

Reference number(s)	028 - Meter Bridging
Relevant clause(s)	Clause 19 of Schedule 15.2
Problem definition	<p>Bridging meters is the practice of electrically connecting a point of connection while bypassing the meter(s) in place to record any consumption from, or generation into, the network to which the point of connection is connected.</p> <p>Meters that have been bridged are not measuring electricity. They may be left in this state for some time. Unless the retailer responsible for the ICP estimates the quantity of electricity consumed/generated that is not being recorded by the bridged meter, the electricity will not be reconciled in the wholesale electricity market. Network charges will also not be paid. Unreconciled electricity increases the amount of unaccounted for electricity in the market, and reduces the accuracy of market settlement, invoicing, and consumer invoicing.</p> <p>Therefore, the Code does not currently permit the practice of bridging meters.</p> <p>However, in practice, there are a small number of meters that must be bridged each year to ensure a customer is not significantly disadvantaged by their premises being electrically disconnected from a distributor's network. Two relatively common examples of where meter bridging may be necessary are:</p> <ul style="list-style-type: none"> a) the unavailability of systems or staff (usually outside of normal working hours) to send a connection signal to an AMI meter that remotely disconnected a consumer's premises, thereby requiring an electrician to connect the point of connection by bridging the meter b) a meter fault where it is unsafe to perform a full meter change at the time. <p>A Code amendment is necessary if we are to avoid a participant being in breach of the Code when bridging a meter, and to place controls around the practice. This amendment would apply in exceptional circumstances to minimise a significant disadvantage to a consumer caused by their premises being electrically disconnected from a distributor's network.</p>
Proposal	<p>The Authority proposes to amend the Code to permit a trader responsible for an ICP:</p> <ul style="list-style-type: none"> a) to bridge a meter, in exceptional circumstances, at that ICP b) authorise the bridging of a meter, in exceptional circumstances, at that ICP. <p>We propose the following criteria must be met for a meter to be bridged in a manner that complies with the Code:</p> <ul style="list-style-type: none"> a) The MEP responsible for the meter, despite best endeavours, : <ul style="list-style-type: none"> (i) has been unable to remotely electrically connect the ICP; or (ii) cannot repair a meter fault because of safety issues

	<p>so that electricity flows through the meter(s) at the ICP.</p> <ul style="list-style-type: none"> b) The consumer at the ICP will be without electricity for a period of time that will cause significant disadvantage to them. c) The trader responsible for the ICP must: <ul style="list-style-type: none"> (i) estimate the quantity of electricity conveyed at the ICP for the period of time the meter is bridged, in accordance with the requirements set out in new clause 2A of Schedule 15.2, and (ii) submit that estimated quantity to the reconciliation manager. d) The trader responsible for the ICP must immediately advise the responsible MEP that bridging has occurred, if the responsible MEP was not the party that bridged the meter. <p>We propose that a trader, at its discretion, should be able to grant a 'standing authorisation' to an MEP or distributor to bridge meters on the trader's behalf. This authorisation would enable the MEP or distributor to instruct their field technicians to decide, once onsite, whether it is safe to complete a full meter change. If completing a full meter change would not be safe, the field technician would then be authorised to bridge the meter. Under the proposal, an authorised MEP or distributor that has bridged a meter, would have to immediately advise the trader responsible for the ICP that the meter has been bridged.</p> <p>We propose that, if a meter is bridged, the trader responsible for the ICP must arrange for an MEP:</p> <ul style="list-style-type: none"> a) to correct the bridged meter within five business days, and b) to monitor the reinstatement of the metering, and ensure all electricity flowing through the ICP flows through a certified metering installation.
<p>Proposed Code amendment</p>	<p>Part 10</p> <p>...</p> <p><u>10.33B When trader may bridge meter at ICP</u></p> <p>(1) <u>Subject to subclause (2), only a trader that is responsible for an ICP or an MEP authorised by the trader or a distributor authorised by the trader, in electrically connecting an ICP, may electrically connect the ICP in a way that bypasses the meter or meters that are in place to record the electricity flowing through the ICP ("bridge" a meter).</u></p> <p>(2) <u>A trader may authorise an MEP or distributor under subclause (1)–</u></p> <ul style="list-style-type: none"> <u>(a) generally for all or some of the ICPs that the trader is responsible for; or</u> <u>(b) for a specific ICP that the trader is responsible for.</u> <p>(3) <u>A trader that is responsible for an ICP, or an MEP authorised by the trader or a distributor authorised by the trader, may only bridge a meter at the ICP if–</u></p> <ul style="list-style-type: none"> <u>(a) the MEP responsible for the meter, despite best</u>

endeavours,—

- (i) is unable to remotely **electrically connect the ICP** so that **electricity** flows through the **meter**; or
 - (ii) cannot, because of safety issues, repair a fault with the **meter** that prevents **electricity** flowing through the **meter** at the **ICP**; and
 - (b) the **consumer** at the **ICP** will likely be without **electricity** for a period of time that will cause significant disadvantage to the **consumer**.
- (4) If a meter is bridged under subclause (1) by the **trader** or **distributor**, the **trader** responsible for the **ICP** must immediately advise the **MEP** responsible for the **meter** that bridging of the **meter** has occurred.
- (5) If a **meter** is bridged under subclause (1) by the **MEP** or **distributor**, the **MEP** or **distributor** (as the case may be) must immediately advise the **trader** responsible for the **ICP** that bridging a **meter** has occurred.
- (6) If a **meter** is bridged under subclause (1), in all cases, the **trader** responsible for the **ICP** must—
- (a) determine, in accordance with clause 2A of Schedule 15.2, the quantity of **electricity** conveyed through the **ICP** for the period of time the **meter** is bridged; and
 - (b) submit that estimated quantity of **electricity** to the **reconciliation manager** in accordance with clause 15.4 of this Code; and
 - (c) within 1 **business day** of the **meter** being bridged, notify the **MEP** responsible for the bridged **meter** that it is required to reinstate the **meter** so that all **electricity** flowing into the **ICP** flows through a certified **metering installation**.
- (7) The **MEP** receiving the notice under subclause (6)(c) must reinstate the **meter** so that all **electricity** flowing into the **ICP** flows through a certified **metering installation** within 5 **business days** of receiving the notice.

Schedule 15.2 Collection of volume information

...

2A Meter readings from bridged meters

If a **meter** is bridged in accordance with clause 10.33B, the **trader** responsible for the **ICP** must determine **meter readings** for that **meter** as follows:

- (a) if a check **meter** or **data storage device** is installed at the **metering installation**, by substituting data from the check **meter** or **data storage device** for the period the **meter** was bridged:

	<p><u>(b) in the absence of any check meter or data storage device, by determining meter readings for the period the meter was bridged from—</u></p> <p><u>(i) half hour data from another period where the trader considers the pattern of consumption is materially similar to the period during which the meter was bridged; or</u></p> <p><u>(ii) a non half hour estimated reading that the trader considers is the best estimate of the quantity of electricity consumed during the period the meter was bridged.</u></p>
Assessment of proposed Code amendment against section 32(1) of the Act	<p>The proposed Code amendment is consistent with the Authority's objective, and section 32(1)(c) of the Act, because it would contribute to the efficient operation of, and reliable supply by, the electricity industry. It may also have a positive effect on competition.</p> <p>The proposed amendment would improve the efficient operation of the electricity industry by ensuring a trader that bridged a meter, or authorised a meter to be bridged, had to determine the unrecorded quantity of electricity. This is expected to reduce unaccounted for electricity, thereby improving the accuracy of wholesale market settlement and customer invoicing.</p> <p>The proposed Code amendment may promote competition, by reducing transaction costs faced by retailers and consumers during the switching of electrically disconnected ICPs.</p> <p>The proposed Code amendment would promote reliability of supply for consumers by facilitating the timely electrical connection of consumers.</p>
Assessment against Code amendment principles	The Authority is satisfied the proposed Code amendment is consistent with the Code amendment principles, to the extent they are relevant.
Principle 1: Lawfulness.	The proposed Code amendment is consistent with the Act, as discussed above in relation to the Authority's statutory objective and the requirements set out in section 32(1) of the Act.
Principle 2: Clearly Identified Efficiency Gain or Market or Regulatory Failure	The proposed Code amendment is consistent with principle 2 in that it addresses an identified efficiency gain, which requires a Code amendment to resolve.
Principle 3: Quantitative Assessment	Please refer to the assessment of costs and benefits in section 3 of the consultation paper.
Regulatory statement	
Objectives of the proposed amendment	The objectives of the proposal are to allow a method for consumers to be connected in extenuating circumstances while still promoting accurate settlement of the wholesale electricity market.
Evaluation of the costs and benefits of the	Please refer to the assessment of costs and benefits in section 3 of the consultation paper.

proposed amendment	
Evaluation of alternative means of achieving the objectives of the proposed amendment	<p>The Authority has not identified an alternative means of achieving the objectives of the proposed Code amendment. However the amendment proposes conditions on traders when bridging meters, and we have evaluated the following alternatives to these conditions:</p> <ol style="list-style-type: none"> 1) The condition that the trader must determine the quantity of electricity conveyed while the meter is bridged and submit that quantity to the reconciliation manager. <p>We assessed the alternative of not requiring the trader to make this determination. If a trader does not do this, then the electricity that is used by the customer is then not reconciled to the market and becomes part of unaccounted for electricity (UFE). UFE is a cost that is socialised across all consumers. This means that all other consumers pay for a single consumer's identifiable benefit. This is contrary to the principle of cost reflective pricing, and does not align with our statutory objective</p> <ol style="list-style-type: none"> 2) The condition that the trader must, within 1 business day, arrange for the MEP to correct the bridged meter and the MEP must make that correction within 5 business days <p>We assessed alternative longer timeframes against the risk of inaccurate submissions of the electricity consumed. The longer a meter remains bridged, the higher the risk of inaccuracies as the determination process is unlikely to take into account the variability of the consumer's consumption.</p> <p>Meter bridging will remain a reasonably rare occurrence, and most fieldwork is managed through electronic interfaces. Therefore, it is reasonable to assume that traders will be aware of the meter bridging the next business day.</p> <p>Less than 5 business days may not allow sufficient time for a MEP to arrange access (if required) to correct the meter, and longer than 5 business days increases the risk of an extended period with inaccurate market submissions.</p>