synergy submitted there were additional matters it considered the ERA needed to determine on terms and conditions and pricing.
24. As part of its review of Western Power's MSLA, the ERA published a consultation paper on 18 March 2020 setting out details of the proposed changes and its preliminary views, including the matters raised by Synergy. The consultation paper highlighted areas where the ERA was particularly seeking feedback from stakeholders with practical experience of metering services.
25. Submissions were received from Western Power, Synergy and Alinta. Details of the matters raised in submissions are included below in the relevant sections of the draft findings.

ERA review

26. The ERA's review of Western Power's MSLA considered each of the requirements listed in clause 6.6(1) of the Metering Code as set out in the previous section on regulatory requirements.
27. The requirements have been grouped under the headings below:
 - metering services offered
 - metering service descriptions
 - process for requesting metering services
 - meter reading schedule
 - timeframes and service levels
 - charges for metering services
 - terms and conditions.

Metering services offered

28. Clause 6.6(1)(a) sets out the requirements for services to be included in the MSLA:

- (1) A *model service level agreement* must at least:
 - (a) specify the *metering services* that the *network operator*:
 - (i) must provide (which must include at least all the *metering services* that this *Code*, the *Code of Conduct* and the *Customer Transfer Code* require the *network operator* to provide); and
 - (ii) may provide,
 - to other *Code participants* on request,

29. The Metering Code defines a metering service as:

... a service in connection with the measurement of electricity production or consumption, including in connection with:

- (a) the provision, installation, operation and maintenance of metering equipment; and
- (b) the obtaining, provision, storage and processing of data; and
- (c) services ancillary to the services listed in paragraphs (a) and (b) of this definition.

30. The metering services a network operator is required to provide under the Metering Code include:

- Clause 3.5(1) – ensure that there is a *metering installation* at every *connection point* on its *network* which is not a *Type 7 connection point*.⁸
- Clause 3.5(3) – provide, install, operate and maintain the *metering installations*:
- Clause 5.3 – read meters.
- Clause 5.6 – provide energy data after the meter reading.
- Clause 5.8 – provide data for user’s obligations under the *Code of Conduct for the Supply of Electricity to Small Use Customers*.
- Clause 5.9 – provide standing data to users.⁹
- Clause 5.10 – provide standing data to retailers.
- Clause 5.11 – provide standing data to an incoming retailer.
- Clause 5.12 – provide energy data on request to current users.
- Clause 5.13 – provide standing data on request to current users.
- Clause 5.14 – provide bulk standing data on request to current users.
- Clause 5.17 – provide energy data and standing data to third parties if directed to do so by a customer.

⁸ Clause 3.9(2) states a connection points is Type 7 if it is associated with one or more of the following loads:

- Street, traffic, park, community, or security lighting; or
- Ticket issuing machines, parking meters, or community watering systems; or
- Telephone service requirements; or
- Loads consuming less than the starting electric current of a meter;
- Or other loads of a similar nature.

⁹ Clause 4.3 of the Metering Code sets out a description and source of information that must be recorded as standing data by the network operator in the metering database.

- Clause 5.20 – undertake energy data verification on request.
 - Clause 5.21 – undertake tests and audits on request.
31. Metering services required to meet Code of Conduct obligations include:
- meter readings for customer billing
 - meter readings on request
 - verification of energy data and meter readings on request
 - installing and energising connections
 - de-energising and re-energising connections.
32. Metering services required to meet Customer Transfer Code obligations include:
- provide standing data
 - provide historical consumption
 - install new meters
 - provide meter readings.

Western Power's proposal

33. The current MLSA includes “standard” metering services and “extended” metering services. Standard metering services include:
- meter installation and energisation
 - scheduled meter readings
 - meter repairs and replacements not requested by users
 - standing data and historical energy data provision.
34. The costs of standard metering services are recovered through network charges under Western Power's access arrangement.
35. Extended metering services include:
- Meter re-configurations, exchanges and communication installations requested by users.
 - Non-scheduled special meter readings requested by users.
 - Meter investigations and testing requested by users.
 - De-energising and re-energising users.
36. The costs of extended metering services are recovered through the MSLA fees.
37. Western Power's proposal included:
- Combining all the current individual scheduled meter reading services into a single scheduled meter reading service.
 - Introducing three categories of standard metering services.
 - Various amendments to the other services offered in the current MSLA.
38. Details of the proposal are included in the ERA's findings below.

Review

Scheduled meter reading services

39. Western Power has consolidated the individual scheduled meter reading services in the current MSLA into a single service. The proposed service, MS-1 Scheduled Energy Data Provision, replaces current services:
- 9. Scheduled Bi-Monthly Meter Reading
 - 10. Scheduled Monthly Meter Reading
 - 14. Manually Collected Energy Interval Data (Monthly)
 - 15. Remotely Collected Energy Interval Data (Monthly)
 - 16. Remotely Collected Energy Interval Data (Daily)
40. Table 2 of Schedule 2 in the proposed MSLA sets out the suite of energy data provision services available under the access arrangement.
41. Scheduled energy data provision continues to be a standard metering service with the costs recovered through network charges.
42. The proposed changes are consistent with the ERA's decision on Western Power's revised access arrangement for the period 2017 to 2022. The ERA required Western Power to unbundle metering from network services and include a suite of metering services in the access arrangement. Users are now able to choose the frequency and type of meter reading they want through the same process they use to acquire network services, rather than being required to undertake a separate application process under the MSLA. The process for scheduled meter reading services continues to be included in the MSLA.

Categorisation of metering services

43. To accommodate the changes to metering services in the access arrangement, Western Power proposed expanding Standard Metering Services into three new categories:
- "Reference Service (Metering) (standard metering service)"
 - "Additional Reference Service (Metering)"
 - "Accessory Metering Services – Reference Services (Metering)".
44. The proposed classification for each Standard Metering Service is set out in Table 1.

Table 1: Western Power’s proposed new classifications for Standard Metering Services

Proposed services and classification	
Reference Service (Metering) (standard metering service)	MS-1 Scheduled Energy Data provision MS-2 Meter installation and energisation
Additional Reference Service (Metering)	MS-1 Scheduled Energy Data provision ¹⁰ MS-20 One-off manual Interval Read
Accessory Metering Services – Reference Services (Metering)	MS-3 Standing data provision MS-4 Historical energy data provision MS-5 Metering installation repair MS-6 Meter upgrade/replace (not User requested)

45. Services classified as “Reference Service (Metering) (standard metering service)” and “Additional Reference Service (Metering)” are obtained through the access arrangement processes. Requests for services classified as “Accessory Metering Services – Reference Services (Metering)” are made under the MSLA processes.
46. Consistent with the Standard Metering Services in the current MSLA, the costs for all three new categories of Standard Metering Services will be recovered through network charges under the access arrangement.
47. The proposed changes are consistent with the ERA’s decision on Western Power’s revised access arrangement for the period 2017 to 2022.

Other amendments to the list of metering services

48. In its proposed MSLA, Western Power renamed, renumbered and re-ordered the existing services. Some services were modified or deleted, and new services were added.
49. Table 2 below provides a line by line comparison of each current service with the proposed service and a brief description of changes.

¹⁰ MS-1 Scheduled Energy Data provision is included as both a “Reference Service (Metering) (standard metering service)” and an “Additional Reference Service (Metering)” as it depends whether it is the default metering service for the user’s network reference service or the user has chosen a different metering service.

Table 2: Summary of Western Power's proposed changes to services included in the MSLA

Current service	Proposed service	Description
1. Establishment and Energisation of a Metering Connection Point	MS-2 Meter installation and energisation	Current service continues to be offered.
2. Meter Upgrade	MS-6 Meter upgrade/replace (not User requested)	Current service continues to be offered.
3. Meter Change: <ul style="list-style-type: none"> • 3a CT interval meter upgrade • 3b. Direct interval meter installation three phase • 3c. Direct interval meter installation single phase • 3d. Direct meter change single phase • 3e. Direct meter change three phase • 3f. Direct interval meter change three phase • 3g. Direct interval meter change single phase 	MS-9 Meter exchange <ul style="list-style-type: none"> • A. Single phase whole current meter • B. Three phase whole current meter • C. Current transformer meter 	The description of meters offered has been updated because accumulation meters are no longer being installed.
4. De-Energise <ul style="list-style-type: none"> • Direct Meter De-Energise Single Phase and Three Phase 	MS-7 De-energise (manual) <ul style="list-style-type: none"> • A. Low voltage supply • B. High voltage supply 	The proposed service differentiates between low voltage and high voltage supplies. <ul style="list-style-type: none"> • High voltage is any nominal voltage above 1kV • Low voltage is any nominal voltage of 1kV and below.
5. Re-Energise <ul style="list-style-type: none"> • Direct Meter Energising Single and Three Phase 	MS-8 Re-energise (manual) <ul style="list-style-type: none"> • A. Standard – low voltage supply • B. Urgent – low voltage supply • High voltage supply 	The proposed service differentiates between high and low voltage. An urgent re-energise for low voltage supplies has been added.
6. Meter Investigation	MS-10 Meter investigation	Current service continues to be offered.

7. Communications Installation: <ul style="list-style-type: none"> • 7a. On existing compatible interval meter • 7b. With the interval meter installation. 	MS-11 Communications link installation <ul style="list-style-type: none"> • A. Radio frequency communications link • B. Cellular communications link 	A separate service to install a communication link with a new meter is no longer required as new meters include a communications link.
8. Supply Abolishment <ul style="list-style-type: none"> • 8a. Residential • 8b. Commercial 	Removed	This service was approved as a reference service - D1 - in the access arrangement.
11. Non-Scheduled Special Meter Reading <ul style="list-style-type: none"> • Metro • Country 	MS-19 Non-scheduled special meter reading <ul style="list-style-type: none"> • A. Accumulation Meter (Manual with or without Nomination Date) • B. Interval Meter (Manual with or without Nomination Date) • C. Interval Meter (Remote) • D. Appointment – Accumulation Meter (Manual) • E. Appointment – Interval Meter (Manual) 	The proposed service differentiates between manual, remote and interval readings and whether an appointment is required. Separate metro and country services are no longer specified as this is taken into account in the charges.
12. Card Meter Reading	Discontinued	No longer offered as a specific service.
13. Customer Meter Reading	Discontinued	No longer offered as a specific service but a customer reading can be used if agreed with Western Power.
17. Historical Energy Interval Data (up to 12 months or part thereof)	MS-4 Historical Energy Data provision	Proposed service includes up to 24 months data.
18. Standing Data Provision	MS-3 Standing data provision	Current service continues to be offered.
19. Energy Interval Data Produced by Survey Meter	Discontinued	No longer offered.

20. Additional Historical Energy Interval Data (13 to 24 months)	Included in MS-4	Still offered but included in MS-4.
21. Verify Meter Data	MS-18 Verify meter energy data	Current service continues to be offered.
22. Enablement of Signal Capabilities <ul style="list-style-type: none"> • 22a. Enablement of signal capabilities and signal maintenance. • 22b. Option of up front capital cost to retro fit signals (signals not maintained). • 22c. Option of up front capital to enable signal when meter installed (signals not maintained). • 22d. Maintenance of signals for options 22b and 22c. 	MS-16 Enablement of signal pulse outputs	Reduced to a single service.
23. Meter Test (laboratory) – Single and Three Phase <ul style="list-style-type: none"> • 23a. Single phase • 23b. Three phase 	MS-13 Meter test (laboratory) <ul style="list-style-type: none"> • A. Single phase whole current meter • B. Three phase whole current meter 	Current service continues to be offered.
24. Meter Test (on site) – Single and Three Phase <ul style="list-style-type: none"> • 24a. Single phase • 24b. Three phase 	MS-14 Meter test (on-site) <ul style="list-style-type: none"> • A. Single phase whole current meter • B. Three phase whole current meter • C. Current transformer meter 	The proposed service includes current transformer meters.
25. CT Meter Test (on site)	Included in MS-14	
26. Meter Installation Repair	MS-5 Metering installation repair	Current service continues to be offered.
27. Meter Reconfiguration	MS-15 Meter reconfiguration <ul style="list-style-type: none"> • A. Manual • B. Remote 	Proposed service differentiates between manual and remote meter re-configurations.

N/A	MS-12 Communications link de-activation	New service.
N/A	MS-17 Remove meter	New service
N/A	MS-20 One off manual interval read	This metering service is selected and charged for under the access arrangement.

50. Generally, Western Power has expanded the list of current services. As set out in its consultation paper, the ERA considered that the proposed list of services met the requirements of clause 6.6(1)(a)(i) to include at least all of the metering services the network operator is required to provide under the Metering Code, the Code of Conduct and the Customer Transfer Code.
51. The ERA sought feedback from users of Western Power's metering services to confirm that the list of services includes all of the services required under the Metering Code, Code of Conduct and the Customer Transfer Code.
52. Synergy confirmed the metering services included in the proposed MSLA were sufficient to meet Synergy's requirements.
53. Alinta requested an additional service to allow customers to change their "meter read route":
 - There is no regulated service allowing customers to change their "meter read route", despite this being a common requirement.
 - Instead, customers have been instructed to request this through a 'miscellaneous service order' and a generic 'miscellaneous services' charge is applied. As a result, the price paid for a meter read route change is not reflective of the cost of the service.
 - Proposed solution
 - The MSLA be amended to include a service allowing customers to switch meter read routes and for a cost-reflective charge to be applied.
54. In response to Alinta's request, Western Power has proposed adding a new service for route alterations. As the service has been requested by a user and Western Power has agreed, the ERA is satisfied that it should be added to the list of services in the MSLA.
55. Based on its review of the proposed list of services and the feedback from stakeholders, the ERA is satisfied the proposed list of services meets the requirements of clause 6.6(1)(a)(i) to include at least all of the metering services the network operator is required to provide under the Metering Code, the Code of Conduct and the Customer Transfer Code.

Metering service descriptions

56. Clause 6.6(1)(b)(i) sets out the requirement for detailed descriptions of metering services:
- (1) *A model service level agreement must at least:*
 - ...
 - (b) for each *metering service* referred to in clause 6.6(1)(a), specify:
 - (i) detailed description of the *metering service*;

Western Power's proposal

57. The current MSLA combines service descriptions and service standards in Schedule 3.
58. In its revised MSLA, Western Power separated service descriptions and service standards. Service descriptions are set out in Schedule 3 and service standards have been moved to Schedule 4.
59. Western Power amended the service descriptions to incorporate the changes to metering services.

Review

60. As required under clause 6(1)(b)(i), the proposed MSLA includes a description for each service. The ERA considers the level of detail must be adequate to enable users to clearly understand the service that will be delivered.
61. In its consultation paper, the ERA sought feedback from users on whether the proposed descriptions are sufficiently detailed to enable them to clearly understand the service that will be delivered.
62. Synergy considered the “proposed descriptions are sufficiently detailed to understand the service that will be delivered together with other clarifications in the terms and conditions provide sufficient detail of the service that will be delivered.”
63. Alinta confirmed that it was generally satisfied with the proposed descriptions, including the proposed change to the service description of standing data provision (MS-3) which clarified that users may use this service to request bulk standing data for multiple metering points. However, Alinta raised concerns about bulk standing data requests creating large administrative burdens for both parties.

... Alinta Energy expects this service is often difficult for Western Power to provide; and notes that data is often provided in a format that is difficult for Alinta to reconcile and verify, causing iterations between Alinta Energy and Western Power.

Additionally, this situation is recurring because Alinta Energy tends to require this service for data necessary for routine operations, including billing; and this data is not readily available via the web portal.

Proposed solution

The MS-3 service description be amended to prescribe the format in which the Standing Data is provided. This will help customers interpret the data more easily and remove the need for iterations between customers and Western Power.

However, Alinta Energy suggests a more efficient solution would be for the data that Alinta often requests via informal Standing Data requests to be made available via the

web portal. This will reduce administrative costs for both Western Power and retailers in the long term. This data includes:

- CMD values for RT7/RT8
- An identifying flag for Grouped & Multiple Point of Supply NMI groupings (including the grouping # and the other NMIs in the group)
- An identifying flag where a non-standard network tariff/contract exists.
- The NMI's network tariff history.
- Information on whether any of the new AA4 reference services apply.

64. In response to Alinta's concerns, Western Power submitted that none of the data items listed by Alinta were standing data and that the communication rules were the appropriate instruments for addressing Alinta's requirements. Western Power has undertaken to improve its processes to ensure the format is consistent and aligns with the communication rules requirements and will provide users with an email address to use for requests to streamline the process as required in the current communication rules.

65. Subsequent correspondence with Alinta confirmed that it accepted Western Power's view that changes to the information provided via the web portal must be dealt with via changes to the communications rules and that it supported Western Power's proposal to ensure the format for data was consistent and aligned with the communication rules.

66. As discussed in the previous section on metering services, Western Power has agreed to add a new service for users to request a meter reading route alteration as requested by Alinta. The proposed service description is as follows:

Route Alteration

This Metering Service may be requested by the User to change a meter read route.

Where this Metering Service is requested, Western Power will adjust the meter read route to align with the requested route.

Eligibility Criteria:

- A Miscellaneous Service Order in accordance with the Communications Rules.
- Requested route is Remote-BiMonthly or Remote-Day of Month or Remote-Day of Week.
- Existing route is Remote-BiMonthly or Remote-Day of Month or Remote-Day of Week.
- The Meter is a model and configuration suitable for the Service being requested.
- A Route Alteration, for the requested meter, has not occurred within 30-days prior.

67. Subsequent correspondence with Alinta confirmed that it considered the proposed service would deal with the issues raised in its submission on the ERA's consultation paper.

68. Based on its review of the service descriptions in the proposed MSLA and feedback from stakeholders, the ERA is satisfied the proposed MSLA meets the requirements of clause 6(1)(b)(i) to include a detailed description for each metering service.

Process for requesting metering services

69. Clause 6.6(1)(g) sets out the requirements for metering service requests:
- (1) A *model service level agreement* must at least:
 - ...
 - (g) specify the procedures for a Code *participant* to make a request for *metering services* (“**metering service order**”) and the procedures for dealing with a *metering service order*.
70. Clause 5.1(4) of the Metering Code is also relevant to the process for requesting metering services as it specifies the information to be submitted by a Metering Code participant to a network operator when requesting a metering service from the network operator is detailed in Appendix 4 of the Metering Code.
71. Appendix 4 of the Metering Code includes the following requirements for requests for metering services:
- The network operator must develop a metering service order form suitable for transmission by electronic communication for use by users.
 - Upon the successful, or unsuccessful, completion of the work, or the cancellation of a metering service order, the network operator must send a response to the user with details of the status of the requested work.
 - Completion of a metering service order may result in either or both of changes to standing data and collection of energy data, in which case the relevant provisions of the Metering Code apply.
 - A user may request a preferred appointment date and time and the network operator must make reasonable endeavours to perform the metering service at that preferred date and time.
 - Unless otherwise agreed, a user who wishes to revise a previously notified preferred date and time must request the network operator to cancel the metering service order and must submit a new order specifying the new preferred date and time.
 - The network operator must publish a form to allow a user to request the network operator to cancel a metering service order.
 - Upon receipt of a request to cancel a metering service order, the network operator must use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred.

Western Power’s proposal

72. Clause 3.3 of the current MSLA sets out how users can request metering services:

The *user* may request the provision of new or additional *metering services*, or the cancellation of *metering services*, which are being provided by Western Power under this Agreement by submitting to Western Power a *service request* in accordance with the *Code* and the *communication rules*. Detail in relation to the transactions, processes and procedures will be provided in the *build pack*.¹¹

¹¹ “Communication rules” are required under the Metering Code and set out rules for the communication of information and data between Metering Code participants.

73. “Service Request” is defined as “either a written or electronic request submitted by the User to Western Power, in accordance with the communication rules.”
74. In its revised MSLA, Western Power amended clause 3.3 to the following:

The User may request the provision of Metering Services under this Agreement, by submitting to Western Power a Service Order in accordance with the Code and the Communication Rules.
75. Western Power defined “Service Order” as “a request for a Service submitted by the User to Western Power in accordance with the communication rules.”
76. The type of service order required for each metering service is included in the service descriptions in Schedule 3. A diagram of the service order process is included in Figure 1 of Schedule 4.

Review

77. The ERA has compared the processes included in the proposed MSLA with the requirements of the Metering Code.
78. As set out in its consultation paper, the ERA considered the proposed MSLA complied with the requirements of clause 6.6(1)(g) and Appendix 4 of the Metering Code with two exceptions.
 - Appendix 4 provides for users to request a preferred appointment date and time and the network operator must make reasonable endeavours to perform the metering service at that preferred date and time. The proposed MSLA only includes provisions for a user to request a nominated date or appointment time for non-scheduled special meter readings.
 - Appendix 4 requires the network operator to publish a form to allow a user to request to cancel a service order. The proposed MSLA included cancellation fees but a process and form to request a cancellation was not included.
79. The ERA considered that the MSLA must include:
 - a process for requesting a preferred appointment time for all metering services
 - a process for requesting the cancellation of services.
80. Synergy acknowledged that Western Power’s communication rules currently make reference to how appointments and service order cancellations are managed including timeframes. However, Synergy considered that the contractual matters and terms, such as how the services are requested and the timeframes that apply, were required to be detailed in the MSLA:

It is important to note under clause 6.7 of the Code, the communications rules are required to specify the detailed technical specifications including file formats, protocols and timeframes as to how data and information communication is to be implemented to permit users to design and commission systems for it to engage in business-to-business communications for Code purposes. The contractual matters and terms such as what the service does, how it is requested and the timeframes that apply should be detailed in the MSLA as contemplated under clause 6.1 of the Code.

Synergy supports the ERA’s findings and notes that the (build pack) communication rules currently makes references to how appointments and service order cancellations are managed including timeframes. Synergy supports further clarification of these requirements in the MSLA to ensure the matters detailed in the build pack are

consistent with the Code. Therefore, Synergy also supports the ERA's required amendment in relation to appointments and service order cancellations.

Synergy also understands WP has consulted participants on making further changes to the build pack to support the roll out of its advanced metering infrastructure. Therefore, Synergy considers the matters (detailed above) raised by the ERA would also apply to services in relation to the new advanced metering infrastructure.

81. Western Power submitted that its communication rules set out business processes for requesting a preferred date and time for a service and the process for cancelling a service order.

The MSLA closely interacts with the Communication Rules, which incorporate the Build Pack.

Section 2.6 of the WA B2B Procedure – Service Order Process, the relevant document under the Communications Rules, sets out the business process for actioning a service order. Section 2.6.2 details business processes relating to requesting a preferred date and time for a service.

Section 2.10 of the WA B2B Procedure – Service Order Process, the relevant document under the Communications Rules, sets out the business process for cancelling a service order.

Clause 5.1(4) of the Code provides that the information to be submitted by a Code participant to a network operator when requesting a metering service from the network operator is detailed in Appendix 4.

Appendix 4 then sets out the information a network operator's metering service order form must require the user to provide. It then sets out certain other matters (which go beyond information to be requirements of the Code participant). These include that the user may provide the network operator with a preferred appointment date and time for the network operator to carry out the metering service order. It also includes that the network operator must publish a form to allow a user to request the network operator to cancel a metering service order, what the form must require a user to provide and other related matters.

Appendix 4 does not require a process for requesting a preferred appointment date and time or for requesting a cancellation to be included in the MSLA. Similarly, clause 6.2(1)(g) of the Code does not require these processes. However, as noted above the ERA's concerns are addressed in practice by the MSLA making specific reference to the Communications Rules where the ERA's required processes can be found and employed by a user.

...

Western Power requests that the ERA reconsider its preliminary finding and the additional information provided above relating to interaction of the MSLA with the Communication Rules.

82. Western Power considered that Appendix 4 of the Metering Code did not require the MSLA to include processes for requesting a cancellation or preferred appointment date or time. Western Power's argument appears to hinge on the fact that Appendix 4 is not explicitly referred to in the requirements set out in clause 6.6. However, clause 6.6 does not limit the matters that should be addressed in a MSLA (it says must "at least").
83. It is clear from Appendix 4 that the Metering Code requires users to be able to request a cancellation or preferred appointment date or time and the network operator must make reasonable endeavours to perform the metering service at that preferred date and time. As clause 6.6(1)(g) specifies the MSLA must include procedures for a Code participant to make a request for metering services ("metering service order") and the procedures for dealing with a metering service order, it follows that those procedures

should include cancellation of the metering service and requesting a preferred appointment date or time.

84. Clause 6.6(1)(g) requires the procedures for requesting and dealing with metering service orders to be included in the MSLA. The communication rules deal with the detailed technical specifications as set out in clause 6.7(1)(aa) of the Metering Code:

specify, or incorporate by reference, detailed technical specifications (including file formats, protocols and timeframes) as to how data and information communication is to be implemented, and as to how the necessary information systems are to be designed and developed;

85. Clause 3.3 must be amended as follows:

The User may request the provision of Metering Services, [or the cancellation of Metering Services](#), under this Agreement, by submitting to Western Power a Service Order in accordance with the Code and the Communication Rules. [The User may request a preferred appointment date and time and Western Power must make reasonable endeavours to perform the Metering Service at that preferred date and time.](#)

Required Amendment 1

Western Power must amend clause 3.3 as follows:

The User may request the provision of Metering Services, or the cancellation of Metering Services, under this Agreement, by submitting to Western Power a Service Order in accordance with the Code and the Communication Rules. The User may request a preferred appointment date and time and Western Power must make reasonable endeavours to perform the Metering Service at that preferred date and time.

Meter reading schedule

86. Clause 6.6(1)(f) sets out the requirements for meter reading schedules:

(1) A *model service level agreement* must at least:

...

(f) require the *network operator* to *publish*, annually, a list setting out for each *metering point* on the *network* either:

(i) each *date* for a *scheduled meter reading* in the coming year; or

(ii) the *reading day number* to apply for the current year,

and specify the procedures by which, and frequency with which, this list may be revised;

Western Power's proposal

87. The current MSLA includes the requirements of Clause 6.6(1)(f) on pages 31 and 33 of Schedule 3:

When a network connection is established, the network operator will assign a metering reading frequency ..., and a specific route and reading cycle day, along with a best fit in schedule and route optimisation.

The *network operator* will *publish*, each year all metering reading schedules for all network connection points for the following calendar year by October 31. Any subsequent additions (or changes) to this *published* schedule during the year will added to the existing schedule and *published*, following consultation with the relevant and impacted *Code participants*.

88. In the proposed MSLA, meter reading schedule requirements have been included in the service description for MS-1 Scheduled Energy Data Provision on page 36:

When a Metering Point is established, Western Power will assign a Reading Day Number to a Meter in the Meter Reading Schedule.

Western Power will publish a Meter Reading Schedule, for the following calendar year by 31 October each year. New meters will be added to the Meter Reading Schedule, during the year as new Metering Points are established. Western Power may amend the Meter Reading Schedule during the year for Meter Reading optimisation, following consultation with the User. Where amended, Western Power will publish an amended Meter Reading Schedule.

Review

89. As set out in its consultation paper, the ERA considered that the proposed MSLA met the requirements of clause 6.6(1)(f) to publish annually a meter reading schedule and assign meter reading dates to each meter. However, the ERA considered that the proposed MSLA did not comply with the requirement to specify the procedures by which, and the frequency with which, the meter reading schedule may be revised.

90. Changes to the reading day number affects the billing of customers. It could lead to a retailer not being able to comply with its obligations to its customers.

91. The ERA considered that greater detail was needed about when and how changes can be made to the meter reading schedule, including when users would be notified, what consultation would be undertaken and how Western Power would ensure users are able to meet their customer obligations.

92. Western Power submitted the matter would be better dealt with in the communication rules.

The MSLA closely interacts with the Communication Rules, which incorporate the Build Pack. The Build Pack details the B2B procedures for day to day communication between Western Power and Code participants.

Western Power considers that the ERA's finding would be better dealt with in the B2B procedures than the MSLA.

...

Western Power does not support this required amendment.

Western Power's proposed MSLA meets the requirements of the Code. The procedures are specified by which the list may be revised (consultation with users) and the frequency with which the list may be revised set out (as new metering points are established and following consultation with users).

The ERA is concerned about a retailer being able to comply with obligations to its customers and requires Western Power to ensure users are able to meet their billing obligations. This is not an obligation to be placed on Western Power that is authorised by the Code. It is a matter for users.

However, Western Power is willing to consider a change to the Build Pack to include further detail about the process of consultation with users (during which they can be concerned with their responsibility to users). Western Power proposes an amendment to the MSLA as [highlighted](#) below:

Western Power will publish a Meter Reading Schedule, for the following calendar year by 31 October each year. New Meters will be added to the Meter Reading Schedule, during the year as new Metering Points are established. Western Power may amend the Meter Reading Schedule during the year for Meter Reading optimisation, following consultation with the User in [accordance with the Communications Rules](#). Where amended, Western Power will publish an amended Meter Reading Schedule.

Western Power requests that the ERA reconsider its preliminary finding and the additional information provided relating to interaction of the MSLA with the Communication Rules.

Western Power proposes that the ERA finding be addressed via a change to the Build Pack.

93. Synergy supported the ERA's findings and considered the required amendment was consistent with clause 5.8 of the Metering Code.

94. Clause 5.8 of the Metering Code states:

A network operator must in accordance with this Code provide a user with whatever information the network operator has, including energy data and standing data, that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations (unless another time is specified in the applicable service level agreement).

95. The ERA considers that compliance with the Metering Code requires the following detail in the MSLA:

- The frequency and process by which changes to the Metering Reading Schedule can be made by Western Power.
- How users will be notified.
- The consultation Western Power will undertake including whether there is an ability of an affected user to request an amendment to the proposed change.

- An acknowledgement that Western Power will consider affected user obligations to customers under the Code of Conduct in making any changes.
96. The ERA considers that the following amendments are required to the service description for MS-1 Scheduled Energy Data Provision on page 36 of the proposed MSLA.

When a Metering Point is established, Western Power will assign a Reading Day Number to a Meter in the Meter Reading Schedule.

Western Power will publish a Meter Reading Schedule, for the following calendar year by 31 October each year. New meters will be added to the Meter Reading Schedule, during the year as new Metering Points are established. Western Power may amend the Meter Reading Schedule during the year for Meter Reading optimisation, following consultation with the User [for a period of not less than 3 weeks](#).

[When amending the Meter Reading Schedule, Western Power must, in good faith, take into account the affected User obligations to customers under the Code of Conduct and any submissions made by Users or potential Users through the consultation process and, as far as practicable, seek to accommodate them.](#)

Where amended, Western Power will publish an amended Meter Reading Schedule [and notify relevant and affected Users not less than 10 Business Days before the amendments take effect](#).

Required Amendment 2

The service description for MS-1 Scheduled Energy Data provision on page 36 of the proposed MSLA must be amended as follows:

... following consultation with the User for a period of not less than 3 weeks.

When amending the Meter Reading Schedule, Western Power must, in good faith, take into account the affected User obligations to customers under the Code of Conduct and any submissions made by Users or potential Users through the consultation process and, as far as practicable, seek to accommodate them.

Where amended, Western Power will publish an amended Meter Reading Schedule and notify relevant and affected Users not less than 10 Business Days before the amendments take effect.

Time frames and service levels

97. Clause 6.6(1)(b)(ii) requires timeframes and service levels to be included in the MSLA:
- (1) A *model service level agreement* must at least [include]:
 - ...
 - (ii) a timeframe, and where appropriate other service levels, for the performance of the *metering service*,
98. The note to clause 6.6(1) includes further requirements relevant to time frames and service levels:
- {Note: Without limiting clause 6.6(1), a model service level agreement must, at least:
- (a) specify service levels (including timeframes) under clause 3.11(2);
 - (b) specify test and audit service levels under clause 5.21;
 - (c) ...
 - (d) specify the service levels (including timeframes) for the provision, installation, operation and maintenance of metering installations under clause 3.5(1);
 - (e) specify a time limit for the purposes of clause 5.13(2);
 - (f) specify service levels (including timeframes) for metering repairs.}

99. Clause 3.11(2) requires that if an outage or malfunction occurs to a metering installation, the network operator must (subject to clause 3.5(7)) make repairs to the metering installation in accordance with the applicable service level agreement:¹²

3.11 Reliability of metering installations

...

- (2) If an outage or malfunction occurs to a metering installation, the network operator must (subject to clause 3.5(7)) make repairs to the metering installation in accordance with the applicable service level agreement.

100. Clause 5.21 deals with metering test and audit requests.¹³

101. Clause 3.5(1) requires a network operator to ensure there is a metering installation at every connection point on its network which is not a Type 7 connection point:

3.5 Requirements for a metering installation

- (1) A network operator must ensure that there is a metering installation at every connection point on its network which is not a Type 7 connection point.

102. Clause 5.13 of the Metering Code sets out the timeframe for providing standing data, including whether there is a communications link at the metering point:

5.13 Current user may request standing data

- (1) If the *current user* for a *metering point* gives the *network operator* a *standing data* request for the *metering point* in accordance with the *communication rules*, then the *network operator* must:
 - (a) provide the *current user* with the complete current set of *standing data* for the *metering point*; and

¹² Clause 3.5(7) states that, unless otherwise agreed, a network operator is not required to maintain any metering equipment owned by a user or user's customer.

¹³ An extract of clause 5.21 of the Metering Code is included at Appendix 4.

- (b) advise whether there is a *communications link* for the *metering point*.
- (2) The *network operator* must comply with clause 5.13(1) within 2 *business days* after receipt of the request.

103. The timeframe for undertaking and providing meter readings is set out in clause 5.3 of the Metering Code:

5.3 Network operator must read meters

A *network operator* must, for each *metering point* on its *network*:

- (a) obtain *energy data* from the *metering installation* for the *metering point*, and
- (b) transfer the *energy data* into its *metering database*,

by no later than 2 *business days* after the *date for a scheduled meter reading* for the *metering point* (or such other time as is specified in applicable *service level agreement*).

104. Timeframes for de-energising and re-energising are set out in the Code of Conduct.

Western Power's proposal

105. The current MSLA combines service descriptions and service standards in Schedule 3.

106. In its revised MSLA, Western Power separated service descriptions and service standards. Service descriptions are set out in Schedule 3 and service standards have been moved to Schedule 4.

107. Schedule 4 describes how timeframes and the performance against service standards are measured.

108. Western Power proposed to increase the following timeframes:

- Meter exchange (metropolitan) - from five business days to 10 business days.
- Meter investigation (metropolitan) – from five business days to 10 business days.
- Communications installation (metropolitan) – from five business days to 10 business days.
- Enablement of signals (metropolitan) - from five business days to 10 business days.
- Enablement of signals (country) – from 10 business days to 15 business days.
- Meter investigation on site test metropolitan - from five business days to 10 business days.
- Meter investigation on site test country – from 10 business days to 18 business days.
- Meter reconfiguration metropolitan - from five business days to 10 business days.

109. The current MSLA includes Key Performance Indicators (KPIs) for each metering service. For example, the service standard for a De-Energise Service in the metropolitan area is stated as one business day after receipt of the request. However, the KPI for all de-energisations is for 95 per cent of requests to be performed by the scheduled date.

110. Western Power proposed to amend some of the KPIs as set out in **Table 3** below.

Table 3: Western Power's proposed KPIs (%)

Service name	Current KPI	Proposed KPI
MS-1 Scheduled meter reading	99.5	99
MS-2 Meter installation and energisation	95	99
MS-3 Standing data provision: Registry updated	100	95
Standing data published		99
MS-4 Historical energy data	100	99
MS-8 Re-energise	98	99
MS-19 Non-scheduled special meter reading	99.5	95
MS-10 Meter Investigation- Inspect	95	95
MS-11 Communications installation	95	95
MS-16 Enablement of Signals	95	95
MS-13 Meter test (laboratory)	95	95
MS-14 Meter Investigation: on-site test	95	95
MS-15 Meter Reconfiguration (Non-AMI)	95	95
MS-18 Verify meter data	98	99

111. Western Power also proposed to amend energy data provision accuracy. In the current MSLA, accuracy is measured based on the number of non-estimated and non-substituted readings subsequently amended by another actual reading and is set at 99.5 per cent.¹⁴

112. As set out on page 63 of the proposed MSLA, Western Power proposed that energy data provision accuracy would be measured on the ratio of actual values (that is, based on a meter reading) to the total number of energy data values (that is, inclusive of estimated and substituted values) and set as follows:

- Manually read meters (not including self-read) – 96 per cent.
- Remotely read meters (not including self-read) – 98 per cent.
- Manual meter reading errors (not including self-read) – less than or equal to 2 per cent.

Review

113. The proposed MSLA includes a timeframe for each metering service offered. The timeframes for services with specified times in the Metering Code, Code of Conduct or Customer Transfer Code all appear to be within the specified times.

¹⁴ An estimated or substituted value may be used if an adequate actual meter reading is not available.

114. The services with timeframes Western Power proposed to increase do not have mandated timeframes. Western Power explained its rationale for amending the timeframes:

As part of the review of the MSLA, Western Power has sought independent benchmarking of existing service standards relative to other jurisdictions. This has identified that in general, the performance targets outlined in the existing Model are similar to those prescribed in other jurisdictions in Australia. However, for a number of meter provision and technical services, the existing Model has shorter timeframes to undertake the work.

Western Power has reviewed the impact of these shorter timeframes and identified that they may be contributing to higher service delivery costs, particularly when servicing Country areas, where scheduling to meet shorter timeframes may result in suboptimal resource utilisation. As a result, Western Power is proposing amended service standards that seek to balance both timeliness and cost efficiency.

115. Western Power provided benchmarking information supporting its case that the proposed revised timelines are in line with timeframes adopted in other jurisdictions.¹⁵
116. As set out in its consultation paper, the ERA considered that the proposed MSLA complied with the requirement to include timeframes and service levels for each metering service and that the proposed timeframes and service levels met the minimum requirements set out in the Metering Code.
117. The ERA sought feedback from users of Western Power's metering services to confirm that the proposed service standards, including energy data provision accuracy, were consistent with the requirements of the Metering Code.
118. Synergy confirmed its support for the proposed service standards and that it was also satisfied with the proposed changes to energy data provision accuracy:
- Synergy did not discuss the energy data provision accuracy in its last submission. However, Synergy prefers and supports the proposed approach and levels in measuring energy data provision accuracy to the method outlined in the current MSLA.
119. No other stakeholders commented on the proposed timelines. Based on its review of the proposed timelines against the requirement of the Metering Code and in the absence of any concerns from users of metering services, the ERA is satisfied that the proposed timelines are compliant with the Metering Code.
120. As described above, in addition to a service standard for each service, the MSLA includes a KPI for each service.
121. As set out in the tables on pages 61 to 62 of the proposed MSLA, each service standard is a specified timeframe. For example, the service standard for de-energisations in the metropolitan area is within one business day after receipt of the request.
122. However, the tables on pages 61 to 62 also include a column headed "KPI". The KPI for de-energisations in the metropolitan area is 95 per cent. The KPIs for other services range from 95 per cent to 99 per cent.
123. Schedule 4 of the proposed MSLA includes a section on performance measurement:

¹⁵ Western Power, *Western Power Metering Model SLA – Consultation on proposed Model SLA amendments*, 25 August 2017, pp. 10-11.

- Performance to the service standard is measured on the difference between the requested date of the metering service and the actual change date.
 - Performance against the KPI for each metering service is calculated on the number of services that met the service standard during the reporting period divided by the total number of services performed during the reporting period.¹⁶
124. The Metering Code refers to a “timeframe” for each service and does not explicitly contemplate KPIs. Unless a KPI was set to 100 per cent, it results in there not being a definitive timeframe for each service. On that basis, the ERA’s preliminary finding is that KPIs are not consistent with the requirements of clause 6.6(1)(b)(ii) to specify a timeframe for each service.
125. As set out in its consultation paper, the ERA considered the KPIs should be removed from the MSLA.
126. Synergy supported this view and submitted:
- ... there needs to be regulatory certainty in how service requests for customers outside of the KPI levels are treated under the Code and Code of Conduct. A situation cannot exist where the Code of Conduct requires an absolute (i.e 100 per cent) metering service standard but the Code permits a lesser standard. Therefore, Synergy supports the ERA’s required amendment and considers it will provide users with greater regulatory certainty. Synergy also considers the required amendment is consistent with clause 1.5(5) and 5.8 of the Code.
127. Alinta also agreed with the ERA’s view that KPIs were not consistent with the requirements of clause 6.6(1)(b)(ii).
128. Western Power did not agree:
- Clause 6.6(1)(b)(ii) of the Metering Code requires that the MSLA must **at least** (with emphasis) specify a timeframe, **and** (with emphasis) where appropriate other service levels, for the performance of the metering service.
- Western Power considers it is appropriate to include performance indicators for service levels and that the inclusion of both a timeframe and a suitable measure of performance of the metering service is consistent with the requirements of Clause 6.6(1)(b)(ii).
- It is important to note that the word “timeframe” refers to a period of time during which something is expected to happen; it is not a reference to a set date upon which something must precisely happen. When the ERA states that “unless a KPI was set to 100 per cent, it results in there not being a definitive timeframe for each service”, it seems that the word “timeframe” is being read as if it said, “absolute time”. It is consistent with the Code for a timeframe to be set for a period in which something is expected to happen (which is definitive), for example within 1 day for MS – 1 where the energy data passes validation, and then have a KPI which measures the performance of Western Power against that standard (99%). The timeframe (that is, a standard which is definitive but not absolute) and the performance measured against that standard are conceptually and actually different things. This structure is consistent with and permitted by clause 6.6(1)(b)(ii) which, as set out above, draws a distinction between a timeframe and other service levels. Western Power’s proposed MSLA specifies a timeframe as required by the Code.
- This approach is consistent with the current MSLA and provides users with transparency of performance. Western Power is concerned that the removal of KPIs may result in an increase in performance related disputes.

¹⁶ For scheduled metering services, performance is calculated on the volume of data provision that met the service standard during the reporting period with the total volume of data provision during the reporting period.

In relation to the ERA's preliminary finding that inclusion of KPIs "results in there not being a definitive timeframe for each service", Western Power proposes that the following clause be added to Schedule 4 – Service Standards:

Where a service is not performed within the service standard timeframe, it will be performed no later than 20 business days after the service standard timeframe or at a time agreed with the user.

And that KPIs be retained within the MSLA.

The addition of this clause will ensure there is a definitive timeframe for each service.

...

Western Power does not support this required amendment.

Western Power requests that the ERA reconsider its preliminary finding and the additional information provided by Western Power.

129. Clause 6.6(a)(b)(ii) requires a timeframe and, where appropriate, other service levels. The use of the word "other" contemplates that it will not be time-based but have some other basis (for example, quality). The ERA considers that the KPIs included in the proposed MSLA are not another service level but a qualification of the timeframe. This is not consistent with clause (b)(ii) which specifies "a" timeframe and then other service levels. Accordingly, the KPIs must be removed.
130. Western Power's proposal to add a blanket 20 day period for any service that is not completed in the specified timeframe (which is generally one to two days) is inconsistent with the Metering Code objective.
131. As removal of the KPIs will improve the clarity of the service standards it should not result in an increase in performance related disputes

Required Amendment 3

The KPIs must be removed from the MSLA.

Charges for metering services

132. Clause 6.6(1)(c) to (e) sets out the requirements for charges:

(1) A model service level agreement must at least:

...

- (c) subject to clause 5.21(9), specify the maximum *charges* that the *network operator* may impose for each *metering service* referred to in clause 6.6(1)(a); and
- (d) if any of the *charges* specified under clause 6.6(1)(c) is variable, provide details of the methodology and cost components that will be used to calculate the variable *charge* including (where applicable) hourly labour rates, distance-related costs and equipment usage costs; and
- (e) provide that the *charges* which may be imposed under a *service level agreement* may not exceed the costs that would be incurred by a *network operator* acting in good faith and in accordance with *good electricity industry practice*, seeking to achieve the lowest sustainable costs of providing the relevant *metering service*;

133. The note to clause 6.6(1) includes an additional requirement relevant to charges:

{Note: Without limiting clause 6.6(1), a model service level agreement must, at least:

...

- (c) contain a mandatory charging provision under clause 5.21(9);

134. Clause 5.21(9) requires a service level agreement to include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with the Metering Code:

Any written service level agreement entered into under clause 5.21(7) must include a provision that no charge is to be imposed if the test or audit reveals a non-compliance with this Code.

135. Clause 4 of Appendix 4 of the Metering Code includes the following requirements relevant to charges for cancellations:

- (3) Upon receipt of a request to cancel a metering service order, the network operator must use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred.
- (4) A service level agreement (and a model service level agreement) may provide that, to the extent that the network operator complies with clause A4.2(3), the user must pay to the network operator the amount incurred by the network operator, acting efficiently in accordance with good electricity industry practice, before the work or costs were able to be stopped or cancelled.
- (5) The network operator must provide evidence to the user of the amount referred to in clause A4.2(4).

Western Power's proposal

136. The current MSLA includes prices in Schedule 3. Prices and pricing arrangements are set out in Schedule 5 of the proposed MSLA.

137. Western Power proposed the following changes:

- Updating all prices.

- Setting different prices for metropolitan and country metering connections with travel costs included in the price for the metering service based on average travel times, rather than a separate charge based on actual travel time as is currently the case.¹⁷
- Setting a uniform price for new meters requested by users, installation of radio frequency communication links and manual meter reconfigurations. The proposed price is based on the cost of a visit by a technician and does not include the cost of the meter or any other materials.
- Including provisions for automatic annual updates of prices using the Wage Price Index published by the Australian Bureau of Statistics.
- Introducing cancellation fees.

Review

Update of prices

138. The MSLA prices have not been updated since 2006.
139. In the current MSLA, the costs for standard metering services are recovered through network charges under the access arrangement and the costs for extended metering services are recovered through MSLA charges.
140. Western Power proposed to continue this approach with the costs for the three new categories of standard metering services to be recovered through network charges under the access arrangement.
141. However, the proposed MSLA included fees for some standard metering services in Table 5 of Schedule 5.¹⁸ Although there are footnotes stating that these fees are included in the network tariff metering charges under the access arrangement, their inclusion in Table 5 creates confusion, as indicated in Synergy's submission on Western Power's proposal.¹⁹
142. In its consultation paper, the ERA required the fees for standard metering services recovered through network tariffs to be removed from Table 5 in Schedule 5 of the proposed MSLA.
143. Western Power accepted that the fees for standard metering services must be removed from Table 5 in Schedule 5.

¹⁷ The metropolitan area is defined in the Metering Code. In addition to the Perth metropolitan area it includes the local government districts of Mandurah and Murray and the townsites of Albany, Bunbury, Geraldton and Kalgoorlie.

¹⁸ Interval, bi-monthly manual, interval monthly manual, interval bi-monthly remote, interval monthly remote, interval daily remote and one-off manual interval read.

¹⁹ See pages 13 to 19, page 19 and page 21 of Synergy's submission.

Required Amendment 4

Fees for the following standard metering services must be removed from Table 5 in Schedule 5:

- interval, bi-monthly, manual
- interval, monthly, manual
- interval, bi-monthly, remote
- interval, monthly, remote
- interval, daily, remote
- one-off manual interval read.

144. Synergy considered that there was insufficient published information for users to satisfy themselves that Western Power had sought to achieve the lowest sustainable cost of providing metering services. Synergy asked the ERA to ensure that the prices were consistent with the Metering Code requirements. Synergy noted network charges were subject to:

A rigorous price control framework to give effect to its objective of promoting the economically efficient investment in and operation and use of networks and services of networks in Western Australia. Cost efficiency is a requirement of the Metering Code for MSLA's – see clause 6.6(i)(e). However, the Metering Code does not specify how this is to be achieved.

145. The revenue Western Power receives for extended metering services through the MSLA is relatively small in comparison to the standard metering costs recovered through network tariffs. In 2016/17, network tariffs included \$76 million for standard metering services compared with \$7.2 million for extended metering services recovered through MSLA charges shown in Table 4 below.

Table 4: Extended metering services – Western Power's historical revenue and costs²⁰ (\$million nominal)

	2012/13	2013/14	2014/15	2015/16	2016/17
Revenue	8.659	5.246	5.747	5.278	7.213
Expenditure	(11.143)	(5.817)	(7.002)	(6.469)	(7.492)
Profit/(Loss)	(2.485)	(0.571)	(1.255)	(1.191)	(0.279)

Source: Western Power, *Western Power Metering Model SLA: Response to stakeholder submissions*, 22 December 2017, p. 4.

146. To update its prices, Western Power developed a pricing model with estimates of the average field, fleet and administration times and materials used for each service. The proposed fees were based on labour, fleet, material and indirect cost unit rates for the 2016/17 financial year. The results of the model were compared with the 2016/17 financial year actuals to validate the model and underlying assumptions.

²⁰ Excludes capital expenditure and capital contributions associated with Extended Metering Services.

147. As can be seen in Table 4, Western Power has been under-recovering its costs for extended metering services. This indicates the current fees in the MSLA are below cost and, presumably, would have motivated Western Power to manage its expenditure efficiently to minimise losses. For that reason, the ERA considers it reasonable to assume the proposed starting prices are based on efficient costs.
148. Synergy's submission on the ERA's consultation paper supported this view.
149. As discussed later under automatic annual updates, the ERA has required Western Power to include a productivity improvement of 1 per cent each year, consistent with the access arrangement decision for 2017/18 to 2021/22, to ensure the MSLA prices continue to reflect efficient costs.
150. Benchmarking against other service providers included in the ERA's consultation paper indicated all Western Power's proposed country fees were higher than other service providers. Western Power's proposed metropolitan charges were in line with other service providers except for urgent re-energisations and some types of meter testing.
151. The ERA sought further information from Western Power to understand why fees for urgent re-energisations and meter testing were higher compared with other service providers. Western Power submitted:

Proposed fees for meter testing and urgent re-energisations have been prepared using the same methodology used for pricing other services. Charges have been calculated using inputs specific to Western Power's service area and custom requirements sought by users through consultation.

During benchmarking, in some instances, direct comparison of the scope of a service with peers in other jurisdictions was not possible, due to customised user specific requirements. For example, a required delivery timeframe of 3 hours for urgent reenergisations. In these instances, a reasonableness check was applied to comparable services of best fit. For example, the urgent re-energisation service was considered similar in scope to an unplanned outage and was therefore compared to unplanned maintenance fees in other jurisdictions.

Western Power considers that proposed charges for meter testing and urgent re-energisations are consistent with Western Power's efficient cost and are not inconsistent with other service providers.

Western Power identified Essential Energy's *Price Schedule for Ancillary Network Services – 1 July 2019*, to be one of the most comprehensive sources of service variants.

Essential Energy's 2019-20 pricing includes the following fees for meter testing:

- Meter test, whole current: \$603.82
- Meter test, CT: \$728.14

These fees are higher than the meter testing charges proposed by Western Power.

Fees for urgent re-energisations were compared to Essential Energy's:

- Unplanned Outage – retailer outage impacting non retailer customer (site attendance): \$293.49 (normal time) & \$487 (overtime)

These fees are higher than the urgent reenergisation charges proposed by Western Power.

152. Western Power subsequently provided further information to explain the difference in costs for standard and urgent re-energisations:

The significant difference between the two processes is the urgent process is manual whereas the non-urgent is a B2B automated process.

The manual process requires a dedicated telephone line and operator. The operator must then manually process the order, liaise directly to organise a field crew, follow up if required and close out the order. In some cases, the field crew will need to reprioritise from planned works to perform the urgent requirement.

Non-urgent requests follow a more regular pattern of work which are planned the day before.

153. As discussed below, the ERA considers that travel costs should be averaged across all customers, rather than setting different fees for metropolitan and country customers. The ERA has updated the benchmarking analysis undertaken for the consultation paper to include the revised combined fees. The ERA has also expanded the data set to include Essential Energy as suggested by Western Power in its submission on the consultation paper.
154. The updated analysis is included in Appendix 3. Western Power's proposed combined fees are within the bounds of other service providers' fees.
155. The three-hour urgent re-energisation service is a new service for Western Power and there does not appear to be a directly comparable service for other service providers. As submitted by Western Power, the urgent process is manual and is likely to require staff to be diverted from other work at short notice. In contrast, the standard service is automated and is planned the day before it is required. The fee for the urgent service is based on approximately one hour to undertake the service, compared with around 20 minutes for the standard service and uses labour and fleet rates that are consistent with the standard service. The difference in costs between the urgent and standard service appears reasonable and, on that basis, the ERA considers the proposed fee is reasonable.
156. In its submission on the ERA's consultation paper, Synergy raised concerns about the pricing for remote energy data services based on discussions it had with Western Power:

Synergy understood from these discussions the additional (incremental) metering charges in the MSLA, for the provision of remote energy data, are based exclusively on the cost of providing the data through cellular communications (not radio mesh). Synergy is concerned with this approach because it considers the cost of providing remote energy data through radio mesh communications is generally cheaper than through cellular communications (but subject to topography and radio mesh coverage). If this was correct it would mean the price list is not reflecting the lowest sustainable cost for that service as required by the Code.
157. As noted by Synergy, the cost of providing data through radio mesh communications may be cheaper than through cellular communications. The proposed fee of \$0.60 for each remote reading is based on the labour cost and telecom charge to dial the meter. As the radio mesh is still being installed it is unlikely the difference in cost would be material at this stage. However, if the data is being provided using radio mesh and the cost is less than the proposed fee, Western Power would not be able to charge a user more than the actual costs incurred and would need to adjust the fee accordingly.
158. Western Power has proposed a fee of \$5.39 for the new route alteration service requested by Alinta. The fee is based on Western Power's estimated time for administration staff to amend the route and uses labour rates consistent with the other metering services.
159. Western Power has proposed a fixed fee for most services in the MSLA. The exceptions were manual de-energisation and re-energisation services for high voltage supplies which it proposed to price on application. The method used to calculate the fee was

included in Schedule 5 of the proposed MSLA. The unit rates that would be used in those calculations were not included in the proposed MSLA. Synergy submitted this was not consistent with the requirements of the Metering Code.

160. Clause 6.6(1)(d) of the Metering Code requires any applicable hourly labour rates, distance-related costs or equipment usage costs used in the calculation of the price to be included in the MSLA.
161. As set out in its consultation paper, the ERA considered the MSLA must be amended to include details of any unit rates used in the calculation of fees for services priced on application.
162. In its response to the ERA's consultation paper, Western Power accepted the ERA's requirement. It proposed replacing the method to calculate labour and fleet with the specific hourly rates that will be used for services priced on application. The hourly rates are set out in Table 5 below. They include on-costs, such as payroll tax and superannuation, and indirect costs.

Table 5: Hourly rates for services priced on application

Resource description		
Labour rates (\$/hour)	Normal time	Overtime
LR-1 Administration	\$105.44	\$122.46
LR-2 Technical Specialist	\$121.48	\$135.02
LR-3 Field Worker	\$124.85	\$130.79
LR-4 Designer	\$104.95	\$123.88
LR-5 Estimator	\$116.13	\$138.72
LR-6 Project Management	\$129.70	\$152.22
Fleet rates (\$/hour)		
FR-1 Light Fleet		\$19.61
FR-2 Heavy Fleet		\$43.03

Required Amendment 5

Schedule 5 must be amended to remove the method for calculating labour and fleet rates and replaced with specific hourly rates.

Travel costs

163. The current MSLA fees are inclusive of 30 minutes of travel. Additional travel is charged at \$93.50 per hour for vehicle travel, or \$85 per hour plus airfare and accommodation for air travel.

164. Western Power proposed consolidating all travel costs in the fee for the metering service. It considered that this would be administratively easier to manage. It developed a metropolitan and country fee for each service. Typically, the proposed country fees included additional travel time of 30 minutes compared with metropolitan fees. This resulted in differences in fees of between \$30 to \$112 depending on the service.
165. Standard metering services included in network charges for customers using less than 1 Mega Volt Amp are charged on a uniform basis to all customers regardless of their geographic location. This is a requirement under clause 7.7 of the *Electricity Networks Access Code 2004*.
166. The largest component of metering costs – standard metering services – is averaged across all customers regardless of geographical location. In contrast, Western Power’s proposed MSLA fees would result in country customers paying significantly higher fees than metropolitan customers.²¹
167. In its consultation paper, the ERA agreed with Western Power’s view that consolidating travel costs in the metering fee would be administratively easier and less costly to manage. However, the ERA considered that travel costs should be averaged across all customers rather than making an arbitrary differentiation between “metropolitan” and “country”.
168. Synergy supported the ERA’s view and noted that the approach was:
 - ... consistent with how Synergy’s passes through certain metering costs to customers under the *Energy Operators (Electricity Generation and Retail Corporation) (Charges) By-laws 2006*. Therefore, Synergy supports the ERA’s findings and required amendment.
169. Alinta was concerned that averaging travel costs across all customers would create cross-subsidies between customers. It supported Western Power’s proposal and considered it provided an appropriate balance between cost-reflectivity and reducing the administrative burden associated with invoicing travel costs on a piece-meal basis.
170. Western Power accepted the ERA’s view and subsequently provided updated prices that averaged travel costs across all customers. The adjustment was made based on the proportion of metropolitan (85 per cent) and country (15 per cent) connections. The revised prices are included in Appendix 1.
171. The ERA notes Alinta’s concern that averaging travel costs across all customers creates cross-subsidies between customers. However, as set out in the ERA’s consultation paper, section 7.7 of the Access Code requires the largest component of metering costs to be averaged across all customers regardless of geographical location.
172. The MSLA services are consequential to having a meter. There are no efficiency benefits from setting MSLA fees on a geographical basis. On that basis, the ERA considers travel costs should be averaged across all customers.

²¹ The definition of metropolitan includes customers in Albany, Bunbury, Geraldton, Kalgoorlie and Mandurah in addition to Perth.

Required Amendment 6

The proposed metropolitan and country prices must be replaced with a single price that averages travel costs across all customers.

Prices for meters, radio frequency communication installations and meter re-configurations

173. Western Power proposed to charge a uniform fee for meter exchanges, regardless of the metering type. The proposed fee was \$64.55 in the metropolitan area and \$137.05 in country areas. The adjusted fee, after averaging travel costs across all customers, is \$75.33. Western Power applied the same fee to radio frequency communication installations and manual meter re-configurations.
174. The fee is based on the cost of a visit by a technician and does not include the cost of the meter or any other materials.
175. The proposed fee for a cellular communications link was \$324.34 in the metropolitan area and \$396.84 in the country. The adjusted fee, after averaging travel costs across all customers, is \$335.12. This fee includes the cost of materials.
176. In its consultation paper, the ERA raised concerns that charging for new meters below cost could lead to meters being replaced unnecessarily. For example, if the price for a meter re-configuration was the same as a meter exchange, a user may be motivated to request a new meter even when it would be more cost-effective to reconfigure the existing meter.
177. The ERA also noted it was unclear from Western Power's proposal how the cost of meter exchanges requested by users would be funded. Currently, only metering expenditure for new connections and meter replacements is included in regulatory capital expenditure and, therefore, passed on to all users under the access arrangement. Meter exchanges initiated by users are paid for by the user through the MSLA fees. Consequently, setting the fee below cost would result in a shortfall in revenue for Western Power.
178. The ERA sought further information from Western Power on how its proposed prices for meters, radio frequency communication installations and meter re-configurations would not result in meters being replaced unnecessarily and how the difference between the proposed MSLA fee and actual cost would be funded.
179. Synergy supported the proposed MSLA fees:
 - ... Synergy considers the proposed fees will encourage the uptake of remote metering services and allow customers to benefit from the new services this infrastructure will provide. In addition, WP's proposed fee structure will also assist customers experiencing payment difficulties and financial hardship. For this class of customer, a user can elect to exchange an existing meter that cannot provide interval data remotely. By providing payment difficulty and financial hardship customers with daily interval data this can assist them to understand how their usage affects their electricity bill.
180. Synergy considered the ERA should not be concerned that charging for new meters at below cost could lead to meters being replaced unnecessarily or that there might be a shortfall in revenue for Western Power.

Synergy's experience with WP operationally is that a meter exchange is only performed when meter reconfiguration is not technically able to deliver the service requested by the retailer, for example the provision of remote meter reading services. Synergy expects this arrangement to continue. In addition, Synergy considers the proposed pricing will support the uptake of AMI meters and therefore, facilitate the implementation of the state government's DER road map.

181. Synergy considered the ERA should seek further clarification on the funding of meter exchanges:

User requested meter exchanges/reconfigurations are funded and treated under the new facilities investment test and the regulated asset base (RAB). Synergy supports the least cost and efficient approach and considers clarity is necessary to determine whether the approach that will be taken is the least cost approach. Synergy's expectation is if a meter is exchanged, the user funded portion would not be added to the RAB and the cost of the old meter would be removed from the RAB (and not continue to be retained in the RAB).

182. Western Power provided further information on its proposed pricing. It considered that its proposed prices were consistent with the Metering Code objective of promoting access to and confidence in data of parties to commercial transactions and would not result in unnecessary replacements. It also considered that its proposed prices would promote economically efficient investment in services and the network.

A lower upfront fee provides a price signal that encourages customers to access AMI services. These services promote competition in markets upstream and downstream of Western Power's network and promote access to and confidence in data of parties to commercial electricity transactions.

A lower upfront fee is also appropriate, given AMI provides a net benefit in the covered network over a reasonable period. The capital contributions proposed strike a balance between the interests of users and consumers and does not constitute an inappropriate barrier to entry, which is consistent with clause 6.5(b) of the Metering Code.

Western Power recognises that price signals need to be appropriate to ensure customers are only incentivised to access services which they need. The services offered in Western Power's proposed MSLA allow users to request the installation of an AMI meter to satisfy the eligibility criteria for a reference service or non-reference service. It does not give customers or users absolute discretion to require the replacement of an existing asset that already meets the requirements of a requested reference, or non-reference, service.

Another key objective of Western Power's proposed pricing is simplicity. Currently, a range of different fees apply to customers seeking to change or access new network services. The complex fee structure means customers in the same market segment pay different amounts depending on factors which are beyond their control. Western Power considers the simplicity proposed by the pricing structure will promote the economically efficient operation and use of services.

Western Power considers that applying a method in which upfront fees recover the full capital cost of AMI meters may constitute a barrier to entry and is unlikely to strike an appropriate balance between the interests of the contributing user, other users and consumers.

A high entry fee may stifle users seeking to innovate new products for consumers and defer the realisation of AMI benefits across the electricity supply chain. Higher upfront fees may also promote short sighted economically inefficient use of services, as the upfront method is biased against long term investment. For example, users applying the payback rule may seek to use manual metering services as an alternative to remote services, which incur a higher entry fee.

...

All fees for capex metering services are treated as a (partial) capital contribution and, where this contribution doesn't recover expenditure in full, the balance of expenditure is added to Western Power's regulated asset base (RAB). Expenditure allocated to the RAB is recovered over time via tariff revenue. Our AA5 submission will identify how this investment in meters meets the New Facilities Investment Test by providing a net benefit in the covered network.

183. The fees Western Power has proposed for new meters are below cost as they do not include the cost of the meter. Consequently, the proposed fees comply with the requirements of 6.6(1)(e) to not exceed the costs that would be incurred by a network operator acting in good faith and in accordance with good electricity industry practice, seeking to achieve the lowest sustainable costs of providing the relevant metering service.
184. As identified in the ERA's consultation paper and acknowledged by Western Power, there will be a funding shortfall if the MSLA fees do not recover the full cost of the meters. As indicated in Western Power's submission, it proposes to include any unrecovered expenditure in its regulated asset base. Capital expenditure for the AA4 period (2016/17-2020/21) will be subject to an ex post review at the next access arrangement review as the ERA must determine the opening regulated asset base for AA5.
- Any contributions received from customers, such as MSLA fees for meter exchanges, will be netted off capital expenditure and not included in the regulated capital base.
 - Western Power will need to demonstrate that capital expenditure incurred during AA4, such as any metering capital expenditure that has not been funded by customer contributions, meets the new facilities investment test.
 - The treatment of any redundant assets will also be considered as part of the AA5 review.

Automatic annual updates

185. Western Power proposed the MSLA fees would be updated automatically each year based on the Wage Price Index published by the Australian Bureau of Statistics.
186. As set out in its consultation paper, the ERA does not consider automatic updates based on the Wage Price Index are consistent with the requirement in clause 6.6(1) that prices do not exceed the costs that would be incurred by a network operator acting in good faith and in accordance with good electricity industry practice, seeking to achieve the lowest sustainable costs of providing the relevant metering service.
187. Although wages are a large component of the cost, they are not the only component. In any case, the Wage Price Index published by the Australian Bureau of Statistics is not a measure of an efficient increase in Western Power's labour costs.
188. The ERA agrees that periodic updates of the MSLA pricing schedule should be undertaken to ensure prices are current and continue to reflect efficient costs. This would best be achieved by using the pricing parameters approved in Western Power's access arrangement for the period 2017/18 to 2021/22.
189. The access arrangement pricing parameters include:
- The Consumer Price Index – based on the most recent December quarter compared to the December quarter in the previous year.
 - Labour escalation – 0.81 per cent to be applied to labour costs only.

- Productivity improvement – minus one per cent each year.
190. The ERA considered that the MSLA should be amended so that the annual update of prices used the pricing parameters approved in the access arrangement for the period 2017/18 to 2021/22.
191. In its response to the ERA’s consultation paper, Western Power accepted the ERA’s required amendment and proposed the details of the annual update be included in Schedule 5 as follows:
- All Fees set out in this Schedule are:
- (a) effective for the period [] to []
 - (b) exclusive of GST; and
 - (c) will be adjusted on an annual basis from [] using the formula as follows:
- New price =
- $$((\text{Labour component} * (1 + \text{CPI change} + \text{Labour escalation})) + ((\text{Non-labour component} * (1 + \text{CPI change}))) * (1 - \text{Productivity improvement factor}))$$
- Where:
- Labour component means the portion of the charge that relates to labour costs
- Labour escalation means an escalation rate for labour costs above the CPI rate and determined as part of Western Power’s Access Arrangement from time to time (currently set at 0.81% p.a. at least until 30 June 2022).
- Non-labour component means the portion of the charge that does not relate to labour costs
- CPI change means the annual change in the CPI in December of the current year compared to December of the previous year (e.g. prices for the 2021/22 financial year will be escalated based on the CPI reported in December 2020 compared to December 2019)
- Productivity improvement factor means a measure of annual productivity improvement, determined as part of Western Power’s Access Arrangement from time to time (currently set at 1% p.a. at least until 30 June 2022).
192. The ERA is satisfied the proposed mechanism is consistent with the requirement in clause 6.6(1) that prices do not exceed the costs that would be incurred by a network operator acting in good faith and in accordance with good electricity industry practice, seeking to achieve the lowest sustainable costs of providing the relevant metering service.
193. Western Power also provided updated fees for 2020/21 using the annual price update mechanism. The updated fees are included in Appendix 1.

Required Amendment 7

Schedule 5 must be amended to include a mechanism for annual price updates based on the access arrangement pricing parameters for CPI, labour escalation and productivity improvements.

Cancellation fees

194. Western Power proposed to introduce cancellation fees as set out on page 69 of the proposed MSLA.

Table 6: Western Power's proposed cancellation fees

Point at which order is cancelled	Fee (\$ per unit)
"B2B" - following acceptance of Service Order by Western Power but prior to allocation of the Service Order to a delivery resource	0.60
"In Field" - defined as acceptance of a Service Order by Western Power which Western Power has allocated to a delivery resource	75% of relevant Extended Metering Service Fee
MS-7 De-energise (Manual) ²²	100% of relevant Extended Metering Service Fee

Source: *Western Power Model Service Level Agreement, Schedule 5, Table 5, 15 November 2019, p. 69.*

195. Synergy submitted the cancellation fees must be consistent with the relevant clauses of Appendix A4 in the Metering Code.
196. As outlined in the regulatory requirements above, the clauses in Appendix A4 of the Metering Code permit the network operator to require the user to pay the amount incurred by the network operator, acting efficiently in accordance with good electricity industry practice, before the work or costs were able to be stopped or cancelled. The network operator must provide evidence to the user of this amount.
197. Western Power did not provide any information on how its proposed cancellation fees meet the Metering Code requirements for cancelled services.
198. As set out in its consultation paper, the ERA considered Western Power had not demonstrated that its proposed cancellation fees were consistent with the requirements set out in Appendix 4 of the Metering Code and required the proposed fees to be amended and/or that Western Power provide evidence to demonstrate they are consistent with the requirements of Appendix A4 in the Metering Code.
199. Alinta and Synergy's submissions on the ERA consultation paper supported the ERA's findings and required amendment. Alinta also considered that there was a need for the MSLA to more clearly define where these fees are and are not payable.
200. Western Power considered its proposal was consistent with the requirements of Appendix 4:

²² A Service Order for a MS-7 De-energise (Manual) Extended Metering Service is "closed" where Western Power attends site to perform the Extended Metering Service but does not De-energise the Metering Point following receipt of new information from the Customer (or otherwise) and Western Power verifying with the User that the Metering Point can be left energised (which may include following any current operational documentation agreed between the Parties).

Appendix 4 of the Metering Code contemplates the cancellation of a metering service order and clause A4.2(4) provides for the inclusion of cancellation fees in the MSLA.

When a service request is cancelled, Western Power incurs a cost in each instance. Costs incurred vary depending on how far the service request has progressed. Western Power's proposed charges are based on 3 key timing point variables.

- C-1 B2B; where service request is cancelled prior to field dispatch, administrative & support costs are incurred.
- C-2 In Field; where service request is allocated and dispatched to a delivery resource, service in-flight, and cancelled prior to field attendance. Administrative & resource rescheduling costs are incurred.
- C-3 MS-7 De-energise (Manual); where action during site attendance has been undertaken. All costs relating to that service are incurred as per the unit rate methodology.

During stakeholder consultation, users did not propose an alternative methodology for the recovery of cancellation costs.

201. Appendix 4, clause A4.2(4) of the Metering Code states that in the event of a cancellation, "the user must pay to the network operator the amount incurred by the network operator, acting efficiently in accordance with good electricity industry practice, before the work or costs were able to be stopped or cancelled." This obligation is conditional upon Appendix 4, clause A4.2(3) which provides that Western Power must "use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred." Appendix 4, clause A4.2(5) states that Western Power must "provide evidence to the user of the amount referred to in clause A4.2(4)."
202. Collectively, Appendix 4, clauses A4.2(3)-(5) unambiguously state that a user is only liable for cancellation costs actually incurred by Western Power before the cancellation of a metering service. Were this not the case, Appendix 4, clauses A4.2(3) and (5) would be redundant.
203. A uniform cancellation fee is not consistent with the obligation on WP to charge the amount incurred if it acted efficiently. Cancellation costs should be entirely separate from the metering service fee and represent only the reasonable costs incurred by Western Power.
204. For that reason, the ERA requires the table of cancellation fees in Schedule 5 to be replaced with:

Where a User requests the cancellation of a Metering Service Order in accordance with this MSLA, Western Power must use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred.

Western Power may require the User to reimburse Western Power for costs incurred by Western Power in respect of the performance and delivery of a Metering Service Order that is cancelled, before the work or costs were able to be stopped or cancelled, provided that:

- Western Power used reasonable endeavours to ensure that the previously requested work was not carried out and costs were not incurred; and
- those costs were incurred acting efficiently in accordance with good electricity industry practice.

Where Western Power requires a User to reimburse Western Power for costs incurred on a cancelled service, Western Power must provide reasonable evidence to the User of the costs incurred.

Required Amendment 8

The table of cancellation fees in Schedule 5 must be deleted and replaced with:

Where a User requests the cancellation of a Metering Service Order in accordance with this MSLA, Western Power must use reasonable endeavours to ensure that the previously requested work is not carried out and costs are not incurred.

Western Power may require the User to reimburse Western Power for costs incurred by Western Power in respect of the performance and delivery of a Metering Service Order that is cancelled, before the work or costs were able to be stopped or cancelled, provided that:

Western Power used reasonable endeavours to ensure that the previously requested work was not carried out and costs were not incurred; and

those costs were incurred acting efficiently in accordance with good electricity industry practice.

Where Western Power requires a User to reimburse Western Power for costs incurred on a cancelled service, Western Power must provide reasonable evidence to the User of the costs incurred.

Terms and conditions

205. Western Power has proposed amendments to the terms and conditions, including definitions. These are discussed below in the order of the current MSLA terms and conditions:
- Clause 1 – Definitions and Interpretation
 - Clause 2 - Term
 - Clause 3 – Services
 - Clause 4.1 – Financial covenants by user
 - Clause 4.2 to 4.6 and 5 – Invoicing, payment and GST
 - Proposed new clause 6 – Representations and warranties
 - Current clause 6 – Force majeure
 - Clause 7 – Default
 - Clause 8 – Liability and indemnity
 - Clause 9 – Dispute resolution
 - Clause 10 – Assignments and encumbrances
 - Current clause 11 – Miscellaneous
 - Proposed new clause 11 – Set off
 - Proposed new section – Definitions.
206. Most of the proposed changes are to bring the document into line with the current electricity transfer access contract approved under the access arrangement.
207. Users can acquire metering services only for connections they hold an access contract for. The ERA considers that harmonising the provisions in the MSLA with the electricity transfer access contract will ensure they work together effectively and comply with both

the Metering Code and Access Code. In some cases, modifications are needed to take account of specific Metering Code requirements.

208. In its submission on Western Power's proposal, Synergy put forward a view that greater incentives are needed to make Western Power meet its service standards:

The proposed MSLA does not contain any contractual financial incentives or compensation for Users in circumstances where metering services are not provided in accordance with the minimum required service standards specified within the MSLA.

It is reasonable that WP bears this risk as it is best placed to manage the risk through its contractual arrangements with its meter service providers which address situations where metering services are not provided in accordance with agreed service standards.

Synergy considers it is reasonable for Users to be compensated financially by its service provider when services are not performed to the required standard under the MSLA. Further Synergy considers provision for the MSLA to include contractual provisions relating to incentives to meet service standards meets the Code objectives as well as the public interest test under s. 26(1) of the ERA Act.

For example, under clause 4.17 and 4.18 of the Code of Conduct Synergy is financially liable for the "error, defect or default for which the distributor is responsible". However, the proposed MSLA does not provide an equivalent financial obligation on WP in similar circumstances.

Further, Synergy notes that the ERA approved standard access contract provides for direct damage in relation to contractual default. However, the proposed MSLA is silent on the matter.

Synergy considers that including performance incentive mechanisms (such as refunds or service standard payments) are neither punitive nor penal but are rather in the nature of compensatory payments. Further, to require a refund when a network service provider has failed to properly perform a service is consistent with the position under the Code of Conduct and Electricity Industry (Network Quality and Reliability of Supply) Code 2005.

Synergy requests the ERA to include a provision in the MSLA that requires WP to indemnify the user in circumstances where WP has not provided the services in accordance with the MSLA and clause 5.8 of the Code, resulting in the user incurring costs such as:

- Loss of revenue from the activities of the user relating to services under the MSLA;
- Costs the user is prevented by the Code of Conduct from recovering from the customer; and
- Charges applied to the user by the Electricity and Water Ombudsman for dealing with a customer complaint, and any compensation payable to its customer by the user brokered, or determined to be payable, by the Electricity and Water Ombudsman.

209. The ERA considers that compliance with the Metering Code requires the MSLA to ensure all parties have clarity about their obligations and that Western Power must deliver the services it is required to in line with the service standards.
210. Western Power's proposed changes and the further amendments the ERA considers necessary will clarify parties' obligations and Western Power's requirements to deliver services in line with service standards or to pay compensation if its failure to deliver services results in users incurring additional costs.
211. The ERA considers a penalty/reward mechanism is not consistent with the requirements of the Metering Code.

Definitions and interpretation

212. The current MSLA includes definitions and interpretations in clause 1. Western Power proposed transferring definitions from clause 1.1 to Schedule 1 – Dictionary. Western Power’s proposed changes to definitions are considered at the end of this section.
213. Western Power proposed retaining current clause 1.2 – Interpretation - but has renumbered it as clause 1.1. It also proposed adding an additional provision:
- (g) where information is set out in braces (namely “{and}”), whether or not preceded by the expression “Note”, “Outline” or “Example”, the information:
- (i) is provided for information only and does not form part of this Agreement; and
- (ii) is to be disregarded in interpreting this Agreement; and
- (iii) might not reflect amendments to this Agreement or other documents or Laws,
214. Western Power proposed adding the following new clause about the *Interpretation Act 1984*:
- 1.2 Interpretation Act applies
- Unless the contrary intention is apparent, the rules of interpretation in the Interpretation Act 1984 (WA) apply to the interpretation of this Agreement.
215. The proposed changes are administrative in nature and bring the MSLA in line with the electricity transfer access contract approved under the access arrangement. The amendments do not materially affect consistency with the Metering Code.
216. As discussed under the heading Charges for metering services, Western Power also proposed adding a new clause about Wage Price Index adjustment:
- 1.3 WPI adjustment
- In this Agreement, “WPI-Adjusted” in reference to an amount means that amount is adjusted under the following formula:
- $$N = C \times \left(1 + \frac{WPI_n - WPI_c}{WPI_c}\right)$$
- where:
- “N” is the new amount being calculated; and
- “C” is the current amount being adjusted; and
- “WPI_n” is the WPI applicable at the end of the calendar quarter (quarter *n*) most recently ended prior to the current adjustment date; and
- “WPI_c” is the value of WPI applicable for the calendar quarter occurring 12 months before the calendar quarter referred to in the definition of WPI_n.
217. As discussed above, the ERA has required the annual price updates to be based on the Consumer Price Index with adjustments for labour cost escalation and productivity improvements consistent with the ERA’s decision on Western Power’s access arrangement for the period 2017/18 to 2021/22.
218. The mechanism for the annual price update will be specified in Schedule 5. Consequently clause 1.3 can be deleted.

Required Amendment 9

Proposed clause 1.3 must be deleted.

Term

219. The current MSLA includes provisions on term in clause 2. Western Power proposed amending the clause as follows:

2. ~~Term~~ Duration

2.1 Term

~~The This term of this~~ Agreement commences on the Commencement Date ~~date of execution of this Agreement~~ and continues until this Agreement is terminated, in accordance with this Agreement.

2.2 Termination

This Agreement will only terminate if and when the User's access contract terminates but such termination is without prejudice to any rights, remedies, powers, obligations or liabilities of a Party in respect of this Agreement which arose prior to the date of termination.

220. Western Power proposed the following definition for "Commencement Date":

Means the date of execution of this Agreement or the date this Agreement is deemed to commence by operation of clause 5.2 of the Code (as applicable).

221. The proposed changes are administrative in nature and bring the MSLA in line with the electricity transfer access contract approved under the access arrangement. The amendments do not materially affect compliance with the Metering Code.

Services

222. The current MSLA includes provisions on services in clause 3. Western Power proposed amending the clause as follows:

3. Services

3.1 Metering Services

During the Term:

(a) Western Power must provide the Metering Services comprised in Reference Services (Metering), in accordance with the Code or as requested by the User under a ~~valid-service request~~ Service Order;

(b) the User must pay for Extended Metering Services provided by Western Power pursuant to a ~~valid-service request~~ Service Order submitted by the User; and

(c) the User may use the Metering Services,
on the terms and conditions set out in this agreement.

3.2 Service Standards

(a) Western Power must provide the metering services to the user in accordance with the Service Standards.

(b) Western Power is not in breach of this Agreement or the Service Standards if it is not (acting reasonably) able to provide a Metering Service:

(i) because appropriate access to a property is not provided to it;

- (ii) [because it or its employees or agents have a legitimate concern about their ability to safely access a property \(including due to risk of attack by animals, threats of violence or unsafe conditions at the property\); or](#)
- (iii) [due to other impediments beyond Western Power's reasonable control and which Western Power cannot, acting reasonably, overcome.](#)

3.3 Request for Metering Services

The user may request the provision of [Metering Services](#) ~~new or additional metering services, or the cancellation of metering services, which are being provided by Western Power~~ under this Agreement by submitting to Western Power a ~~service request~~ [Service Order](#) in accordance with the Code and the communication rules. ~~Detail in relation to the transactions, processes and procedures will be provided in the build pack.~~

3.4 Requirement for Access Contract

The user may only request metering services for a [Meter](#) ~~metering point~~ for which the User has agreed an access contract with Western Power for the ~~associated~~ Connection Point.

223. In its submission on Western Power's proposal, Synergy considered that clause 3.1(b) could require a user to pay for a metering service before the service was completed:

Clause 3.1(b) of the MSLA contemplate[s] that a User has an obligation to pay for the metering services at the time a service order is submitted, not when the service is completed. Synergy does not support this arrangement as it is not consistent with the Code objectives or the public interest test specified in s. 26(1) of the ERA Act.

The MSLA needs to be clear that there is no obligation to pay for metering services if Users do not receive all necessary information to reconcile the type of metering service that has been requested and the applicable charges under the MSLA.

224. Synergy submitted that clause 3.1(b) should be amended as follows:

3.1(b) [Except in the circumstances specified in Schedule 5 in respect of "Cancellation Fees" and "Fees for Extended Metering Services where no site access"](#), the User must pay for Extended Metering Services only when [completed](#) by Western Power pursuant to a Service Order submitted by the User; and ...

225. Western Power's proposed amendments to clause 3.1(b) do not substantively change the current clause. The clause refers to the user being required to pay for services provided by Western Power, indicating that payment is only required if the service has been provided. Invoicing and payment terms are set out in clause 5.
226. Western Power's proposed amendments to clause 3.2(b) add parameters for determining when Western Power is not in breach of providing services. The ERA considers the proposed parameters lack clarity about what constitutes, and who determines, "appropriate access", "legitimate concerns" and "other impediments". Consistency with the Metering Code requires these matters to be clearly defined so parties understand their respective obligations and there is no dispute about whether Western Power should have delivered the service or not.
227. In its consultation paper, the ERA required the MSLA to be amended so that the proposed parameters in clause 3.2(2) are clearly defined so parties understand their respective obligations and there is no dispute about whether Western Power should have delivered the service or not.
228. Synergy and Alinta both supported the ERA's required amendment.
229. Western Power accepted the ERA's required amendment in principle but raised concerns that future circumstances cannot be fully foreseen and clearly defined:

The difficulty is that the future circumstances in which Western Power may not be able to provide the Metering Services cannot now be fully foreseen and delineated. Nevertheless, Western Power has not proposed an unlimited exclusion along the lines of “Western Power is not in breach if it is unable to provide the Metering Service” but rather it has limited the exceptions to “appropriate access to a property not provided”, “legitimate concern [about safety]” and “other impediments [beyond control]”. Western Power does not accept that the future circumstances can be clearly defined but in recognising the ERA’s concern Western Power proposes replacing “acting reasonably” with “acting as a Reasonable and Prudent Person”. This is a standard formulation to cater for uncertain circumstances as used in the MSLA and the ETAC.

230. The ERA considers that Western Power's response has merit. Restricting the circumstances for the purpose of clause 3.2(b) would likely be impractical and attempting to define the relevant terms would have limited effect.

231. In many respects the exclusions in clause 3.2(b) mirror the types of circumstances where a force majeure clause would apply except they are more localised. Similar to the way in which force majeure is determined, in the absence of more restrictive definitions, the ERA considers the following mechanisms should be included:

- A positive obligation on Western Power to use reasonable endeavours to overcome any issue preventing the performance of metering services.
- An obligation on Western Power to provide evidence of the reason for the failure on the user's request.
- A qualification that the issue be material.
- A requirement that Western Power act as a reasonable and prudent person.

232. The ERA requires the clause to be amended as follows:

3.2 Service Standards

(a) Western Power must provide the metering services to the user in accordance with the Service Standards.

(b) Western Power is not in breach of this Agreement or the Service Standards if it is not ~~(acting reasonably)~~ able to provide a Metering Service:

(i) because ~~appropriate~~ the necessary access to a property cannot be gained by Western Power ~~is not provided to it;~~

(ii) due to a legitimate and material third party risk in relation to an employee or agent's ~~because it or its employees or agents have a legitimate concern about their~~ ability to safely access a property (including due to risk of attack by animals, threats of violence or unsafe conditions at the property); or

(iii) due to other impediments beyond Western Power's reasonable control ~~and which Western Power cannot, acting reasonably, overcome.~~

provided that Western Power has taken all steps acting as a Reasonable and Prudent person to overcome any matter contemplated in subparagraphs (i) to (iii).

(c) Should Western Power fail to provide a Metering Service, within the service standard time of the User's request, Western Power must:

(i) provide the reason for the failure to provide the Metering Service; and

(ii) provide evidence in support of the reason for the failure to provide the Metering Service.

Required Amendment 10

Clause 3.2 must be amended to include:

- A positive obligation on Western Power to use reasonable endeavours to overcome any issue preventing the performance of metering services.
- An obligation on Western Power to provide evidence of the reason for the failure on the user's request.
- A qualification that the issue be material.
- A requirement that Western Power act as a reasonable and prudent person.

Financial covenants by user

233. The current MSLA includes provisions on financial covenants by users in clause 4. Western Power proposes amending the clause as follows:

4. FINANCIAL COVENANTS BY USER

4.1 Metering Services Charges

- (a) The User agrees to pay Western Power the Fees for the Extended Metering Services provided under this agreement.
- (b) For the avoidance of doubt, for Reference Services (Metering) a Reference Tariff is payable by the User under the User's Access Contract, and such Reference Tariffs must be paid by the User in accordance with the terms of the User's ~~the charges for the provision of standard metering services is included in the tariffs for covered services, payable by the user under the~~ Access Contract.
- (c) If the User requests the following Extended Metering Services and the test reveals that the Meter that was the subject of the test does not comply with the requirements of the Code, ~~such that it results in energy data errors being recorded in Western Power's favour~~, the user is not liable to pay any ~~charges~~ Fees applicable to those Extended Metering Services:
 - (i) Meter Test – Laboratory (single phase)
 - (ii) Meter Test – Laboratory (three phase)
 - (iii) Meter Test – On Site (single phase)
 - (iv) Meter Test – On Site (three phase); or
 - (v) Meter Test – On Site (CT Metering).

Furthermore, the User is not liable for any costs associated with any necessary repairs to the Metering Installation.
- (d) Where a User requests a Reference Service (Metering), which requires the provision of one or more Extended Metering Services to satisfy the eligibility criteria, Western Power will provide the Extended Metering Service and the User will pay the fees set out in Schedule 5 for that Service in addition to any Reference Tariff payable.
- (e) Where a Meter already has an activated communications link, the Fee for the Communications Link Installation Metering Service (MS-11) is not payable by the User.

234. "Activated communications link" is defined as "a telecommunications network connection with a meter, with capability for two-way communication between the meter

and Western Power’s metering management systems operating and able to be used to support remote services at the metering point.”

235. The proposed changes:

- Clarify which services are payable under the user’s access contract and that any extended metering services required to obtain a metering service under the access arrangement will be required to pay the MSLA fee.
- Ensure users are not liable for meter test fees if the meter is found to be non-compliant.
- Ensure users do not pay a fee to activate a communications link if it is already activated.

236. The ERA considers the proposed changes clarify the MSLA fees and are consistent with the Metering Code obligations.

Invoicing, payment and GST

237. Western Power proposes amending and moving the current MSLA invoicing and payment provisions set out in clause 4.2 to 4.6 to clause 5. Clause 5 in the current MSLA includes Goods and Services Tax (GST) provisions. Western Power proposes retaining the GST provisions in the proposed clause 5 with some amendments. The proposed amendments are shown below:

4.2 5.1 Invoices

Western Power must, within 10 Business Days after the end of an Accounting Period, issue to the User a Tax Invoice for that the Accounting Period showing:

- (a) all amounts payable by the User to Western Power under this Agreement for the Accounting Period; and
- (b) all outstanding amounts as at the end of the Accounting Period and interest payable on those amounts; and;
- (c) ~~any~~ GST payable ~~to Western Power~~ on those amounts under Clause 5.6 ~~of this Agreement~~.

4.3 5.2 Payment of invoices

- (a) Subject to clause 5.3, ~~T~~the user must, on or before the Due Date of the Tax Invoice, pay to Western Power all amounts shown on the Tax Invoice which are payable under this Agreement.

4.4 Failure to Pay

- (b) If the User fails to comply with Clause ~~4.4-5.2(a)~~, then without prejudice to Western Power’s other rights, the User must pay interest on any unpaid amount calculated daily at the Prescribed Rate from the Due Date of the Tax Invoice until payment.

4.5 5.3 Disputed Invoices

- (a) If the User Disputes any amount set out in a Tax Invoice issued under Clause 4 ~~5.1~~, then the User must pay the Undisputed Portion (if any), and must, prior to the Due Date of the Tax Invoice, give notice to Western Power that it Disputes the amount and provide in that notice full details of the Dispute. Provided the User has complied with the foregoing requirements, it may withhold payment of the disputed portion of the Tax Invoice until the Dispute is resolved.
- (b) Without prejudice to Western Power’s other rights, ~~a~~Any amount withheld by the User under Clause ~~4.6~~ ~~5.3(a)~~ but subsequently found to have been

payable, ~~without prejudice to Western Power's other rights~~, attracts interest calculated daily at the Prescribed Rate from the Due Date of the Tax Invoice until payment.

- (c) Without prejudice to Western Power's other rights, aAny amount paid by the User under Clause ~~4.6~~ 5.3(a) but subsequently found not to have been payable, ~~without prejudice to the user's other rights~~, attracts interest calculated daily at the Prescribed Rate from the date the User paid the amount to the date Western Power repays the amount ~~to the user~~.

4.6 5.4 Under and Over Payments

- (a) If a Party detects a Payment Error by a Party of any amount within 18 calendar months after the Payment Error:
- (i) the Party must as soon as reasonably practicable give ~~written~~ notice to the other Party of the Payment Error; and
 - (ii) an adjusting payment must be made by the appropriate Party within ~~10~~ 15 Business Days of that notice.
- (b) Except where Subject to Clause 4.7 5.4(c) applies, the adjusting payment must, without prejudice to the Party's other rights, include interest calculated daily at the prescribed rate from the date of the Payment Error until the date of the adjusting payment.
- (c) An adjusting payment by a Party will not attract interest under Clause ~~4.7~~ 5.4(b) if it is made in relation to an underpayment and the underpayment was the result of an error by the other Party.
- ~~(d) A Party is not entitled to an adjusting payment for a Payment Error notified to the other Party after the expiry of 18 calendar months after the Payment Error.~~
- ~~(e) Where a Payment Error is an error as a result of which the amount set out in a Tax Invoice is less than what it would have been had the error not been made, the Payment Error will be taken to have occurred on the Due Date of the Tax Invoice.~~
- ~~(f) Where a Payment Error is an error as a result of which the amount set out in a Tax Invoice is more than what it would have been had the error not been made, the Payment Error will be taken to have occurred on the date the User has paid the total amount of the Tax Invoice in full.~~

5.5 Default in payment

If the User Defaults in due and punctual payment of a Tax Invoice, clause 9(a) applies.

5.6 GST

- (a) Unless expressly included otherwise stated, ~~all amounts payable or the value of other~~ the consideration for any supply under or in connection with provided in respect of the supplies made under this Agreement (including any Fees) is are exclusive of GST exclusive.
- (b) To the extent that any supply made under or in connection with this Agreement is a taxable supply, and the price for it (including any Fees) is stated to be GST exclusive, the consideration for that supply is increased by an amount determined by the supplier, not exceeding the amount of the consideration (or its market value) multiplied by the rate at which GST is imposed in respect of the supply, ~~the Party receiving the supply must pay an additional amount equal to the GST rate applying to the taxable supply multiplied by the sum of:~~
- ~~i.) any monetary consideration for the supply; and~~
 - ~~ii.) the GST exclusive market value of any non-monetary consideration for the supply~~
- (c) Without limiting the obligation to provide a Tax Invoice under clauses 5.1, the supplier must issue a Tax Invoice to the recipient of a supply to which clause 5.6(b) applies before the payment of the GST inclusive consideration

~~determined under that clause. Any additional amount payable as a result of the operation of paragraph (b) of this clause must be paid in Australian Dollars at the same time as the:~~

- ~~i.) Payment of any monetary consideration; or~~
- ~~ii.) Provision of any non-monetary consideration~~
- d) If a Party is entitled under this Agreement to be reimbursed or indemnified by another Party for a cost or expense incurred in connection with this Agreement, the reimbursement or indemnity payment must not include any GST component of the cost or expense for which an input tax credit may be claimed by the Party entitled to be reimbursed or indemnified, or by its representative member. ~~Where any amount is payable to a Party as a reimbursement, indemnification or similar payment calculated by reference to a loss, cost, expense or any other amount incurred by that Party, then such amount shall be reduced by any part of that loss, cost, expense or other amount which is attributable to GST for which that Party, or the representative member of any GST group of which that Party is a member, is entitled to an input tax credit.~~
- ~~e) — Where in relation to this agreement a Party makes a taxable supply, that Party shall provide a Tax Invoice in respect of that supply at or before the time that the payment of GST is required under paragraphs (b) and (c) of this Clause.~~
- f-e) If a Party becomes aware of an adjustment event, that Party agrees to notify the other Party as soon as practicable after becoming so aware, and the Parties agree to take whatever steps are necessary, including the issue of an adjustment note, and to make whatever adjustments are required, to ensure that any GST or additional GST on that supply or any refund of any GST (or part thereof) is paid as soon as is practicable but no later than ~~44~~ 10 Business days after the Party Supplier has satisfied itself that the adjustment event has occurred.
- g-f) Definitions in the GST Act apply also in this clause 5.6 unless the context indicates otherwise. ~~Terms defined in the A New Tax System (Goods and Services Tax) Act 1999 (Cth) have the same meaning when used in this Clause.~~

238. The proposed amendments generally bring these clauses into line with similar clauses in the electricity transfer access contract approved under the access arrangement.
239. However, Western Power proposed amending the definition of “business day” from “means a day that is not a Saturday, Sunday or public holiday throughout Western Australia” to “means a day that is not a Saturday, Sunday or public holiday in Perth, Western Australia”.
240. The proposed amendment would result in the definition being inconsistent with the Metering Code and the electricity transfer access contract. The ERA is not aware of any public holidays that do not apply throughout the state but, if there were to be, it may result in operational difficulties if the definition is inconsistent with the Metering Code. Other than the definition of business day, the ERA considered the proposed amendments provide additional clarity, are administrative in nature and do not materially affect consistency with the Metering Code.
241. In its response to the ERA’s consultation paper, Western Power agreed the definition of “business day” should reference Western Australia rather than Perth.

Required Amendment 11

The definition of “business day” should refer to Western Australia rather than Perth.

242. Alinta raised concerns about Western Power’s invoices:

Often extended metering invoices do not refer to the price and service list, making it difficult to for customers to reconcile and verify whether they are being charged a cost-reflective price (for a service that is not contained in the MSLA) or the correct price for a service contained in the MSLA. As a result, retailers must query these invoices with Western Power, creating administrative burden for both parties.

Proposed solution

A requirement, (in clause 4.2) for invoices to link the metering service being billed to a charge in the MSLA. If the service being invoiced does not match an MSLA item, Alinta Energy suggests Western Power be required to highlight this and provide information describing the service and substantiating the charge.

243. Clarity of charges to users is necessary to ensure they are correctly charged for the services they have received. To ensure clarity, the ERA considers clause 5.1 should be amended as follows to set out the minimum level of detail on an invoice.

5.1 Invoices

Western Power must, within 10 Business Days after the end of an Accounting Period, issue to the User a Tax Invoice for that ~~the~~ Accounting Period that sets out showing:

- (a) the amounts payable for each service provided under this Agreement for the Accounting Period; and
- (b) a brief explanation for the amount payable where the service or fee is not listed in Schedule 5; and
- (~~a~~c) all amounts payable by the User to Western Power under this Agreement for the Accounting Period; and
- (~~b~~d) all outstanding amounts as at the end of the Accounting Period and interest payable on those amounts; and;
- (~~e~~e) GST payable on those amounts under Clause 5.6.

Required Amendment 12

Clause 5.1 must be amended as follows:

.... issue to the User a Tax Invoice for that Accounting Period that sets out:

- (a) the amounts payable for each service provided under this Agreement for the Accounting Period; and
- (b) a brief explanation for the amount payable where the service or fee is not listed in Schedule 5; and

Representations and warranties

244. Western Power has introduced a new clause 6 on representations and warranties:

6. Representations and warranties

6.1 The User’s representations and warranties

- (a) The User represents and warrants to Western Power that:
- (i) the User's obligations under this Agreement are valid and binding and are enforceable against the User under their terms; and
 - (ii) this Agreement and any other transaction under it does not contravene the User's constituent documents or any Law or any of the User's obligations or undertakings by which the User or any of the User's assets are bound or cause to be exceeded any limitation on the User's or the User's directors' powers; and
 - (iii) neither the User nor any of its related bodies corporate have immunity from the jurisdiction of a court or from legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise).
- (b) The representations and warranties in clause 6.1(a) are to be taken to be made on each day on which:
- (i) this Agreement is in effect; or
 - (ii) any amount payable by the User to Western Power under this Agreement is or may be outstanding.
- (c) To the maximum extent permitted by Law, the only warranties given by and terms which apply to the User under this Agreement are those expressly contained in this Agreement, and all warranties and terms implied by Law, including those on the part of the User implied by the *Competition and Consumer Act 2010 (Cth)* or the *Fair Trading Act 2010 (WA)* or any other Law to similar effect do not apply to this Agreement.
- (d) If at Law the exclusion of any warranty or term is prohibited, then the User's liability in respect of a breach of such warranty or term is limited to the maximum extent permitted by Law. For example, where any Law permits the User to limit its liability in respect of a breach of an implied warranty or condition to the replacement or resupply of equivalent goods and services, then the User's liability will be so limited.

6.2 Western Power's representations and warranties

- (a) Western Power represents and warrants to the User that:
- (i) Western Power's obligations under this Agreement are valid and binding and are enforceable against Western Power under their terms; and
 - (ii) this Agreement and any other transaction under it does not contravene Western Power's constituent documents or any Law or any of Western Power's obligations or undertakings by which Western Power or any of Western Power's assets are bound or cause to be exceeded any limitation on Western Power's or Western Power's directors' powers; and
 - (iii) neither Western Power nor any of its related bodies corporate have immunity from the jurisdiction of a court or from legal process (whether through service of notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise).
- (b) The representations and warranties in clause 6.2(a) are to be taken to be made on each day on which:
- (i) this Agreement is in effect; or
 - (ii) any amount payable by Western Power to the User under this Agreement is or may be outstanding.
- (c) To the maximum extent permitted by Law, the only warranties given by and terms which apply to Western Power under this Agreement are those expressly

contained in this Agreement, and all warranties and terms implied by Law, including those on the part of Western Power implied by the *Competition and Consumer Act 2010 (Cth)* or the *Fair Trading Act 2010 (WA)* or any other Law to similar effect do not apply to this Agreement.

- (d) If at Law the exclusion of any warranty or term is prohibited, then Western Power's liability in respect of a breach of such warranty or term is limited to the maximum extent permitted by Law. For example, where any Law permits Western Power to limit its liability in respect of a breach of an implied warranty or condition to the replacement or resupply of equivalent goods and services, then Western Power's liability will be so limited.

245. The proposed new clauses are taken from the representations and warranties included in the electricity transfer contract. They state clearly that Western Power's and users' obligations under the agreement are valid and binding and are enforceable under the terms of the agreement. The proposed amendments do not materially affect consistency with the Metering Code.

Force majeure

246. The current force majeure provisions are set out in clause 6. Western Power proposed amending the current clause and moving it to clause 8.

6.8. FORCE MAJEURE

8.1 Affected Person's obligations are suspended

~~—a)~~ If a Party ("Affected Party") is unable wholly or in part to perform any obligation ("Affected Obligation") under this Agreement (other than an obligation to pay money) because of the occurrence of a Force Majeure Event, then, subject to this clause 8.1, the Affected Person's obligation to perform the Affected Obligation is suspended ~~affected party is released from liability for failing to perform the affected obligation~~ to the extent that, and for so long as, the Affected ~~party's~~ Person's ability to perform the Affected Obligation is affected by the Force Majeure Event (such period being the "FM Period").

8.2 Affected Person's obligations

~~—b)~~ Subject to clauses 8.3 and 8.5, ~~if~~ a Force Majeure Event occurs and the Affected ~~Person party~~ Person is unable wholly or in part to perform any obligation under this Agreement, then the Affected ~~party~~ Person must:

- ~~ia)~~ promptly notify the other party if the FM Period continues for a period of two days or longer ~~of the occurrence of the force majeure event~~; and
- ~~ib)~~ use reasonable endeavours (including incurring any reasonable expenditure of funds and rescheduling personnel and resources) to
 - (i) mitigate the consequences of the Force Majeure Event; and
 - (ii) minimise any resulting delay in the performance of the Affected Obligation.

8.3 In case of breach

An Affected Person is not obliged to incur an expenditure in complying with clause 8.2(b) if the Force Majeure Event is constituted by a breach of, or failure to comply with, this Agreement by the other Party.

8.4 Failure to minimise delays

~~e)~~ If ~~the~~ an Affected ~~party~~ Person fails to comply with Clause 8.2(b)(ii) ~~6(b)~~, then the only consequence of that failure is that the FM period ~~of suspension of the affected obligation~~ is reduced by the period of any delay in the performance of the Affected Obligation attributable to that failure.

8.5 Settlement of a labour dispute

e) The settlement of a labour dispute which constitutes a Force Majeure Event is a matter which is within the absolute discretion of the Affected Person.

247. Western Power proposed amending the definition of force majeure from “as defined in the *access contract*” to:

Has the meaning given to it in the User’s Access Contract, however if the term is not defined in the User’s Access Contract, then the term will have the following meaning:

in respect of a Party, means an event or circumstance beyond the Party’s control, and which the Party, acting as a Reasonable and Prudent Person, is not able to prevent or overcome, including (where the foregoing conditions are satisfied):

- (a) any act of God, lightning, earthquake, storm, fire, flood, subsidence, land slide, mud slide, wash-out, explosion or natural disaster; or
- (b) any insurrection, revolution or civil disorder, terrorism, act of public enemies, malicious damage, sabotage, vandalism, war (whether declared or undeclared) or a military operation, blockade or riot; or
- (c) any determination, award or order of any court or tribunal, or any regulatory authority or the award of any arbitrator arising after the Commencement Date; or
- (d) any act or omission of government or any government or regulatory department, body, instrumentality, ministry, agency, fire brigade or any other authority other than a Party (including restraint, expropriation, prohibition, intervention, direction or embargo); or
- (e) any inability or delay in obtaining any governmental, quasi-governmental or regulatory approval, consent, permit, licence or any other authority other than a Party; or
- (f) any industrial disputes of any kind, strike, lock-out, ban, limitation or other industrial disturbances; or
- (g) any significant plant or equipment failure which could not have been avoided by the exercise of Good Electricity Industry Practice; or
- (h) any act or omission of any person (other than a Party) with Facilities and Equipment connected to the Network which prevents the Party’s ability to perform its obligations under this Agreement; or
- (i) any application of any law of the Commonwealth, any Commonwealth authority, the State, any State authority or any local government; or
- (j) accidents, weather and acts of third parties (such as Generators or Consumers) that affect the quality, frequency and continuity of the supply of electricity.

248. In its submission on Western Power’s proposal, Synergy raised concerns about the force majeure provisions:

Clause 8.2(a) would seem not to require notification of Force Majeure (FM) until it has continued for at least 2 days. This represents a lower reporting obligation on the part of the Affected Person than is the case under the current MSLA, which requires the Affected Person to notify the other person “promptly”. No justification for this has been provided. Synergy considers that if a party wishes to rely on FM it must notify the other as soon as reasonably practicable (which in some cases could require immediate notice). This is particularly the case if a Force Majeure Event is likely to be recurring but where it may not meet the 2 day threshold in each instance.

249. Synergy recommended the following amendment:

8.2 Affected Person’s obligations

Subject to clauses 8.3 and 8.5, if a Force Majeure Event occurs and the Affected Person is unable wholly or in part to perform any obligation under this Agreement, then the Affected Person must:

- (a) [Notify the other person immediately on becoming aware of a Force Majeure Event likely to prevent the operation of clause 5.8 of the Code or adversely affect any customer using Life Support Equipment; and](#)
- (b) [Subject to clause 8.2\(a\)](#), notify the other Party if the FM Period continues for a period of two days or longer; and
- (c) Use reasonable endeavours (including any reasonable expenditure of funds and rescheduling personnel and resources) to:
 - (i) mitigate the consequences of the Force Majeure Event;
 - and
 - (ii) minimise any resulting delay in the performance of the Affected Obligation.

250. Synergy also had concerns with clause 8.3:

- Clause 8.3 – The provision needs to be expanded to also include that an Affected Person is not obliged to incur expenditure if the Force Majeure Event constitutes a breach of the Metering Code by the other party.

Further, it is important to note that a Force Majeure Event in relation to standing data or metering data can cause a User to incur a large number of breaches under the Code of Conduct. The Code of Conduct does not provide any dispensation to Users in relation to a Force Majeure Event.

251. Synergy recommended the following MSLA amendments.

8.3 In case of breach

An Affected Person is not obliged to incur expenditure in complying with clause 8.2(b) if the Force Majeure Event is constituted by a breach of, or failure to comply with, this Agreement [or the Code](#) by the other Party.

252. As set out in its consultation paper, the ERA considered that Western Power’s proposed changes to the force majeure provisions were consistent with the electricity transfer access contract and would ensure they work together effectively. However, Western Power’s proposed amendments did not include provisions for how quickly force majeure events should be notified. The requirement in the electricity transfer access contract is “as soon as reasonably practicable and in any event within 5 business days of a Party becoming aware an event is or is likely to be a Force Majeure Event.”
253. Synergy proposed immediate notification of a force majeure event if it is likely to prevent the operation of clause 5.8 of the Metering Code or adversely affects customers using life support equipment.²³ The ERA agreed that prompt notification was necessary for these circumstances to enable users to take any actions they can to avoid breaches under the Code of Conduct or mitigate the effect on customers using life support equipment. However, immediate notification may not always be possible. The ERA considered “as soon as reasonably practicable” was a better alternative.
254. For force majeure events that do not prevent the operation of clause 5.8 of the Metering Code or adversely affect customers using life support equipment, the ERA considered the obligations for notifying should be consistent with the electricity transfer access contract.

²³ Clause 5.8 states “A *network operator* must in accordance with this *Code* provide a user with whatever information the network operator has, including energy data and standing data, that is necessary to enable the user to comply with its obligations under the Code of Conduct, within the time necessary for the user to comply with the obligations (unless another time is specified in the applicable service level agreement).”

255. The ERA considered Synergy's proposed amendment to clause 8.3 was necessary to ensure breaches of the Metering Code are included.

256. In its consultation paper, the ERA considered proposed clause 8.2 and 8.3 should be amended as follows:

Subject to clauses 8.3 and 8.5, if a Force Majeure Event occurs and the Affected Person is unable wholly or in part to perform any obligation under this Agreement, then the Affected Person must:

- (a) [notify the other person as soon as reasonably practicable on becoming aware of a Force Majeure Event likely to prevent the operation of clause 5.8 of the Code or adversely affect any customer using Life Support Equipment](#); and
- (b) [subject to clause 8.2\(a\)](#) notify the other Party if the FM Period continues for a period of two days or longer [as soon as reasonably practicable and in any event within 5 Business Days of a Party becoming aware an event is or is likely to be a Force Majeure Event](#); and
- (c) use reasonable endeavours (including any reasonable expenditure of funds ...

...

An Affected Person is not obliged to incur any expenditure in complying with clause 8.2(b) if the Force Majeure Event is constituted by a breach of, or failure to comply with, this Agreement [or the Code](#) by the other Party.

257. Synergy supported the ERA's view but suggested different drafting as follows:

(a) notify the other Party as soon as reasonably practicable and in any event within 1 day of a Party becoming aware of a Force Majeure Event is likely to prevent the operation of clause 5.8 of the Code or adversely affect any customer using Life Support Equipment;

and

(b) in circumstances other than those under clause 8.2(a), if the FM Period continues for a period of two days or longer, notify the other Party as soon as reasonably practicable and in any event within 5 Business Days of a Party becoming aware an event is or is likely to be a Force Majeure Event; and” .

258. Alinta agreed the notification of a force majeure should be “as soon as reasonably practicable” as proposed by the ERA.

259. Western Power accepted the ERA's view in principle but proposed modified drafting to focus the “adverse effect” on the use of the life support equipment and not the customer generally. It also proposed to include a definition for life support equipment to have the meaning given to it in the Metering Code.

260. Taking account of submissions received, the ERA considers the force majeure clause should be amended as follows:

Subject to clauses 8.3 and 8.5, if a Force Majeure Event occurs and the Affected Person is unable wholly or in part to perform any obligation under this Agreement, then the Affected Person must:

- (a) notify the other person as soon as reasonably practicable on becoming aware an event is or is likely to be a Force Majeure Event likely to prevent the operation of clause 5.8 of the Code or adversely affect the use by a customer of Life Support Equipment; and
- (b) subject to clause 8.2(a) notify the other Party if the FM Period continues for a period of two days or longer as soon as reasonably practicable and in any event within 5

Business Days of a Party becoming aware an event is or is likely to be a Force Majeure Event; and

- (c) use reasonable endeavours (including any reasonable expenditure of funds ...

...

An Affected Person is not obliged to incur any expenditure in complying with clause 8.2(b) if the Force Majeure Event is constituted by a breach of, or failure to comply with, this Agreement [or the Code](#) by the other Party.

Required Amendment 13

Proposed clause 8.2 and 8.3 must be amended as follows:

... then the Affected Person must:

- (a) notify the other person as soon as reasonably practicable on becoming aware an event is or is likely to be a Force Majeure Event likely to prevent the operation of clause 5.8 of the Code or adversely affect the use by a customer of Life Support Equipment; and
- (b) subject to clause 8.2(a) notify the other Party if the FM Period continues for a period of two days or longer as soon as reasonably practicable and in any event within 5 Business Days of a Party becoming aware an event is or is likely to be a Force Majeure Event; and
- (c) use reasonable endeavours (including any reasonable expenditure of funds ...

...

An Affected Person is not obliged to incur any expenditure in complying with clause 8.2(b) if the Force Majeure Event is constituted by a breach of, or failure to comply with, this Agreement or the Code by the other Party.

Default

261. The current MSLA includes default provisions in clause 7. Western Power proposed amending the provisions in clause 7 and moving it to proposed clause 9:

7 9 Default

- (a) If the User defaults in the due and punctual payment, at the time and in the manner required for payment by this Agreement, of any amount payable under this Agreement (Default), then Western Power may:
 - (i) notify the User of the User's Default and require the user to remedy the User's Default; and
 - (ii) if the User's Default has not been remedied at the end of the 20th Business Day after the notice was given, suspend the provision of the Extended Metering Services.
- (b) If the Extended Metering Services are suspended by Western Power under Clause 7 9(a), Western Power must continue to provide the Standard Metering Services in respect of the Metering Points, which are affected by the suspension.
- (c) [For the avoidance of doubt, nothing in clause 9\(b\) impacts Western Power's right to suspend services under the User's Access Contract, including the Standard Metering Services, in accordance with the terms of the User's Access Contract.](#)

- e d) The exercise of any of the remedies set out in Clause 7 9(a) by Western Power does not prejudice the rights or remedies accrued to Western Power at the date of the User's Default.

262. Proposed new clause 9(c) provides clarification about the suspension of metering services. The new clause does not materially affect consistency with the Metering Code.

Liability and indemnity

263. The current MSLA includes liability and indemnity in clause 8. Western Power proposes amending the clause and moving it to clause 7:

~~8 7~~ LIABILITY AND INDEMNITY

~~8 7.1~~ Exclusion of Indirect Damage

~~Neither party will in any circumstances be liable to the other party for Indirect Damage however caused including, without limitation, through breach of contract, in tort (including negligence), in equity, or for breach of statute.~~

- (a) The User is not in any circumstances liable to Western Power for any Indirect Damage suffered by Western Power, however arising.
- (b) Western Power is not in any circumstances liable to the User for any Indirect Damage suffered by the User, however arising.

~~8 7.2~~ Limitation of Liability

The maximum liability of one Party to the other Party under and in connection with this Agreement is limited to the amount equal to:

- ~~(a) Western Power to the User under and in connection with this Agreement is limited in accordance with the users access contract ; or~~
- ~~(b) the User to Western Power under and in connection with this Agreement is limited in accordance with the users access contract.~~
- (a) the aggregate monetary limit on that Party's liability under the User's Access Contract applicable to all breaches of, or acts or omissions in connection with, the User's Access Contract ("Access Contract Cap"); less
- (b) the aggregate actual liability incurred by that Party to the other Party under the User's Access Contract, to the intent that each Party's aggregate liability under this Agreement and the User's Access Contract will not exceed the Access Contract Cap applicable to it. If a Party receives an amount of damages under this Agreement which, when aggregated with any amounts it has received under the User's Access Contract, results in the Access Contract Cap being exceeded it must refund the excess amount received over the Access Contract Cap to the other Party.

Payments of charges for services, GST and interest are not taken into account in determining whether the Access Contract Cap has been exceeded.

7.3 Personal Injury

Clauses 7.1 and 7.2 do not apply to personal injury Claims. The liability for any personal injury Claim will be determined under Law.

7.4 Fraud

- (a) If Western Power is fraudulent in respect of its obligations to the User under this Agreement, then Western Power is liable to the User for, and is to indemnify the User against, any damage caused by, consequent upon or arising out of the fraud. In this case, the exclusion of Indirect Damage in clause 7.1 does not apply.

- (b) If the User is fraudulent in respect of its obligations to Western Power under this Agreement, then the User is liable to Western Power for, and is to indemnify Western Power against, any damage caused by, consequent upon or arising out of the fraud. In this case, the exclusion of Indirect Damage in clause 7.1 does not apply.
- (c) A Party must take such action as is reasonably required to mitigate any loss or damage to it for which indemnity may be claimed under this Agreement or otherwise.

7.5 Interaction with ETAC

Nothing in this clause 7 limits the operation of any provision in the User's Access Contract providing that "the exclusion of Indirect Damage does not apply" or words to similar effect.

264. The term "indirect damage" is not defined in the current MSLA. Western Power proposes including the following definition consistent with the electricity transfer access contract:

Indirect Damage suffered by a person means any one or more of:

- (a) any consequential loss, consequential damage or special damages however caused or suffered by the person, including any:
- (i) loss of (or loss of anticipated) opportunity, use, production, revenue, income, profits, business and savings; or
 - (ii) loss due to business interruption; or
 - (iii) increased costs; or
 - (iv) punitive or exemplary damages,
- whether or not the consequential loss or damage or special damage was foreseeable; or
- (b) in respect of contractual damages, damages which would fall within the second limb of the rule in Hadley v Baxendale [1854] 9 Exch. 341; or
- (c) any liability of the person to any other person, or any Claim brought against the person by any other person, and the costs and expenses connected with the Claim.

265. Western Power proposes the following definition for "Claim" consistent with the electricity transfer access contract:

Means any claim, demand, action or proceeding made or instituted against a Party.

266. In its submission on Western Power's proposal, Synergy raised concerns with the provisions in clause 7.1 for the exclusion of liability for "Indirect Damage ... however arising":

Synergy is concerned that:

- To the extent a liability exclusion or limitation is broad, that is likely to favour WP (as service provider) over Users (as service takers).
- The breadth of the exclusion or limitation of Indirect Damage is inconsistent with WP's and User's relative risk positions under WP's current standard access contract. For example, under clause 3.6(f) of the standard access contract, WP must not delete a Connection Point other than in accordance with a notice given by a User under clause 3.6. If WP commits a breach of this obligation in circumstances that constitutes a "wilful default", it is liable to the User and the exclusion of Indirect Damage does not apply.
- Users are in any case exposed to certain liabilities to third parties (e.g. to consumers under the Australian Consumer Law) which by law cannot be modified,

restricted or excluded. Users may be caught in the middle with exposure to their customers and other third parties for matters that are attributable to WP's default but for which, due to the liability limitations in the MSLA, WP is not liable for.

- The use in clause 7.1 of "however arising" would appear to apply the exclusion of indirect damage even for a party's fraud or wilful default. Similarly, the liability limitations in clause 7.2 do not contain any exceptions.

Synergy in any case considers the exclusion of indirect damage in clause 7.1 and the liability limitations in clause 7.2 should align with the approach approved by the ERA in respect of the ETAC.

Further, Synergy requires:

- A provision to the effect that WP must pay Users adequate compensation and the liability exclusions and limitations in clause 7 will not apply for certain losses, including:
 - When WP causes standing data to be incorrect and Synergy suffers a loss where it has relied on standing data information in relation to a supply contract (or for any other purpose); and
 - For consequential losses similar to business damage provision under the ETAC. For example, where standing data requires re-work when incorrect etc.

With regard to the proposed amendments to clauses 7.3 to 7.5 of the MSLA, Synergy considers these appear generally appropriate. However, it is unclear why (other than consistency with the ETAC), in the case of fraud (clause 7.4), the MSLA is proposing the overall cap on liability in clause 7.2 should still apply, whereas in the case of personal injury (clause 7.3) it does not. Conceptually, if the clause 7.2 cap on liability is removed for personal injury, why should it not also be removed for fraud?

267. The matters raised by Synergy link closely with the views it expressed about making sure there are incentives for Western Power to deliver services in line with the service standards. It was unclear to the ERA why Western Power had not amended proposed clause 7 to be fully consistent with similar clauses in the electricity transfer access contract.

268. The ERA considered clause 7 should be amended to be consistent with the electricity transfer access contract so that Western Power would be required to provide financial compensation if its failure to deliver a service in line with the service standards resulted in the user incurring additional costs.

269. In its consultation paper, the ERA considered that proposed clause 7 should be amended to be consistent with provisions in the electricity transfer access contract and ensure that Western Power would be required to pay compensation if its failure to deliver a service in line with the service standard resulted in a user incurring additional costs.

270. Synergy and Alinta both supported the ERA's views.

271. Western Power did not agree:

Western Power does not support the ERA's required amendment and maintains its original position.

Western Power notes the following to address Synergy's concerns:

- contrary to Synergy's assertion that the breadth of the liability exclusion of indirect damage is inconsistent with the ETAC, the liability exclusion of indirect damage mirrors that in the ETAC;

- as to the example given of clause 3.6 of the ETAC, the dis-application of the exclusion of indirect damage there is preserved by clause 7.5 of the MSLA. There are no wilful default provisions in the MSLA;
- the concern expressed about the application of the Australian Consumer Law is speculative and unsubstantiated. There is no recognition of this supposed issue in the ETAC;
- the use of “however arising” mirrors the ETAC. Clause 7.4 of the MSLA specifically dis-applies the liability exclusion of indirect damage to fraud. There are no wilful default provisions in the MSLA. Exclusions to the operation of clause 7.2 are included as to payment of charges for services, GST and interest; and
- the application of the liability cap for fraud and its dis-application for personal injury mirrors the ETAC.

Western Power adopts the principle that as Reference Service (Metering) are provided under the ETAC and the Metering Services comprised therein are provided in accordance with the Code and the MSLA, there must be conformity in the liability provisions in the two agreements.

Synergy also argues the exclusion of indirect damage in clause 7.1 and the liability limitations in clause 7.2 should align with the approach approved by the ERA in respect of the ETAC.

In the proposed MSLA, they do.

The ERA considers clause 7 should be amended to be consistent with the ETAC. Western Power will be liable under the MSLA for losses other than excluded indirect damage in precisely the same way as it is liable under the ETAC. This will provide Synergy with “adequate compensation”.

The required amendment is inconsistent with the ETAC.

272. The ERA considers that the omission of an equivalent clause to 19.2 of the electricity transfer access contract in the MSLA results in the MSLA being inconsistent with the electricity transfer access contract.

273. Clause 19.2 of the electricity transfer access contract provides:

Subject to the terms of this Contract:

a party who:

- (i) is negligent; or
- (ii) commits a Default under this Contract,

is liable to the other Party for, and must indemnify the other Party against, any Direct Damage caused by, consequent upon or arising out of the negligence or Default; and

the Indemnifier must indemnify Western Power in respect of the liabilities of the User under this Contract.

274. Clause 19.2 in the electricity transfer access contract must be replicated in clause 7 of the MSLA. This also requires 'Direct Damage' to be defined in the MSLA consistent with the definition contained in the electricity transfer access contract – “[means] loss or damage suffered by the person which is not Indirect Damage”.

275. In addition, there is an inconsistency between the electricity transfer access contract and MSLA clauses dealing with default. The MSLA does not have the equivalent of the electricity transfer access contract clause 27.1(b) that provides a party is in default if:

that Party defaults in the due and punctual performance or observance of any of its obligations contained or implied by operation of Law in this Contract

276. Accordingly, the ERA considers that an equivalent to clause 27.1(b) in the electricity transfer access contract must be included in clause 9 of the MSLA.
277. An additional clause is also required to clause 7 of the MSLA to clarify what is included in direct damages.
278. The definition of “Indirect Damage” includes consequential damage including “increased costs”. This possibly could be interpreted to exclude increased costs associated with a failure to provide services from “Direct Damage”. The ERA considers that, as the provision of metering services is the subject matter of the MSLA, then the failure to provide these services should give a right for the user to claim compensation. The ERA does not intend that this should be more than the direct costs incurred by the user.
279. To make this clear, the ERA requires an additional subclause 7.6 to specify that where Western Power fails to deliver a metering service, it is liable for the direct additional costs incurred by a User as a result of Western Power’s failure. These costs will still be subject to the cap on liability in clause 7.2 of the proposed MSLA.
- Failure to deliver Metering Services
- (a) Where Western Power fails to provide Metering Services to a User in accordance with the Service Standards, then Western Power is liable for the direct additional costs incurred by the User as a result of Western Power’s failure.
- (b) The exclusion of Indirect Damage in clause 7.1 does not apply to the direct additional costs referred to in clause 7.6(a).
280. Clause 6.5 of the Metering Code requires that the MSLA complies with the Metering Code and is reasonable. The ERA considers the amendments outlined above are necessary to ensure the MSLA is reasonable and meets the Metering Code requirements.

Required Amendment 14

Clause 7 and 9 must be amended as follows:

- Clause 19.2 in the electricity transfer access contract must be replicated in clause 7 of the MSLA.
- “Direct Damage” must be defined in the MSLA consistent with definition in the electricity transfer access contract.
- An equivalent to clause 27.1(b) in the electricity transfer access contract must be included in clause 9 of the MSLA.
- A new clause must be included to clearly specify that, where Western Power fails to deliver a metering service, it is liable for the direct additional costs incurred by a User as a result of Western Power’s failure.

Dispute resolution

281. The current MSLA includes dispute provisions in clause 9. Western Power does not propose amending the current provisions but has moved them to proposed new clause 10:

9 10 Disputes Resolution

9 10.1 Disputes

Any Dispute arising in respect of any matter under or in connection with this Agreement shall be resolved in accordance with the provisions set out in Part 8 of the Code.

9 10.2 Performance to Occur Despite Dispute

The parties shall continue to perform their obligations under this Agreement notwithstanding the existence of a Dispute.

282. The proposed change is administrative in nature and does not affect the substance of the clause.

283. The term “dispute” is not defined in the current MSLA. Western Power proposes including the following definition which is consistent with the electricity transfer access contract:

Dispute - Means any dispute or difference concerning:

(a) construction of; or

(b) anything contained in or arising out of; or

(c) rights, obligations, duties or liabilities of a Party under, this Agreement.

284. However, the Metering Code includes a definition of dispute and the processes that apply for resolving disputes under the Metering Code. The Metering Code definition is:

means any dispute or difference arising in respect of any matter under or in connection with this Code between any Code participants, the subject matter of which is not also an access dispute under the Access Code, a dispute under the market rules, a dispute or a complaint under the Code of Conduct or a dispute under the Customer Transfer Code.

285. The MSLA should define “dispute” consistently with the Metering Code. In its consultation paper, the ERA required the definition of dispute to be amended to be consistent with the Metering Code definition.

286. Western Power accepted the ERA’s required amendment.

Required Amendment 15

The definition of dispute must be amended to be consistent with the Metering Code definition:

“means any dispute or difference arising in respect of any matter under or in connection with this Agreement between the parties, the subject matter of which is not also an access dispute under the Access Code, a dispute under the market rules, a dispute or a complaint under the Code approved under section 79 of the Act or a dispute under the Customer Transfer Code between the parties”

and the words

“arising in respect of any matter under or in connection with this Agreement”

must be deleted from clause 10.1.

Assignment and encumbrances

287. The current MSLA includes assignment and encumbrances provisions in clause 10. Western Power proposes amending the current provisions and moving them to proposed new clause 12:

40. 12. Assignment and encumbrances

- (a) Subject to clause 12(c), A a User may not encumber, assign, part with possession or create any interest or right in favour of a third party in respect of this Agreement, without the prior written consent of Western Power, which will not be unreasonably withheld.
- (b) Subject to Clause 102(c), Western Power may not encumber, assign, part with possession or create any interest or right in favour of a third party in respect of this agreement, without the prior written consent of the user, which will not be unreasonably withheld.
- (c) If a Party ~~Western Power~~ is restructured in accordance with government policy:
- (i) by law, or
 - (ii) through other means, including the:
 - (A) use of subsidiary or associated companies; or
 - (B) transfer of assets, rights and liabilities.

then the rights and obligations of ~~Western Power~~ a Party under this Agreement are assigned to the appropriate legal entity pursuant to the restructure. A restructure, transfer or assignment under this Clause 40 12(c) does not require the other Party's ~~user's~~ approval or consent.

288. The proposed changes to 12(c) considerably broaden the scope of this clause. The current clause is very clear that it applies only to Western Power and it is consistent with similar provisions in the electricity transfer access contract. However, the proposed changes would appear to apply to any user restructured in accordance with government policy. It is unclear why the change has been proposed or its intent. The resultant inconsistency with the electricity transfer access contract could result in administrative difficulties.

289. In its consultation paper, the ERA considered the proposed changes to the assignment and encumbrances clause should be amended so that they apply only to Western Power.

290. Western Power accepted this view.

Required Amendment 16

The proposed changes to clause 12(c) must be amended so they apply only to Western Power.

Miscellaneous

291. The current MSLA includes miscellaneous provisions in clause 11. Western Power proposes various amendments to the miscellaneous provisions including re-ordering them and moving them to proposed new clause 13:

44 13. MISCELLANEOUS

13.1 Compliance

Each Party to this Agreement must comply with all applicable laws.

44.4 13.7 Waiver

A provision of this Agreement may only be waived by a Party ~~Western Power or the user~~ by giving written notice ~~in writing~~ signed by a duly authorised representative to the other Party and ~~not otherwise~~.

41.2 13.8 Entire Agreement

This Agreement constitutes the entire agreement between the parties as to its subject matter and, to the extent permitted by Law, supersedes all previous agreements, arrangements, representations or understandings.

41.3 Application of Laws

~~This Agreement is subject to the metering code. Where any Law, including the Code places obligations on a party in respect of services under this Agreement, the party must comply with these obligations.~~

41.4 13.2 Precedence

Where there is any ambiguity or conflict between the Code and the provisions of this Agreement, the provisions of the Code shall prevail to the extent necessary to resolve that ambiguity or conflict. Where there is any ambiguity or conflict between this Agreement and the Access Contract, the provisions of the Access Contract shall prevail to the extent necessary to resolve that ambiguity or conflict.

13.3 Variation

A purported agreement between Western Power and the User to revoke, substitute or amend any provision of this Agreement has no effect unless it is in writing.

13.4 No third-party benefit

This Agreement does not confer any right or benefit on a person other than the User and Western Power, despite the person being named or identified, or belonging to a class of persons named or identified, in this Agreement.

13.6 Costs

Each Party must pay its own costs, charges, expenses, disbursements or fees in relation to:

- (a) the negotiation, preparation, execution, performance, amendment or registration of, or any notice given or made; and
- (b) the performance of any action by that Party in compliance with any liability arising, under this Agreement, or any agreement or document executed or effected under this Agreement, unless this Agreement provides otherwise.

41.5 13.9 Severance

If the whole or any part of ~~provision~~ of this Agreement is void, unenforceable or illegal in a jurisdiction, it is severed for that jurisdiction. The remainder of this Agreement has full force and effect and the validity or enforceability of ~~the that~~ provision in any other jurisdiction, is not affected. This clause 13.9 has no effect if the severance alters the basic nature of this Agreement or is contrary to public policy.

41.6 13.14 Governing Law

- (a) This Agreement and the transactions contemplated by this Agreement are governed by the law in force in Western Australia.
- (b) Without limiting Clause ~~41.6(a)~~ 13.14(a), each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the Courts of Western Australia and the Courts of Appeal from them for the purpose of determining any Dispute concerning this Agreement or the transactions contemplated by this Agreement.

41.7 Notices

- ~~a) A notice, approval, consent or other communication in connection with this Agreement:~~
 - ~~i) must where possible be in writing, but may in the case of an emergency in the opinion of Western Power, be given by telephone to an authorised officer of the user~~

~~specified in Item 2 of Schedule 1 or such other persons, as the user may notify Western Power in writing, to be authorised officers for the purposes of this Agreement;~~

- ~~ii) _____ in the case of written communication, it must be marked to the attention of the person specified in Item 1 of Schedule 1; and~~
- ~~iii) _____ must be left at the address of the addressee or sent by pre-paid ordinary post (airmail if posted to or from a place outside Australia) to the address of the addressee or sent by facsimile to the facsimile number of the addressee which is specified in Item 1 of Schedule 1 or if the addressee notifies another address or facsimile number, then to that address or facsimile number.~~
- ~~b) _____ A notice, approval, consent or other communication takes effect from the time it is received unless a later time is specified in it.~~
- ~~e) _____ In case of a notice given by email, it is deemed to be duly given by the sender and received by or served on the addressee upon confirmation of receipt being provided by the recipient. A reply that is automatically generated by the recipient's email system does not constitute confirmation of receipt by the recipient.~~
- ~~d) _____ A letter or facsimile is taken to be received:

 - ~~i) _____ in the case of a posted letter, on the third (seventh if posted to or from a place outside Australia) day after posting; and~~
 - ~~ii) _____ in the case of a facsimile, on production of a transmission report by the machine from which the facsimile was sent, which indicates the facsimile was sent in its entirety to the facsimile number of the recipient.~~~~

13.10 Counterpart execution

- (a) This Agreement may be signed in any number of counterparts and all such signed counterparts, taken together, shall be deemed to constitute one and the same instrument even though all Parties may not have signed each separate counterpart.
- (b) Where it has been signed in counterparts, the date of this Agreement shall be taken to be the day on which the last of the Parties to give such notice gives notice in writing or by fax or electronic mail to the other Parties that it has signed a counterpart, such notice being accompanied by a copy, or a printable Electronic image, of the whole of that counterpart.

11.8 13.11 Further Assurance

Each party agrees, at its own expense, on the request of another party, to do everything reasonably necessary to give effect to this Agreement and the transactions contemplated by it, including, but not limited to, the execution of documents.

13.12 Merger

The warranties, undertakings and indemnities in this Agreement do not merge on termination of this Agreement.

13.13 Remedies

The rights, powers and remedies provided in this Agreement are cumulative with and not exclusive of the rights, powers or remedies provided by law independently of this Agreement.

11.9 Set Off [See proposed new clauses 11.1 and 11.2 below]

~~Western Power may set off any amount owing to it under this Agreement by the user against any amount payable by Western Power to the user under this Agreement.~~

11.10 13.5 Stamp Duty

The User ~~shall be~~ is liable for and must pay ~~all stamp duties that are~~ any duty that is assessed on this Agreement under the Duties Act 2008 (WA). If it is dutiable, the User must produce this Agreement to the Office of State Revenue for assessment.

292. In its submission on Western Power’s proposal, Synergy raised concerns about clause 13.8:

The potential effect of clause 13.8 of the MSLA is that all agreements or arrangements relating to the provision of metering services (including, for example, additional service level agreements between WP and a user) could be superseded by the MSLA. If such service level agreements are superseded, this means that the user will not be able to provide certain existing services to its end use customers.

For example, Synergy has other service level agreements with WP for the provision of a specific metering service. If that service level agreement is superseded, Synergy’s ability to provide these specific services to customers will be affected. Synergy will be pleased to articulate further should the ERA require.

Synergy recommends the following amendments to clause 13.8:

“This Agreement ~~constitutes the entire agreement between the Parties as to its subject matter and, to the extent permitted by Law, supersedes all previous agreements, arrangements, representations or understandings.~~ supersedes all previous model service level agreements in effect under the Metering Code.”

293. As set out in its consultation paper, the ERA considered that Synergy’s proposed amendment would clarify that the updated MSLA superseded previous versions of the MSLA and would not affect any agreements users have with Western Power.

294. The ERA considered clause 13.8 must be amended as follows:

This Agreement constitutes the entire agreement between the Parties as to its subject matter and, to the extent permitted by Law, supersedes all previous ~~agreements, arrangements, representations or understandings~~ model service level agreements in effect under the Metering Code.

295. Western Power did not support the required amendment:

Western Power has one Additional Metering Services Agreement with Synergy and intends for it to be superseded by the approved MSLA. Western Power considers that business efficacy is promoted by having only one agreement in place relevant to metering services.

...

Western Power does not support the required amendment and maintains its original position. Please see our comments above.

296. Western Power’s proposed amendments are inconsistent with its obligations under the Metering Code. Clauses 5.1(2)(a) and (b) specifically provide that a network operator must "expeditiously and diligently process all requests for a service level agreement" and "negotiate in good faith with a Code participant regarding the terms for a service level agreement".

297. As set out in clause 5.2 of the Metering Code, the MSLA applies only if there is no written agreement between the parties. Retrospective application of a single agreement approach through the MSLA without negotiation is contrary to the requirements of the Metering Code.

Required Amendment 17

Clause 13.8 must be amended as follows:

This Agreement constitutes the entire agreement between the Parties as to its subject matter and, to the extent permitted by Law, supersedes all previous model service level agreements in effect under the Metering Code.

298. The other proposed changes to clause 13 are administrative in nature and bring the MSLA provisions into line with the electricity transfer access contract. The amendments do not affect consistency with the Metering Code.

Set off

299. As noted above, the current MSLA includes provisions on “set off” under miscellaneous in clause 11.9. Western Power proposed amending the provisions and adding new clauses 11.1 and 11.2:

11. Set off

11.9~~1~~ Party may Set Off payment

~~Western Power may set off any amount owing to it under this Agreement by the user against any amount payable by Western Power to the user under this Agreement.~~

A Party (“First Party”) may set off any amount due for payment by it to the other Party under this Agreement against any amount which is due for payment by the other Party to the First Party under this Agreement.

11.2 No other set off permitted

Except as permitted in clause 11.1, no set off is permitted by either Party in connection with this Agreement, whether under this Agreement or otherwise.

300. The proposed amendment is administrative in nature, consistent with the electricity transfer access contract and does not affect consistency with the Metering Code.

Definitions

301. Western Power proposes transferring definitions from clause 1.1 to Schedule 1 – Dictionary.
302. Significant changes to definitions have been discussed above. Minor administrative and consequential changes are set out in the tables below.

Table 7: Revised definitions

Term	Current definition	Proposed definition
Access contract	Means an agreement between Western Power and the user, under which Western Power agrees to provide access services to the user.	Has the meaning given to it in the Code. ²⁴
Build pack	Means a set of documents providing specific detail of communications as defined in Part 4 of the Electricity Industry Metering Code 2005 Communication Rules.	Has the meaning given to it in the Communication Rules- section 4.1.
Extended Metering Services	Means those services, set out in Schedule 2, other than the Standard Metering Services and for which the user must pay an additional charge under this Agreement.	Means those Metering Services identified as such in Schedule 2 and described in section 4 of Schedule 3.
Metering Service/s	Means the Standard Metering Services or the Extended Metering Services.	Has the meaning given to Metering Service in the Code. ²⁵
Standard Metering Services	Means those services described as “standard” or “default” services in Schedule 2, and the cost of which is included in the tariffs, for covered services contracted between Western Power and the user in an access contract.	Means the default Metering Services applicable as a component of a Reference Service as described in Schedule 2 and in section 2 of Schedule 3.
Term	Is defined in Clause 2.1.	Has the meaning given in clause 2.1.

Table 8: Proposed definitions for currently undefined terms

Term	Proposed definition
Access Arrangement	Means the current ‘access arrangement’ (as defined in the Access Code) approved in respect of the Network under the Access Code.
Accumulation Meter	Has the meaning given to it in the Code.
Connection point	Has the meaning given to it in the Code.

²⁴ As set out in clause 1.3 of the Metering Code, “means an agreement between a network operator and a person for the person to have “access” (as defined in section 103 of the Act) to “services” (as defined in section 103 of the Act) on a network. The Act defines “access” as “in relation to services, has a meaning corresponding with the meaning that it has when used in that context in the Trade Practices Act 1974 of the Commonwealth” and “services” as (means the conveyance of electricity and other services provided by means of network infrastructure facilities and services ancillary to such services”.

²⁵ The Metering Code definition of metering service is:
“means a service in connection with the measurement of electricity production or consumption, including in connection with:
(a) The provision, installation, operation and maintenance of metering equipment.
(b) The obtaining, provision, storage and processing of data.
(c) Services ancillary to the services listed in (a) and (b) above.”

Consumer	Has the meaning given to it in the Access Code.
Country	Means an area not defined as Metropolitan.
Customer	Means: (a) a “customer” as defined in section 3 of the Act; or (b) a customer of the User who owns, operates or controls Generating Plant.
Customer Transfer Code	Means the Electricity Industry (Customer Transfer) Code 2016 (WA).
De-energise	Means the removal of the supply voltage from the Meter at the Metering Point.
Default	Has the meaning given to it in clause 9(a).
Electrical Contractor	Has the meaning given to it in the Electricity (Licensing) Regulations 1991 (WA).
Energise	Has the meaning given to it in the Electricity Industry (Obligation to Connect) Regulations 2005 (WA).
Energy Data	Has the meaning given to it in the Code.
Force majeure event	Means an event of Force Majeure.
GST	Means goods and services tax or similar value added tax levied or imposed in Australia on a taxable supply under the GST Act or otherwise.
Interval energy data	Has the meaning given to it in the Code.
Interval meter	Has the meaning given to it in the Code.
Metering installation	Has the meaning given to it in the Code
Meter Reading	Means the collection of an Actual Value from a Meter.
Meter Reading Schedule	Means a schedule published by Western Power, annually and following amendment in accordance with this Agreement, detailing Meter Reading dates for Meters.
Metrology Procedure	Has the meaning given to it in the Code.
Metropolitan	Has the meaning given to ‘metropolitan area’ in the Code.
Network	Has the meaning given to it in the Access Code.
Party	Means Western Power or the User.
Parties	Means Western Power and the User.
Payment Error	Means: (a) any underpayment or overpayment by a Party of any amount in respect of a Tax Invoice; or (b) any error in a Tax Invoice (including the omission of amounts from that Tax Invoice, the inclusion of incorrect amounts in that Tax Invoice, calculation errors

	in the preparation of a Tax invoice or a Tax Invoice being prepared on the basis of data which is later established to have been inaccurate).
Read or Reading	Means an attempt to collect an Actual Value from a Meter.
Re-energise	Means to restore supply voltage from a Meter at the Metering Point.
Registry	Has the meaning given to it in the Code.
Self-read	Means a Meter Reading performed by a Customer.
Standing data	Has the meaning given to it in the Code.
Tax invoice	Has the meaning given to it in the GST Act.
User	Has the meaning given to it in the Code.

Table 9: Terms proposed to be replaced

Current term	Current definition	Proposed term	Proposed definition
Metering Code	Means the <i>Electricity Industry Metering Code 2005</i> .	Code	Means the <i>Electricity Industry (Metering) Code 2012 (WA)</i> .
Charges	Means the charges that are published by Western Power from time to time as being the charges which apply to the provision of Extended Metering Services and, which have been approved by the Authority in accordance with the Metering Code. The charges applicable as at 1 February 2006 are set out in Schedule 3.	Fees	Means the fees that are published by Western Power from time to time as being the fees which apply to the provision of Additional Metering Services and Extended Metering Services. The Fees applicable are set out in Schedule 5 of this Agreement.
Works completion date	Is the date upon which the work associated with a service is complete.	Actual change date	Means the effective date of change recorded in the Registry.

Table 10: Terms proposed to be added

Proposed new term	Proposed definition
Access Code	Means the Electricity Networks Access Code 2004 (WA).
Accessory Metering Services –	Means those Metering Services requested by a User under this Agreement as set out in section 3 of Schedule 3.

Reference Services (Metering)	
Accumulated Energy Data	Has the meaning given to it in the Code.
Act	Means the Electricity Industry Act 2004 (WA).
Actual value	Has the meaning given to it in the Code.
Additional Reference Service (Metering)	Means the Reference Service (Metering) comprised of an Additional Metering Service.
Additional Metering Service	Means an alternative to the default scheduled Energy Data provision Standard Metering Service selected by the User and applicable as a component of a Reference Service as described in Schedule 2.
B2B	Means business to business.
Customer Transfer and Standing Data Procedure	Means the Customer Transfer and Standing Data Procedure defined in the Build Pack published by Western Power from time to time.
Current Transformer Metering	Means a Metering Installation which incorporates a transformer/s for the measurement of electricity flow.
Facilities and equipment	Has the meaning given to it in the Access Code.
Field Completion Date	the date on which the Service requested in a Service Order is completed or attempted at the supply address as reflected in the mandatory "Actual Date and Time" field in B2B Service Order transaction data.
Generating plant	Has the meaning given to it in the Access Code.
Generator	Has the meaning given to it in the Access Code.
GST Act	Means the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
Market operator	Means the market operator appointed under Part 9 of the Act.
Meter throughput	Means the measurement of electricity consumption or production at a Metering Point, accumulated over a 12 month period, expressed as a measure of energy over time.
Non-business day	Means a day that is not a Business Day.
Pre-Payment Meter	Has the meaning given in the Code of Conduct for the Supply of Electricity to Small Use Customers.
Price List	Means the 'price list' (as defined in the Access Code) specified in the Access Arrangement.
Reading Day Number	Has the meaning given to it in the Code.
Reference Service (Metering)	Means one or both of: (a) Reference Service (Metering) (standard metering service); and

	(b) Additional Reference Service (Metering), as the case requires.
Reference Service (Metering) (standard metering service)	Means the Reference Service (Metering) comprised of the default Standard Metering Service applicable as a component of a Reference Service as described in Schedule 2.
Reference Tariff	Has the meaning given to it in the Access Code.
Relevant metering service	Means the Metering Service provided by Western Power comprised in Reference Services (Metering), in accordance with the Code or as requested by the User in a Service Order.
Unmetered Supply	Has the meaning given to it in section 3.9(2) of the Code.
WA B2B Procedures: Meter data process	Means the WA B2B Procedures: Meter Data Process defined in the Build Pack published by Western Power from time to time.
WA B2B Procedures: Service Order Process	Means the WA B2B Procedures: Service Order Process defined in the Build Pack published by Western Power from time to time.

303. Western Power has proposed the following terms should be removed from the list of definitions as they are not used in either the current or proposed MSLA:

- Bulk estimate
- Business indicator rate
- Next scheduled read date.

304. The proposed changes to definitions are administrative in nature or consequential to other amendments and do not materially affect consistency with the Metering Code.

305. Western Power did not propose to change the definition of “Reasonable and Prudent Person”:

Reasonable and Prudent Person means a person acting in good faith and, where applicable, in accordance with Good Electricity Industry Practice.

306. However, in its submission on Western Power’s proposal, Synergy considered the definition should be amended:

Although expressly included in the defined term, there is no requirement for WP to act reasonably in the definition. Further, this definition should be aligned with the term under the Access Code and the words “where applicable” should be deleted. In addition, consistent with the definition, the words “reasonably and” should be inserted before “in good faith”.

Synergy requests the words “where applicable” are removed from the definition of “Reasonable and Prudent Person”. It is unclear to Synergy when a party would not be required to act in accordance with “Good Electricity Industry Practice”.

Synergy requires the following amendment to the definition of “Reasonable and Prudent Person”.

“Reasonable and Prudent Person means a person acting [reasonably and](#) in good faith and, ~~where applicable~~, in accordance with Good Electricity Industry Practice.”

307. The current definition is consistent with the definition in the Access Code and electricity transfer access contract. As set out in its consultation paper, the ERA considers the current definition adequately defines a reasonable and prudent person. No further submissions were received on this matter. The ERA maintains its view the current definition adequately defines a reasonable and prudent person.

Other minor amendments

308. Following its submission on the ERA's consultation paper, Western Power advised it had identified some further minor amendments it considered necessary. These are:

- 4.13 Non-Scheduled Special Meter Reading (MS-19) – amended 11.59am to be 11.59 a.m.
- Schedule 4 – Service Standards – for consistency with other drafting in the schedule “response time” replaced “timeframe” on page 64.
- Definitions for Communications Link, CPI, Life Support Equipment and Related Bodies Corporate to be added.²⁶
- Capitalisations of defined terms to be corrected where required.
- Cross references to other clauses to be corrected where required.
- Consistent use of the term “Extended Metering Services” to be corrected where required.

309. The ERA considers the amendments are administrative in nature and not inconsistent with the requirements of the Metering Code. The ERA agrees the MSLA should be amended to reflect these minor administrative changes.

Required Amendment 18

The MSLA must be amended to reflect the following minor administrative changes:

- 4.13 Non-Scheduled Special Meter Reading (MS-19) – amend 11.59am to be 11.59 a.m.
- Schedule 4 – Service Standards – “response time” to replace “timeframe” on page 64.
- Definitions for Communications Link, CPI, Life Support Equipment and Related Bodies Corporate must be added.
- Capitalisation of defined terms to be corrected where required.
- Cross references to other clauses to be corrected where required.
- Consistent use of the term “Extended Metering Services”.

²⁶ Communications Link and Life Supported Equipment to have the meaning given to them in the Metering Code. Related Bodies Corporate to have the meaning given to it in the *Corporations Act 2001 (Cth)*.

Appendix 1 Comparison of prices in the current and proposed MSLA

Table 11 Comparison of prices in the current and proposed MSLA

Current service name	Current classification	Current Price	Proposed service name	Proposed classification	Proposed price 2019/20/	Proposed price 2020/21
Establishment and energisation of a metering connection point	Standard Metering Services	In network tariffs	MS-2: Meter installation and energisation	Reference Service (Metering) (standard metering service)	In network tariffs.	
Meter upgrade	Standard Metering Services	In network tariffs	MS-6: Meter upgrade/replace (not User requested)	Accessory Metering Services – Reference Services (Metering)	In network tariffs.	
Meter change: Single phase Three phase Three phase interval Single phase interval	Extended Metering Services	\$115.50 + travel \$205.50 + travel \$704 + travel \$181.50 + travel	MS-9: Meter exchange Single phase WC Three phase WC CT meter	Extended Metering Services	\$75.33 \$75.33 \$75.33	\$76.15 \$76.15 \$76.15
De-energise	Extended Metering Services	38.50 (plus travel)	MS-7: De-energise manual LV HV	Extended Metering Services	\$62.62 POA	\$63.51 POA
Re-energise	Extended Metering Services	38.50 (plus travel)	MS-8: Re-energise manual LV standard LV urgent HV	Extended Metering Services	\$62.62 \$157.92 POA	\$63.51 \$160.20 POA
Meter investigation	Extended Metering Services	\$93.50	MS-10: Meter investigation	Extended Metering Services	\$189.83	\$192.55
Communications installation: Existing compatible interval meter With interval meter installation	Extended Metering Services	\$858.00 (plus travel) \$715.00 (plus travel)	MS-11: Communications installation Radio frequency Cellular communication	Extended Metering Services	\$75.33 \$335.12	\$76.15 \$338.64
Supply abolishment -residential -commercial	Extended Metering Services	\$275.00 P.O.A.	Discontinued as now Included in the access arrangement as reference service D1.	N/A	N/A	

Current service name	Current classification	Current Price	Proposed service name	Proposed classification	Proposed price 2019/20/	Proposed price 2020/21
			MS-1 Scheduled Energy data provision	Reference Service (Metering) (standard metering service) or Additional Reference Service (Metering)	In network tariffs.	
Scheduled bi-monthly meter reading	Standard Metering Services	In network tariffs	Consolidated in MS-1 Scheduled Energy data provision	As above	As above	
Scheduled monthly meter reading	Standard Metering Services	In network tariffs	Consolidated in MS-1 Scheduled Energy data provision	As above	As above	
Non-scheduled special meter reading	Extended Metering Services	\$4.95 metro \$21.45 country	MS-19: Non scheduled special meter reading Accum manual Interval manual Interval remote Accum manual – appointment Interval manual - appointment	Extended Metering Services	\$14.57 \$19.48 \$0.60 \$31.58 \$43.11	\$14.78 \$19.76 \$0.61 \$32.03 \$43.72
Card meter reading	Standard Metering Services	In network tariffs	Discontinued	N/A	N/A	
Customer meter reading	Standard Metering Services	In network tariffs	Discontinued	N/A	N/A	
Manually collected energy interval data (monthly)	Standard Metering Services	In network tariffs	Consolidated in MS-1 Scheduled Energy data provision	Reference Service (Metering) (standard metering service) or Additional Reference Service (Metering)	In network tariffs.	
Remotely collected energy interval data (monthly)		In network tariffs	Consolidated in MS-1 Scheduled Energy data provision	As above	As above	
Remotely collected energy interval data (daily)	Extended Metering Services	\$5.50	Consolidated in MS-1 Scheduled Energy data provision	As above	As above	

Current service name	Current classification	Current Price	Proposed service name	Proposed classification	Proposed price 2019/20/	Proposed price 2020/21
Historical energy interval data (up to 12 months or part thereof)	Standard Metering Services	In network tariffs	MS-4: Historical energy data provision (up to 24 months)	Accessory Metering Services – Reference Services (Metering)	In network tariffs.	
Standing data provision	Standard Metering Services	In network tariffs	MS-3: Standing data provision	Accessory Metering Services – Reference Services (Metering)	In network tariffs.	
Energy interval data produced by survey meter	Extended Metering Services	\$385 + travel	Discontinued	N/A	N/A	
Additional historical energy interval data (13 to 24 months)	Extended Metering Services	\$49.50	Included in MS-4: Historical energy data provision (up to 24 months)	N/A	N/A	
Verify meter data	Extended Metering Services	\$2.75	MS-18: Verify meter energy data	Extended Metering Services	\$6.51	\$6.61
Enablement of signal capabilities and signal maintenance (charge per day)	Extended Metering Services	\$0.66 cumulative \$0.66 interval	MS-16: Enablement of signal pulse outputs Note services for signal maintenance have been discontinued.	Extended Metering Services	\$320.91	\$325.28
Upfront cost to retrofit signals (signals not maintained)		\$242 + travel				
Upfront cost to enable signal when meter installed (signals not maintained)		\$165 + travel				
Maintenance of signals		\$93.50/hr				
Meter test (laboratory) Single phase Three phase	Extended Metering Services	\$297 \$440	MS-13: Meter test (laboratory) Single phase Three phase	Extended Metering Services		
Meter test (on site) Single phase Three phase	Extended Metering Services	\$297 + travel \$473 + travel	MS-14 Meter test (on-site) Single phase Three phase	Extended Metering Services	\$354.54 \$481.30	\$359.57 \$488.16

Current service name	Current classification	Current Price	Proposed service name	Proposed classification	Proposed price 2019/20/	Proposed price 2020/21
			CT		\$566.67	\$574.75
CT meter test	Extended Metering Services	\$280.50 + travel	Included in MS-14: Meter test (on-site)	Extended Metering Services	See above	
Meter installation repair (faulty meters)	Standard Metering Service	In network tariffs	MS-5: Meter installation repair	Accessory Metering Services – Reference Services (Metering)	In network tariffs.	
Meter reconfiguration	Extended Metering Services	\$49.50	MS-15 Meter re-configuration Manual Remote	Extended Metering Services	\$75.33 \$20.02	\$76.15 \$20.32
			MS-12 Communication link de-activation	Extended Metering Services	\$75.33	\$76.15
			MS-17 Remove meter	Extended Metering Services	\$139.27	\$141.23

Source: Western Power's current and revised MSLA and responses to ERA queries

Appendix 2 Comparison of service standards in the current and proposed MSLA

Table 12 Comparison of service standards in the current and proposed MSLA

Current service name	Business days		Proposed service name	Business days	
	Metro	Country		Metro	Country
Establishment and energisation of a metering connection point	1-2. By agreement between relevant parties.	5-6. By agreement between relevant parties.	MS-2: Meter installation and energisation	1-2. By agreement between relevant parties. 20. Description below. ²⁷	5-6. By agreement between relevant parties. 20. Description below. ²⁸
Meter upgrade	5. By agreement between relevant parties.	10. By agreement between relevant parties.	MS-6: Meter upgrade/replace (not User requested)	In accordance with the code.	In accordance with the code.
Meter change:	5	10	MS-9: Meter exchange	10-11	10-11
De-energise	1-2	5-6	MS-7: De-energise manual LV HV	1-2	5-6
Re-energise	1-2	5-6	MS-8: Re-energise manual LV standard LV urgent HV	1-2 3 hours ²⁹ 1-2	5-6 1 day 1-2
Meter investigation	5	10	MS-10: Meter investigation	10-11	10-11
Communications installation: Existing compatible interval meter With interval meter installation	5	10	MS-11: Communications installation Radio frequency Cellular communication	10-11	10-11

²⁷ In accordance with the *Electricity Industry (Obligation to Connect) Regulations 2005 (WA)*: Attachment or connection (Meter installation) within 20 Business Days and Energise within 1-2 Business Days by agreement between relevant parties for Metropolitan areas.

²⁸ In accordance with the *Electricity Industry (Obligation to Connect) Regulations 2005 (WA)*: Attachment or connection (Meter installation) within 20 Business Days and Energise within 5-6 Business Days by agreement between relevant parties for Country areas.

²⁹ 3 hours in the Perth Metropolitan area and 1 business day in other Metropolitan areas.

Current service name	Business days		Proposed service name	Business days	
	Metro	Country		Metro	Country
Scheduled bi-monthly meter reading	2	2	MS-1 Scheduled Energy data provision	1-2	1-2
Scheduled monthly meter reading	2	2	MS-1 Scheduled Energy data provision	1-2	1-2
Non-scheduled special meter reading ³⁰	3	5	MS-19: Non scheduled special meter reading Accum manual Interval manual Interval remote	3	3
Card meter reading	Description below. ³¹		Discontinued	NA	NA
Customer meter reading	Description below. ³²		Discontinued	NA	NA
Manually collected energy interval data (monthly)	2	2	MS-1 Scheduled Energy data provision	1-2	1-2
Remotely collected energy interval data (monthly)	2	2	MS-1 Scheduled Energy data provision	1-2	1-2
Remotely collected energy interval data (daily)	2	2	MS-1 Scheduled Energy data provision	1-2	1-2
Historical energy interval data (up to 12 months or part thereof)	2-6. Description below. ³³		MS-4: Historical energy data provision (up to 24 months)	2	2

³⁰ Calculated based on all forms of this Metering Service being where there is no nomination date, nomination date and appointment date.

³¹ Card meter reading replaces a physical bi-monthly meter reading. Card meter reads are carried out on a bi-monthly basis. A card will be forwarded to the customer to complete, with instructions. If not returned within 15 business days, an estimate read will be provided. A meter reading will always be provided, substituted and estimated readings will be identified as such in accordance with the metrology procedure.

³² Customer meter reading replaces a bi-monthly meter reading. Customer meter reads may be carried out on a monthly or a bi-monthly basis. If a reading is not received within five business days of the scheduled read date an estimate read will be provided. A meter reading will always be provided, substituted and estimated readings will be identified as such in accordance with the metrology procedure.

³³ Data will be provided within the following timeframes:
1-5 requests before 3:00pm – 2 business days; 1-5 requests after 3:00pm – 3 business days; 6-10 requests before 3:00pm – 4 business days; 6-10 requests after 3:00 pm – 5 business days; 11-20 requests before 3:00pm – 5 business days; 11-20 requests after 3:00pm – 6 business days.

Current service name	Business days		Proposed service name	Business days	
	Metro	Country		Metro	Country
Standing data provision	2-6. Description below. ³⁴		MS-3: Standing data provision ³⁵ Registry updated ³⁶ Standing data published	2 2	2 2
Energy interval data produced by survey meter	Description below. ³⁷		Discontinued	NA	NA
Additional historical energy interval data (13 to 24 months)	2-6. Description below. ³⁸		Included in MS-4: Historical energy data provision (up to 24 months)	2	21
Verify meter data	2	2	MS-18: Verify meter energy data	5	5
Enablement of signal capabilities	5	10	MS-16: Enablement of signal pulse outputs Note services for signal maintenance have been discontinued.	10-11	15-16
Meter test (laboratory)	7	19	MS-13: Meter test (laboratory) Single phase Three phase	15-16	18-19
Meter test (on site)	5	10	MS-14 Meter test (on-site) Single phase Three phase CT	10-11	18-19

³⁴ The following timings will apply:

1-5 requests before 3:00pm – 2 business days; 1-5 requests after 3:00pm – 3 business days; 6-10 requests before 3:00pm – 4 business days; 6-10 requests after 3:00 pm – 5 business days; 11-20 requests before 3:00pm – 5 business days; 11-20 requests after 3:00pm – 6 business days.

Within one business day of the completion of the customer transfer.

Within one business day of the information being updated in the meter registry.

Within one business day of the standing data being created.

Within two business days of the request

³⁵ This Service Standard relates to general Standing Data provision. Bulk Standing Data will be provided in accordance with the Code.

³⁶ Following the Field Completion Date. For MS-2, the Service Standard for updating the Registry is 10 Business Days.

³⁷ Requests will be satisfied within five business days of the completion of the requested survey period for country areas and three business days for metro. Provision of survey meter data for information to determine customers use patterns, possible contestability or for any other purpose

³⁸ The following timings apply:

1-5 requests before 3:00pm – 2 business days; 1-5 requests after 3:00pm – 3 business days; 6-10 requests before 3:00pm – 4 business days; 6-10 requests after 3:00 pm – 5 business days; 11-20 requests before 3:00pm – 5 business days; 11-20 requests after 3:00pm – 6 business days.

Current service name	Business days		Proposed service name	Business days	
	Metro	Country		Metro	Country
CT meter test	5	10	Included in MS-14: Meter test (on-site)	10-11	15-16
Meter installation repair	Decision as to Repair or Replace will be made within one business day of fault detection. Repair times will be as agreed between the network operator, Electrical Contractor and the User.		MS-5: Meter installation repair	10-11	15-16
Meter reconfiguration	5	10	MS-15 Meter re-configuration Manual Remote	5-6	10-11
-	-	-	MS-12 Communication link de-activation	10-11	10-11
-	-	-	MS-17 Remove meter	10-11	15-16

Source: Western Power's current and revised MSLA

Appendix 3 Comparison of Western Power's proposed Extended Metering Service fees to the National Electricity Market

Figure 1 Comparison of Western Power’s proposed fees to the National Electricity Market

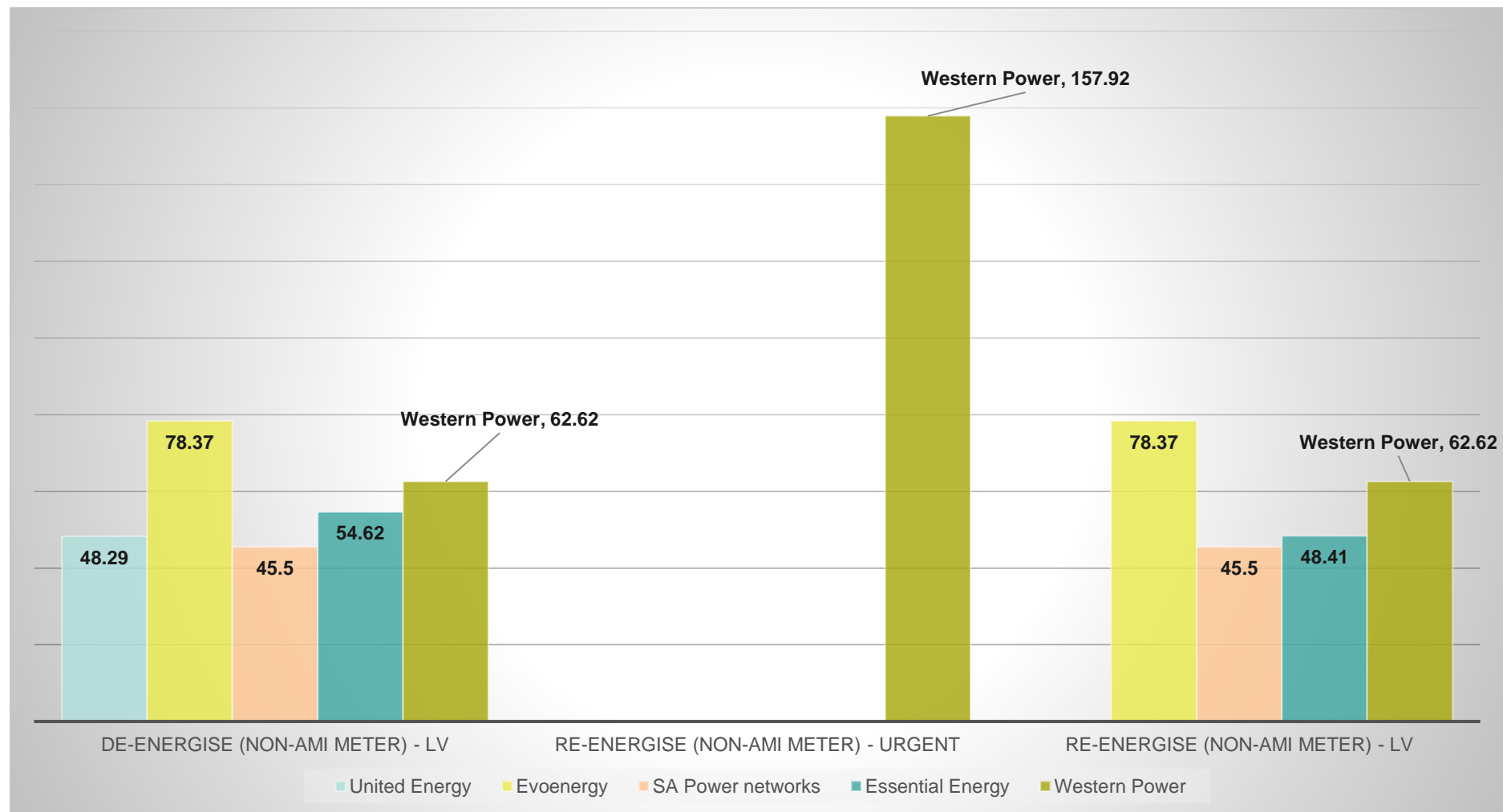
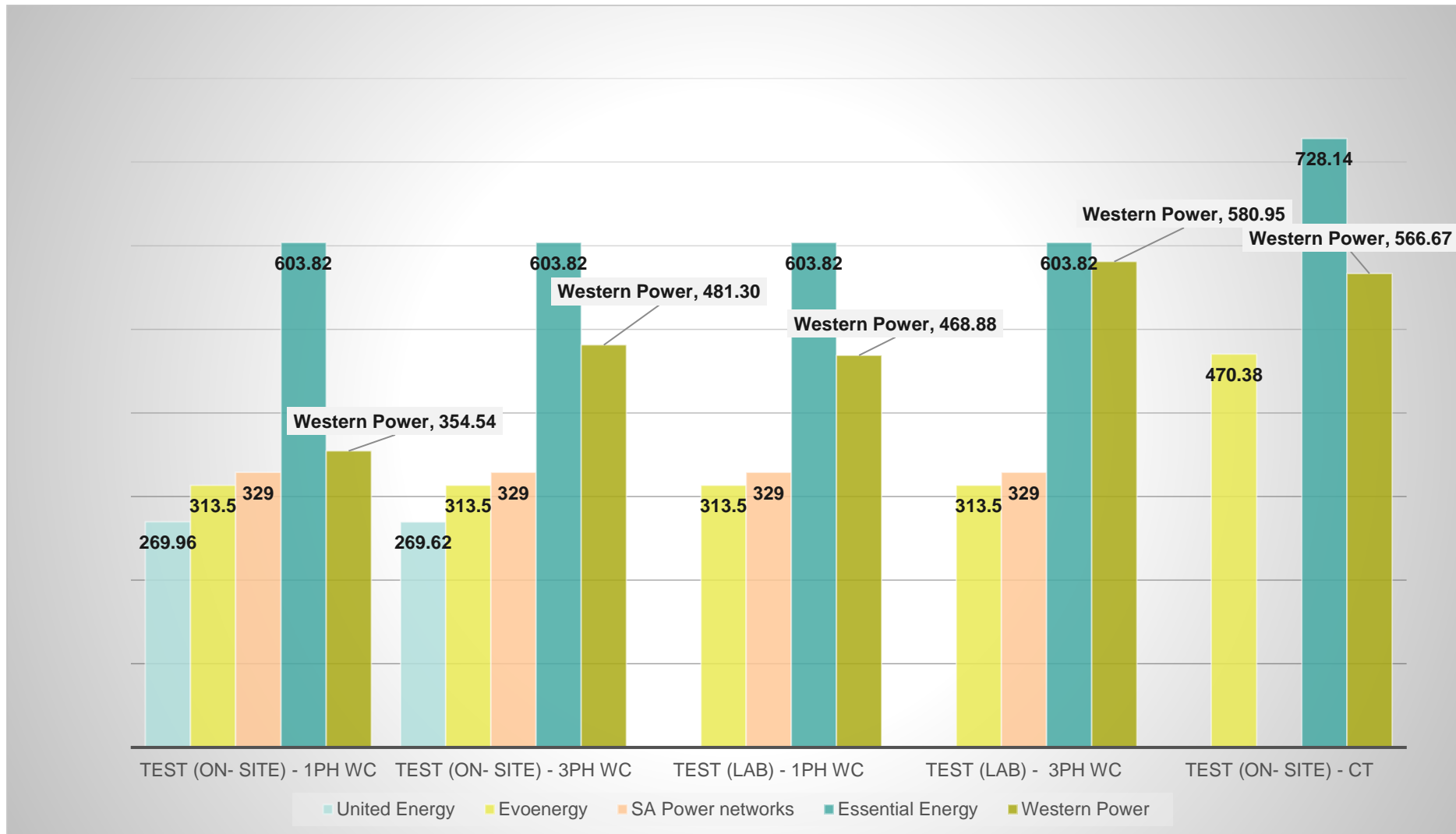


Figure 2 Comparison of Western Power’s proposed fees to the National Electricity Market



It should be noted that all the service providers in Figure 2 apart from Western Power charge a flat rate for non-CT meter testing.

Figure 3 Comparison of Western Power’s proposed fees to the National Electricity Market

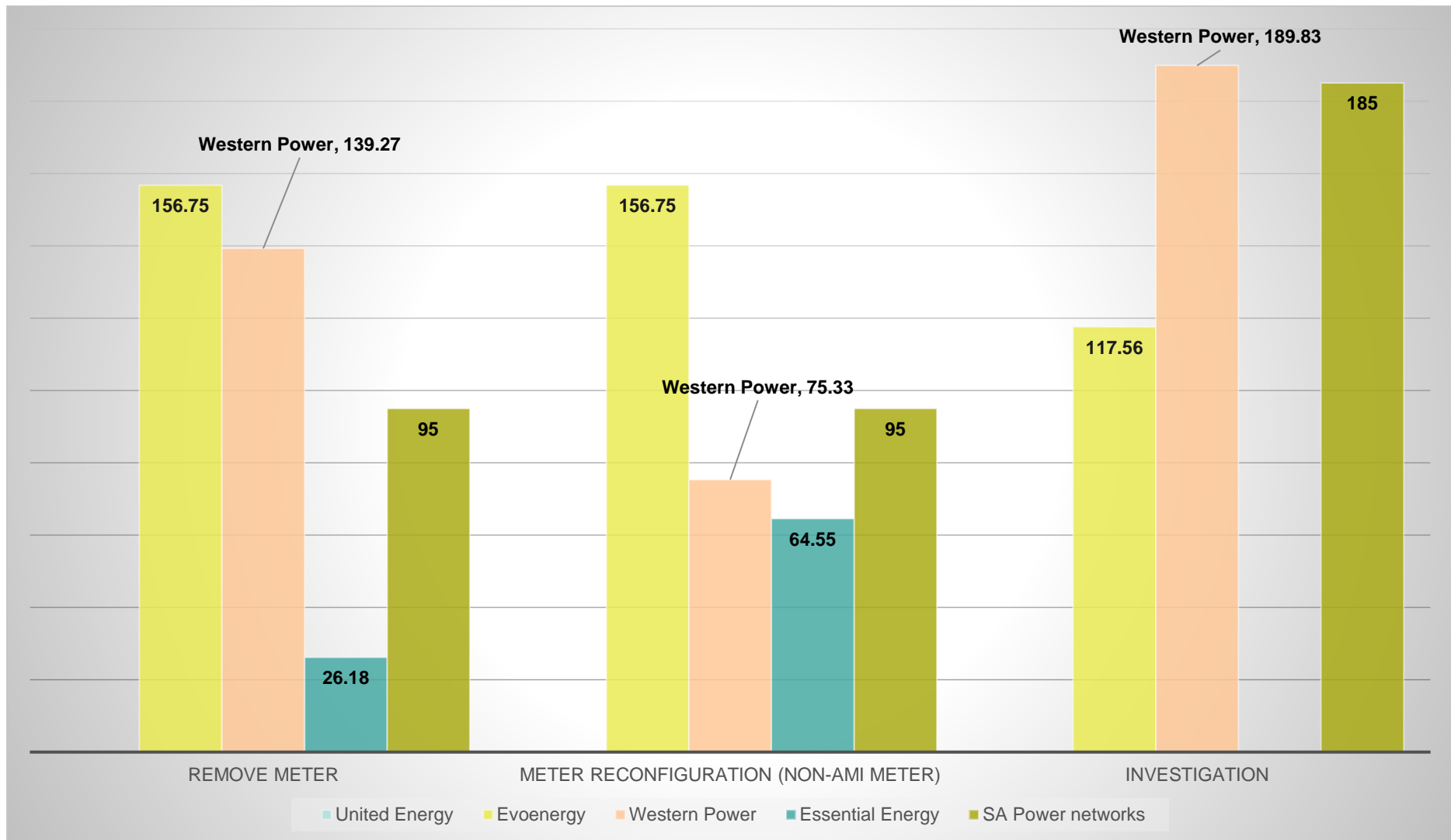
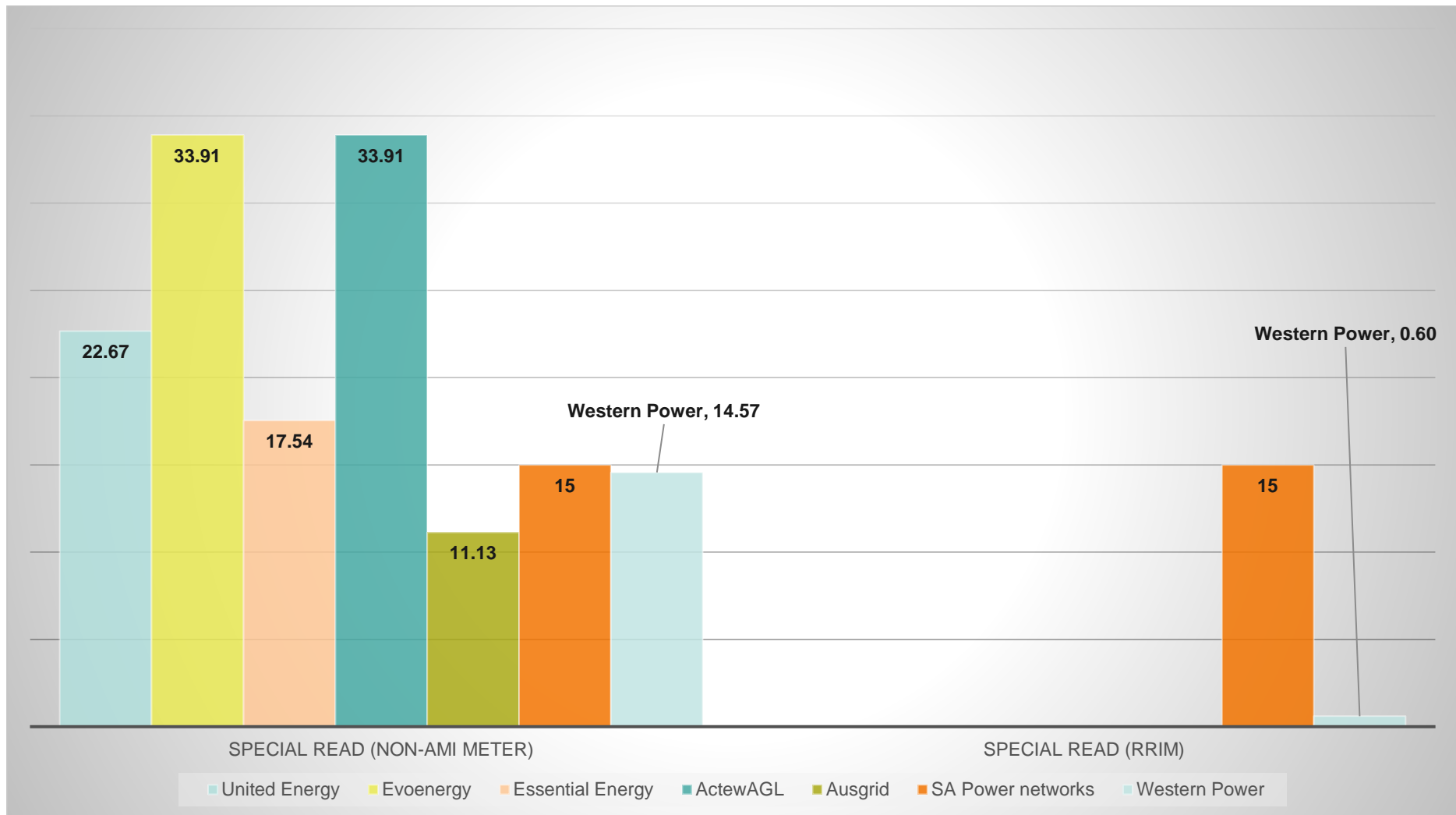


Figure 4 Comparison of Western Power’s proposed fees to the National Electricity Market



Information on the service providers used and not used in the analysis is provided in the table below.

National Electricity Market service provider information

Service Provider	State	State or privately owned	Description	Used in the analysis?	Why or why not used?
ActewAGL	ACT/NSW	Joint venture between the ACT state government and AGL Energy.	Provides utility services in the ACT and south-east NSW.	Yes	Used as service provider offers comparable services to Western Power's proposed services.
Evoenergy	ACT	Joint venture between the ACT state government and Jemena Ltd.	Operates an electricity distribution network and a gas distribution network in the ACT.	Yes	Used as service provider offers comparable services to Western Power's proposed services.
Citipower	VIC	Privately owned.	CitiPower owns and manages a 157 square kilometre electricity distribution network in Victoria.	No	Not used due to pricing structure differences with Western Power including United Energy being selected as sample service provider from VIC.
Powercor	VIC	Privately owned.	Owens and maintains power lines, substations and streetlights in Victoria.	No	Not used due to pricing structure differences with Western Power including United Energy being selected as sample service provider from VIC.
Jemena	VIC	Privately owned.	Owens, manages and operates energy infrastructure assets in the eastern states of Australia including Queensland and New South Wales.	No	Not used as United Energy selected as sample service provider from VIC.,
Ausnet Services	VIC	Privately owned.	Operates electricity networks in Victoria.	No	Not used due to pricing structure differences with Western Power including United Energy being selected as sample

					service provider from VIC.
United Energy	VIC	Privately owned.	Distributes electricity across east and south-east Melbourne and the Mornington Peninsula to more than 640,000 customers, 90% of which are residential	Yes	Used as service provider offers comparable services to Western Power's proposed services.
TasNetworks	TAS	State government owned.	Responsible for electricity transmission and distribution throughout Tasmania.	No	Not used due to pricing structure differences with Western Power.
Power and Water	NT	State government owned.	Power and Water is the Northern Territory's premier provider of electricity, water and sewerage services	No	Not used due to differences in network structure with Western Power.
Ausgrid	NSW	Joint venture between the NSW state government and AustralianSuper.	Electricity distribution company which owns, maintains and operates the electrical networks supplying 1.7 million customers in Sydney, the Central Coast and Hunter regions of NSW.	Yes	Used as service provider offers comparable services to Western Power's proposed services.
Endeavour Energy	NSW	Joint venture between the NSW state government and Macquarie infrastructure.	Operator of the electrical distribution network for Greater Western Sydney, the Blue Mountains, the Southern Highlands and the Illawarra region of NSW	No	Not used due to differences in service descriptions with Western Power.
Essential Energy	NSW	State government owned.	Looks after the poles and wires that deliver electricity to New South Wales and parts of southern Queensland.	Yes	Used as service provider offers comparable services to Western Power's proposed services.

Energex	QLD/SA	State government owned.	Provides distribution services to more than 1.4 million domestic and business connections, delivering electricity to a population base of around 3.4 million people.	No	Not used as service descriptions and permutations do not match Western Power's.
Ergon Energy	QLD/SA	State government owned.	Distributes electricity to around 700,000 customers across Queensland, excluding South East Queensland.	No	Not used due to pricing structure differences with Western Power
SA Power Networks	SA	Privately owned.	Sole electricity distributor in South Australia operated through a network of about 87,500 kilometres of powerlines, to about 830,000 residential and business customers throughout most of South Australia.	Yes	Used as service provider offers comparable services to Western Power's proposed services.

Appendix 4 Electricity Industry (Metering) Code 2012 – Clause 5.21

- (1) A Code participant may, subject to clauses 5.21(5) and 5.21(6), in relation to a *metering installation*, request the *network operator*³⁹ to undertake either a test or an audit or both of any one or more of:
 - (a) the accuracy of the *metering installation*; and
 - (b) the energy data from the *metering installation*; and
 - (c) the standing data for the *metering installation*.
- (2) A *network operator*⁴⁰ must comply with any reasonable request under clause 5.21(1).
- (3) The user may witness the test or audit.
- (4) A test or audit under clause 5.21(1) is to be conducted in accordance with:
 - (a) the *metrology procedure*; and
 - (b) the applicable *service level agreement*.
- (5) A *Code participant* must not request a test or audit under clause 5.21(1) unless:
 - (a) if the *Code participant* is a user — the test or audit relates to a time or times at which the user was the current user; or
 - (b) it is the *IMO*.

{Note: If the *Code participant* seeking the test or audit is a *network operator* or *metering data agent*, the matter will be dealt with by the *metering data agency agreement*.}
- (6) A *Code participant* must not make a request under clause 5.21(1) that is inconsistent with any *access arrangement* or agreement.
- (7) If there is no written *service level agreement* in place between the *network operator*⁴¹ and the user in respect of the testing of the user's *metering installations* or the auditing of information from the meters associated with the metering installations or both, the *network operator*⁴² or the *user* may require the other to negotiate and enter into a written *service level agreement* in respect of the testing of the *metering installations*, or the auditing of information from the *meters* associated with the *metering installations*, or both.

{Note: If there is no written *service level agreement*, any *metering services* provided will be governed by an unwritten *service level agreement* under clause 5.2.}
- (8) A *network operator*⁴³ may only impose a charge for the testing of the *metering installations*, or auditing of information from the *meters* associated with the *metering installations*, or both, in accordance with the applicable *service level agreement* between it and the user.
- (9) Any written *service level agreement* entered into under clause 5.21(7) must include a provision that *no charge* is to be imposed if the test or audit reveals a non-compliance with this *Code*.
- (10) Any unwritten *service level agreement* in respect of testing of the *metering installations*, or the auditing of information from the *meters* associated with the *metering installations*, or both, includes a provision to the effect described in clause 5.21(9).

³⁹ If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

⁴⁰ If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

⁴¹ If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

⁴² If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

⁴³ If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

- (11) If a test or audit shows that the accuracy of the *metering installation* or information from a meter associated with the *metering installation* does not comply with the requirements under this Code, the *network operator*⁴⁴:
- (a) must advise the affected parties as soon as practicable of the errors detected and the possible duration of the existence of the errors; and
 - (b) must restore the accuracy of the *metering installation* in accordance with the applicable *service level agreement*; and
 - (c) may (acting in accordance with *good electricity industry practice*) make corrections to the energy data, up to a maximum of 12 months before the test or audit, to take account of errors referred to in this clause 5.21(11) and to minimise adjustments to the final settlement account.
- (12) The original stored error correction data in a *meter* must not be altered except during accuracy testing and calibration of a *metering installation*.

⁴⁴ If clause 5.29(b) applies, read “*network operator*” as “*network operator and metering data agent*”.

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