

# Decision

## Endeavour Energy Trial Waiver: Final Decision

Regulatory Sandboxing – Energy Innovation Toolkit

September 2023



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# Glossary

Term	Definition
AEMC	Australian Energy Market Commission
AEMO	Australian Energy Market Operator
AER	Australian Energy Regulator
AFIC	Audio Frequency Injection Control
CER	Consumer Energy Resources
DMIS	Demand Management Incentive Scheme
DNSP	Distribution Network Service Provider
LONA	Letter of No Action
NEL	National Energy Laws
NEM	National Electricity Market
NER	National Electricity Rules
NERR	National Energy Retail Rules

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# Contents

- Glossary.....iii**
- 1 Executive Summary ..... 1
- 1.1 Decision..... 1
- 2 Background..... 3
- 2.1 What is a Regulatory Sandboxing Trial Waiver? ..... 3
- 2.2 Summary of Endeavour Energy’s Application ..... 3
- 2.3 Current rules for metering replacements..... 4
- 2.4 Trial monitoring and conduct..... 4
- 3 Assessment ..... 6
- 3.1 Stakeholder views..... 6
- 3.2 Australian Energy Market Commission Metering Review ..... 6
- 3.3 Eligibility requirements and Innovative Trial Principles ..... 7
- 3.4 Consumer Impacts..... 8
- 3.5 Financial Evaluation of Trial..... 9
- 3.6 Site Selection..... 9
- 3.7 Conclusion.....10
- 4 Decision .....11
- 4.1 Conditions.....11
- 5 Trial Disclaimer .....13
- Attachment A – Summary of Consultation submissions.....14**
- Attachment B – Assessment of Trial Application .....16**
- Attachment C – Conditions of Trial Waiver .....23**
- Attachment D – List of Trial Customer NMI’s .....29**

# 1 Executive Summary

In 2022, the Australian Energy Regulator (AER) established a trial waiver function as part of the Energy Innovation Toolkit. This function allows the AER to grant time-limited waivers from certain regulations which may be acting as barriers to new ideas and innovative energy services. As part of its consideration of trials, the AER is required to publicly consult on the proposals it receives.

We can grant a waiver where a trial project meets the eligibility requirements and innovative trial principles, but there is no requirement that the AER must be satisfied that all innovative trial principles are met to grant a waiver. The AER will take a holistic approach to the consideration of the eligibility requirements and innovative trial principles when assessing each application.

On 27 February 2023 Endeavour Energy lodged an application with the AER to conduct a trial involving the roll-out of smart meters to residential customers across Marsden Park, Penrith, Bawley Point, Aerotropolis and Westmead in New South Wales. Endeavour intends to install these meters to target network constraints in a cost-effective way utilising in-meter load control.

Under current arrangements, Distributed Network Service Providers (DNSPs) like Endeavour do not have a role in the upgrading of meters to smart meters. In certain circumstances, DNSPs can initiate metering replacements after giving notice where the meter is faulty. Endeavour is seeking to use this existing process to deliver smart meters, in the absence of a genuine meter fault, to customers in five areas on their network in NSW in order to permanently retire or avoid installation of more expensive Audio Frequency Injection Cell (AFIC) systems. AFIC provide centralised load control for customers' hot water systems, but this load control can instead be performed by a smart meter at each site. Endeavour has appointed Intellihub as its metering coordinator to undertake these meter replacements.

To do this, Endeavour is seeking a waiver from clauses 7.8.10 and 7.8.6(a)(2) of the NER enabling the issue of a Meter Fault Notice (MFN) to initiate the meter swap where there is no genuine metering fault. A copy of the application was provided as part of the original consultation notice and is available on the [Energy Innovation Toolkit website](#).

- Clause 7.8.6(a)(2) prevents a local network service provider from removing a metering installation, or any part of a metering installation, in order to install or maintain a network device.
- Clause 7.8.10 requires the metering coordinator in the event of a fault to repair the metering installation as soon as possible.

## 1.1 Decision

The AER Board has decided, under section 18ZL of the NEL, to **grant** a time-limited trial waiver from clauses 7.8.10 and 7.8.6(a)(2) of the National Electricity Rules (NER) to Endeavour Energy, subject to conditions and to the standard disclaimer attached at item 5. The time period for the conditional trial waiver is 30 months. The trial can proceed at four of the five sites proposed by Endeavour, with Bawley Point to be excluded. The reasons for this decision are outlined below. In summary, the AER supports the trial due to the potential benefits that are expected to accrue to consumers. These benefits include network cost

efficiencies and avoided grid augmentation costs accruing from provision of load control services, which customers will receive through lower network costs than if these augmentations were undertaken. Consumers could also benefit from smart meter technology which enables access to new and innovative tariff and Consumer Energy Resources (CER) technologies, as well as providing more information in relation to energy usage.

While there are also risks involved to consumers in such a project, the AER is satisfied that with the conditions imposed, and Endeavour's agreement to these, that consumers will be protected and have robust avenues through which to raise concerns and have these addressed. Some of these risks include:

- miscommunication or uncertainty around what this trial will mean for consumers;
- genuine metering faults occurring during the trial; and
- how this trial would impact metering contestability.

We have introduced a number of conditions on this trial to address these and other issues and ensure we achieve the best outcome for consumers as well as the broader energy industry.

## 2 Background

### 2.1 What is a Regulatory Sandboxing Trial Waiver?

In 2022, the AER established its Regulatory Sandboxing function which supports energy innovators and start-ups in navigating complex regulatory frameworks and trialling new products and services that will deliver greater choice and cheaper energy options for consumers.

The Regulatory Sandboxing function includes the establishment of a trial waiver function that allows the AER to grant a time limited trial waiver for eligible trial projects. A trial waiver temporarily exempts an innovator from having to comply with specific laws or rules that may be acting as regulatory barriers to allowing an innovative trial to proceed. Trials are limited to five years, with the possibility of a once-off extension of up to one year.

Trial waivers facilitate trials for new approaches, services or models that may be in the long-term interests of consumers but cannot be trialled under the current regulatory framework. In doing so, these trials can provide evidence to support permanent changes to the rules to ensure they remain fit-for-purpose in serving the long-term interests of consumers.

The trial waiver process is not to be viewed as an alternative, but rather as a complement to existing processes and frameworks. Where evidence exists that a rule is no longer fit-for-purpose in serving the long-term interests of consumers, entities are encouraged to submit a rule change to the Australian Energy Market Commission.

In considering whether to grant a trial waiver, the AER will have regard to the following eligibility requirements specified in the National Electricity Rules<sup>1</sup> (NER) and the innovative trial principles specified in the National Energy Laws.<sup>2</sup> Clause 4.2 of the Trial Projects Guidelines sets out our proposed approach to assessing whether the eligibility requirements and innovative trial principles are met.

Our analysis and conclusions on these are presented in this paper.

### 2.2 Summary of Endeavour Energy's Application

The trial proposed by Endeavour Energy (Endeavour) was initially for approximately 10,250 residential customers across Marsden Park, Penrith, Bawley Point, Aerotropolis and Westmead. This has since been reduced to a total of around 5,600 meters following an offer from one retailer (Origin) to appoint its own metering coordinator to do the works. Endeavour intends to install these meters to target network constraints in a cost-effective way by utilising in-meter load control.

The trial represents the continuation of a trial conducted during 2020-21 which involved transitioning approximately 2,850 customers in the Albion Park area to smart metering. This initial roll-out in 2020 was conducted as part of the AER's Demand Management Incentive

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<sup>1</sup> NER clause 8.16.4(a); NERR clause 178(1); NGR clause 135MC(1).

<sup>2</sup> NEL section 18ZL(2); section NERL 121C(2); section NGL 30W(2).

Scheme (DMIS) for 2019-2021. In 2020, a Letter of No Action (LONA) was provided to Endeavour to undertake the 'Albion Park Trial'. The LONA project was successfully completed, resulting in the retirement of AFIC at Albion Park and avoiding maintenance costs.<sup>3</sup>

In January 2023, Endeavour submitted a second LONA request to expand this trial to address other network needs. This request was identified by the AER as a project better suited to the Regulatory Sandboxing trial waiver process, with Endeavour subsequently lodging its trial waiver application in February 2023.

Following receipt of the trial waiver application, the AER published a consultation paper in February seeking stakeholder comments on the application. The AER received 6 submissions and these offered mixed support for the trial, with DNSPs the most supportive (see Attachment A for more details). Submissions in favour of the trial say it will help inform the deployment of smart meter technology alongside existing audio frequency load control capabilities and will support networks and enable connections of more CER. Retailers and metering coordinators were less supportive (excepting Intellihub), raising concerns as to how this trial would affect metering contestability

## 2.3 Current rules for metering replacements

Metering installations are the responsibility of the relevant retailer and its appointed metering coordinator. Endeavour, as a distribution network service provider (DNSP), would not ordinarily have a role in the upgrading of metering installations to smart meters. Relief from NER clause 7.8.6(a)(2), which expressly forbids DNSPs from removing a metering installation to install or maintain a network device, is requested in this waiver application with relation to the proposed meters only.

Provisions exist for DNSPs to upgrade metering installations (after giving notice) where the meter in question is faulty. This is done through what is called the metering fault notification. Endeavour intends, through this trial, to issue a metering fault notification in relation to meters which are not registering a fault. During a standard metering fault event, a DNSP has a series of obligations it must meet regarding timeframes and replacement requirements under NER clause 7.8.10. The waiver application requests relief from this rule with respect to the meters identified under the waiver.

Endeavour's objective is to address network constraints at the lowest overall cost while maximising customer benefits through accelerating the take-up of smart metering. The local distribution network operated by Endeavour will then utilise the collective load control functionality of these smart meters. Overall, Endeavour considers the approach will help it to better manage the low voltage network to improve solar hosting, power quality and safety and reduce inefficient long-term investment.

## 2.4 Trial monitoring and conduct

We have a role in monitoring the progress and reporting on and communicating the outcomes of the trial. Section 5 of our Trial Projects Guidelines outlines how we will oversee

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<sup>3</sup> This project was successful from a consumer perspective, with 94% receiving a fully functioning type 4 meter. No complaints were made regarding the conduct of Endeavour or Intellihub.



the conduct and outcomes of trial projects. This includes, among other things, receiving progress reports to ensure that the proponent is compliant with the trial waiver conditions, as outlined in section 4.1.4. These reports will be made public, in line with our Trial Projects Guidelines.

If for any reason we are concerned about the conduct of the trial, section 6 of the Trial Projects Guidelines allows us to seek additional information or cease the trial for the reasons specified in 6.2(a).

## 3 Assessment

In considering whether to grant a trial waiver, the AER has regard to the following eligibility requirements specified in the National Energy Rules<sup>4</sup> and the innovative trial principles specified in the National Energy Laws.<sup>5</sup> Clause 4.2 of the Trial Projects Guidelines sets out our proposed approach to assessing whether the eligibility requirements and innovative trial principles are met.

The AER is required to have regard to whether a trial project meets the eligibility requirements and innovative trial principles in deciding whether to grant a waiver, but there is no requirement that the AER must be satisfied that all principles are met to grant a waiver. The AER will take a holistic approach to the consideration of the eligibility requirements and innovative trial principles when assessing each application. Our summary of our assessment is presented below.

### 3.1 Stakeholder views

As part of our consideration of the application, we are required to undertake public consultation. Public consultation for this trial waiver application resulted in 6 submissions in total and these offered mixed support for the trial, with DNSPs the most supportive.

Submissions in favour of the trial noted the project would help inform the deployment of smart meter technology alongside existing audio frequency load control capabilities, supporting networks and enabling connections of more CER. Submissions raising concerns about or declining to support the trial raised concerns about how this trial would impact metering contestability. Assessment found these concerns meritorious, and as such, a trial condition regarding metering contestability has been included in the waiver.

Other concerns raised included whether the trial is innovative, how advanced the meters installed through the project would be, as well as DNSPs using the DMIS funding to undercut other competitors. The meters to be installed through this project meet the requirements as set out in the NER. Endeavor does not intend to seek DMIS funding for these activities. Further, while activities similar in nature to those proposed by the trial have been undertaken in the past, the provision of meter replacements by a DNSP through the metering fault notification process has not been performed at this scale before. As such, the outcomes of the trial may inform future policy decisions and offer learnings to industry and stakeholders.

A detailed summary of the submissions and the AER's assessment of these is contained in Attachment A.

### 3.2 Australian Energy Market Commission Metering Review

Given the implications this trial may have on the Australian Energy Market Commission's (AEMC's) Review into the Regulatory Framework for Metering Services (the Metering Review), we have engaged with the AEMC on this review to be across the potential

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<sup>4</sup> NER clause 8.16.4(a); NERR clause 178(1); NGR clause 135MC(1).

<sup>5</sup> NEL section 18ZL(2); section NERL 121C(2); section NGL 30W(2).

outcomes and implications this may have on the potential trial. The AEMC has not provided a submission on this trial.

This trial will provide evidence on the impacts of DNSP-led metering installations. We do not consider this to contradict the Metering Review but could provide learnings relating to DNSPs acting as metering providers of last resort in circumstances where DNSP-led installations can help facilitate efficient load control solutions in particular areas. This tests alternate delivery mechanisms than in the current framework.

### **3.3 Eligibility requirements and Innovative Trial Principles**

A full assessment against the eligibility requirements and innovative trial principles is included in Attachment B. Common issues considered during the assessment included consumer benefits from and impacts of smart meter installation, the innovative nature of the trial and learnings that may result from trial activities and reporting, the capabilities of the proponent to undertake the trial and the validity of the benefits resulting from the proposed activities, including cost savings and network improvements.

The AER considers that the trial meets the eligibility requirements for a trial waiver. Our view is that the trial will contribute to the development of regulatory and industry experience in relation to the use of in-meter load control by network businesses, and through the publication of reports on the trial. Reporting will be more rigorous than through the Albion Park Trial. We also consider that the trial will not have any adverse impacts on reliability, security or the Australian Energy Market Operator's (AEMO's) operation of the electricity system, as per the eligibility requirements.

In relation to the innovative trial principles, these include that the trial will be focussed on developing new or materially improved services for customers. The AER considers that this principle is satisfied as Endeavour will be able to investigate the use of in-meter load control through smart meter technology with consequential network savings. Stakeholders have indicated that as this is an extension of a previous trial, it is difficult for the trial to meet this principle. While we appreciate it is an extension to a previous trial, we consider it to be sufficiently different as it tests this concept across multiple sites, each with its own novel network constraint (as outlined in Attachment B).

The AER also considers that the trial could contribute to the achievement of the National Electricity Objective (as per the innovative trial principles). The AER anticipates that customers may benefit through reduced network costs from in-meter load control. These reduced network costs would not be realised if the trial is not undertaken. Additionally, those customers involved in the trial will benefit from access to smart meters. These customers could have access to data allowing them to better understand and manage their consumption as well as potential access to new energy services including services provided through CER technologies. More broadly, smart meters are seen as a key enabler to support the energy transition, with the AEMC recommending 100 per cent uptake by 2030.<sup>6</sup>

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<sup>6</sup> Review of the regulatory framework for metering services, Draft report, AEMC, 3 November 2022

The innovative trial principles also include elements such as whether the trial will have impacts on competition in a competitive sector of the energy market and also whether it maintains adequate consumer protections. We have developed trial conditions that consider these areas to ensure we maximise the benefits to consumers, the learnings available to the market and mitigate any potential risks. These conditions are explored more fully in Attachment C.

### 3.4 Consumer Impacts

While consumer impacts are considered through the innovative trial principles, due to the nature of this trial and the potential impacts on consumers, specific consideration was given to the impact this trial would have on consumers.

A key benefit of this trial will be the provision of smart meters at no cost to the trial customers, and indirectly a reduced network cost due to the avoided costs of maintaining and upgrading infrastructure. More broadly, the roll-out of smart meters is seen as a key requirement to support the transition to net zero. Savings will be achieved by avoiding the costs of maintaining and installing AFIC equipment in favour of the lower cost option of smart meters. The use of more advanced smart meter technology should also help to drive efficient load control which should deliver benefits to consumers through avoided network investment. Endeavour notes that consumers could also benefit from the ability to access more tariffs including those with cheaper off-peak rates, enabling more rooftop solar hosting and delivering more consistent hot water services to off-peak customers.

In addition to the cost-saving incentives, as we have noted above, smart meters can also offer customers access to more data, allowing them to better understand and engage with their consumption which can facilitate better informed decision making when engaging with the energy system.

There are some potential risks with the smart meter roll-out which we have worked with Endeavour to minimise through the inclusion of trial conditions and expectations, ensuring consumers are at the very least no worse off than they would be without this trial.

While smart meters have significant potential to increase consumer benefits, it is critical that consumers are fully informed of what this change will mean for them and how to best resolve any issues or concerns leading up to and following the change to a smart meter, if they do not opt out beforehand.

To achieve this, the AER has imposed a number of conditions on the trial waiver. This includes requiring Endeavour to provide a draft of the customer notice about the project, approved by the AER, to participating retailers to use in contacting consumers.

- The notice must be drafted to ensure clear communication and to use plain, simple language.
- It must list information outlined in the AER's Smart Meters & You Fact Sheet, including opt-out processes, how to raise a concern or make a complaint, the expected date and time for the meter replacement, and contact details of Endeavour (as the party that will provide customer service and respond to questions about the trial).

We are also requiring the notice to include key points of information, such as confirming that the meter will be provided at no cost, clarifying that consumers have the right to contact the

AER directly, and information on how to do so in the event of an unresolved dispute (among others). The notice will also contain links to a trial page hosted on the Energy Innovation Toolkit website<sup>7</sup> and to the Energy Made Easy guide to tariffs. The AER will offer support and information through the Energy Innovation Toolkit website and our Information Centre to affected customers throughout the trial and also after it is complete and will consolidate and share learnings where appropriate on consumer impacts.

### **3.5 Financial Evaluation of Trial**

As part of their application, Endeavour provided some indicative financial impacts, and these were attached to the consultation notice released previously. The AER considers that while a more substantial and verifiable financial assessment is unavailable to the AER at this stage of the pre-trial assessment, the cost of the program is unlikely to be greater than the anticipated benefits given the reasonably significant gaps between costings for the two models.

Even if the benefit is diminished by matters such as increased natural smart meter uptake and customers opting out of the trial, it is likely that the overall financial benefit will remain a net positive.

More broadly, the AER notes that the total costs and savings from the trial will be the subject of several reporting conditions imposed on Endeavour, which will be considered throughout and at the end of the trial to assess overall benefits. On balance, we consider that the benefits of the trial will exceed its costs.

### **3.6 Site Selection**

Endeavour has proposed that Bawley Point be included within the scope of the trial and that it is also developing an islandable microgrid proposal for that area.

The AER notes however that customers in Bawley Point are currently on time switch-controlled load. While time switches are not quite as responsive as smart meters, they do have the ability to deliver benefits to consumers through load control. As such, any change to smart meter technology would not deliver a similar magnitude in terms of cost savings and benefits that accrue to other locations. Given this, the AER has excluded Bawley Point from the trial waiver.

The AER considers the learnings or broader benefits to the market will not be reduced by excluding Bawley Point in this trial. It is possible that a subsequent trial waiver involving the broader proposed islandable microgrid at Bawley Point may permit the provision of more sophisticated smart meter installations, but on balance it is considered that this waiver is not the appropriate avenue for this project.

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<sup>7</sup> This new site will contain expanded information about the trial's benefits, risks, the AER's role in the trial and how consumers can exercise their rights in relation to the trial. It will provide consumers with contacts and information to inform their decision making.

## **3.7 Conclusion**

On balance, the AER considers the proposed trial likely to deliver an overall benefit to consumers and the industry more broadly and that it is appropriate to grant a trial waiver.

The AER has also imposed a number of conditions on the waiver. These are discussed further below in section 4.1.

## 4 Decision

Our Decision is to **grant** the waiver to Endeavour from clauses 7.8.10 and 7.8.6(a)(2) of the NER for a period of 30 months, subject to conditions outlined in Attachment C and to the standard disclaimer at item 5.

### 4.1 Conditions

As outlined in section 7 of the Trial Projects Guidelines, the AER may impose any other conditions considered appropriate for a trial. For example, we can impose conditions and expectations on Endeavour to ensure we address the issues raised through public consultation, maximise the learnings from this trial and ensure that consumers remain safe, engaged and well-informed. We have also designed these conditions in response to concerns raised through consultation, particularly around metering contestability. In response to these concerns, we have implemented a trial condition regarding metering contestability. Other concerns raised include whether the trial is innovative and how future proof the smart meters would be, but we do not consider these to be material to rejecting the trial.

Conditions are requirements we can place on the trial proponent in relation to the trial. Expectations provide clarification to the trial proponent and impacted stakeholders on how they should engage with the trial.

The AER has imposed a number of conditions on Endeavour as part of the trial waiver. These (as set out in more detail in Attachment C) include conditions that impact:

- **Opt-out provisions.** As a condition of the trial affected customers will be able to decline the installation of a type 4 smart meter and receive a non-communicating type 4A meter, a time clock, or to opt out of the trial and its associated meter upgrade entirely.
- **Genuine meter failures.** We have set a condition ensuring that the waiver will not apply in the case of a genuine metering fault, which would be remedied under existing replacement provisions.
- **Competition.** To ensure that the trial does not negatively impact the competitive market, we have included a condition requiring Endeavour to report to the AER on any request by a retailer of Trial Customers to engage metering coordinators appointed by those retailers via competitive processes. Endeavour must also agree to appoint these metering coordinators, provided they can provide services within the timeframes planned and for a cost agreed between parties, to be paid by Endeavour to participating retailers.
- **Trial Reporting.** Endeavour must provide regular reports to the AER at the following intervals and containing the following information set out at **Table 1** on page 26 below.
- **The notice provided to customers.** Endeavour must submit a draft of the notice to be provided by retailers to trial customers to the AER for our approval, prior to the granting of such notice. The notice will contain key information about the trial, including opt out provisions, contact details for Endeavour, times and dates for metering swaps, and additional information for life support customers. The notice will also include a link to a web page hosted by the AER containing a fuller discussion of the trial's risks, benefits, the role of the AER in administering the trial, and how to

contact the AER to discuss complaints or trial experience directly. Additionally, the notice will discuss the potential for some customers to access time of use tariffs and will include a link to the Energy Made Easy guide to tariffs.

We have also included expectations for Endeavour and participating retailers in regard to customer engagement and life support customer support, to protect consumers and the energy network. This includes complying with life support provisions out under the National Energy Retail Rules (NERR) cl. 124B(1) and cl. 124B(2). The AER reserves all powers to take enforcement action against any breaches of existing notice and life support provisions not expressly covered by the waiver.



## 5 Trial Disclaimer

The terms below which are used in the disclaimer, have the following meanings:

**Proponent** means the party/parties benefitting from the Trial Waiver.

**Trial** means the project undertaken in accordance with the Trial Waiver for the duration and limited to the scope of that advised to the AER for the purpose of granting the Trial Waiver.

**Trial Waiver** has the same meaning as sections 18ZL(1) of the National Electricity Law, 30W(1) of the National Gas Law and 121C(1) of the National Energy Retail Law.

**Trial Project Confidential Information** means information regarding a trial project and submitted to the AER in, or in connection with, an application for a trial project that is identified by the applicant as being confidential.

**Trial Projects Guidelines** means guidelines of that name made and published by the AER under the National Electricity Rules.

**AER** means the Australian Energy Regulator.

**By accepting** the Trial Waiver, the Proponent acknowledges that:

- a. To the extent that is lawful, the AER by granting this Trial Waiver is not responsible or liable for any loss suffered by any party, including third parties, resulting from or related to the Trial.
- b. The AER makes no representations as to the likely success or failure of the Trial and the Proponent remains responsible at all times for the operation of the Trial. In granting a Trial Waiver, the AER is making no statement about, advising or commenting in any way, on the commercial viability of the Trial.
- c. The Proponent must not describe its propositions as “AER approved” or otherwise imply in any way that the AER endorses its product, service, methodology or business model.
- d. The Proponent at all times remains bound by all other laws, rules and regulations not expressly the subject of the Trial Waiver.
- e. The Proponent is responsible for the effective and lawful operation of the Trial in accordance with the terms of the Trial Waiver and as proposed by the Proponent in its application to the AER for a Trial Waiver. The AER has no direct involvement in the Trial beyond the granting of the Trial Waiver and the monitoring of any reporting (if required under the Trial Waiver).
- f. The AER, in granting this Trial Waiver, makes no comment or commitment, with regard to any further consideration of this Trial Waiver (e.g.: early termination; reconsideration of the conditions which apply to the Trial Waiver).
- g. The AER, in granting this Trial Waiver, makes no comment or commitment, with regard to any further applications regarding this Trial Waiver (eg: an application for extension of the Trial Waiver).
- h. To the extent that is lawful, the AER is not responsible for any loss suffered by the Proponent or a third party arising from any action, or inaction, by the AER in the course of the Trial, including through Trial monitoring activities.
- i. The Proponent must not misrepresent the information, guidance or regulatory relief given to the Proponent by the AER.

# Attachment A – Summary of Consultation submissions

Stakeholder	Issues raised	AER Position
Intellihub	<p>Supports the trial.</p> <p><i>N.B. Intellihub partnered with Endeavour and 10 retailers as part of the 2020-21 Albion Park Trial' and is Endeavour's appointed Metering Coordinator for this trial.</i></p>	<p>We note the involvement in the previous trial and Intellihub's involvement in the current trial.</p>
AGL	<p>Broadly supports the trial and noted there is merit in a targeted approach. Though AGL do not agree with Endeavour's view that the smart meter roll out is not occurring as expected.</p> <p>AGL flagged this trial could test the removal of customer-opt-out provisions. AGL consider that future trials by Endeavour or other proponents should allow full competition in the selection of metering coordinators.</p> <p>AGL also noted their preference for Endeavour to take full responsibility for all customer communications to reduce possible customer confusion.</p>	<p>We note the views around removal of customer opt-out provisions but consider the importance of the principle allowing customers to opt out is greater than the likely consequences.</p> <p>We note the concerns regarding contestability and have implemented a trial condition to ensure it remains.</p> <p>We note the communication issue and have implemented expectations to ensure clear communication with customers.</p>
Vector (Metering Coordinator)	<p>Broadly supports the trial and considers this is a mechanism for Endeavour to more broadly realise the benefits already proven in the original trial.</p> <p>Raised concerns that the trial could undermine metering market competition that benefits consumers. Have suggested that the AER makes it a condition that retailers must not include provisions that constrain retailers' choice of a metering provider</p> <p>Recommends that any significant insights/learnings (including the magnitude of the benefits) be shared with industry participants and consumers.</p> <p><i>NB: Vector competed with Intellihub for the original Albion Park trial.</i></p>	<p>We note the concerns regarding contestability and have implemented a trial condition to ensure a competitive market is preserved.</p>
PLUS ES	<p>Does not support the trial. Raised concerns around the impact this trial will</p>	<p>We note the concerns regarding contestability and have implemented a</p>

Stakeholder	Issues raised	AER Position
(Metering Coordinator)	have on setting a precedent that distorts metering competition as directing smart meter installations towards one contestable MC and locking out others.	trial condition to ensure a competitive market is preserved.
Ergon Energy and Energex	<p>Ergon Energy and Energex support the trial waiver and the implications it can have on future smart meter policy. Noted that distributors would greatly benefit from being able to influence smart meter specifications to ensure they meet the requirements of broader flexible load management.</p> <p>Ergon Energy and Energex raised concerns that the smart meters being deployed for this trial may not be able to manage more than one flexible load (e.g., hot water, pool pumps, Air conditioners).</p>	<p>We note the potential implications and learnings for the industry. We have confirmed with Endeavour that the meters being rolled out will not be able to control multiple devices separately. While this may limit some of the benefits to consumers, we note that this trial is designed to test DNSP led meter roll-outs and to maximise savings and is not on balance dependent upon the sophistication of meter installed.</p>
Red Energy and Lumo Energy	<p>Does not support the trial.</p> <p>Raised concerns that the trial is not a new or innovative solution and could therefore not be in the spirit or design of the AER Sandboxing Framework.</p> <p>Raised concerns that this waiver would pose a risk to the existing competitive market. This may introduce a loophole in the DMIS through the regulatory sandboxing framework to enter into and potentially undermine the competitive market.</p>	<p>We note the views that it may not be considered 'innovative' but our approach to assessing waiver application is to take a holistic approach and on balance consider it to be beneficial.</p> <p>We note the concerns regarding contestability and have implemented a trial condition to ensure a competitive market is preserved</p> <p>Endeavour has advised that it is not likely to seek DMIS funding and DMIS funding is not necessary for the trial to proceed. Any DMIS decisions are separate to this sandboxing trial waiver process.</p>

# Attachment B – Assessment of Trial Application

Eligibility requirements under the Energy Rules		
Requirement	Assessment factors	Assessment
<p><b>Whether the carrying out and monitoring of the trial project is likely to contribute to the development of regulatory and industry experience</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>the nature of the trial project, such as whether the project is proposing new or materially improved approaches in relation to energy markets or energy supply</li> <li>the aims and objectives of the trial project</li> <li>the extent to which the project can inform improvements to the regulatory framework</li> <li>the extent to which the project can be rolled out more broadly by both the trial proponent and potentially other parties to the benefit of consumers</li> </ul>	<p>The use of an MFN to facilitate DNSP-led metering swaps was undertaken at a smaller scale in 2020 under a Letter of No Action (LONA) issued by the AER. The current trial addresses differing AFIC replacement issues, under multiple conditions and at a broader scale. The trial conditions ensure that benefits to consumers are reported more rigorously than previously required under either LONA or Demand Management Incentive Scheme reporting requirements. In addition, the trial will provide evidence to complement the AEMC metering review’s investigation of DNSPs acting as metering providers of last resort by testing an alternate delivery model which could inform future regulatory change.</p> <p><b>Assessment:</b> we consider that the expanded trial differs sufficiently from the Albion Park LONA to allow it to contribute to regulatory and industry experience.</p>
<p><b>Whether the trial project may have an adverse effect on the safety, reliability or security of supply of energy and the measures that the proponent will take to avoid or mitigate such risks</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>the provisions of the laws/rules the proponent is seeking a waiver from and the role those provisions play in maintaining the safe, reliable and secure supply of energy</li> <li>the proponent’s proposed risk management plan</li> <li>advice from AEMO</li> </ul>	<p>The laws the proponent is seeking a waiver from do not play a role in the safety or security of supply. We have engaged with AEMO and they have not flagged any risks to safety, reliability and security of supply of energy.</p> <p><b>Assessment:</b> we consider that the trial does not pose serious risk to the safety, reliability of supply of energy, and that our conditions and expectations adequately mitigate the risks posed by metering faults and power interruptions.</p>
<p><b>Whether the trial project may have an adverse effect on AEMO’s operation and/or administration of the power system,</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>the provisions of the laws/rules the proponent is seeking a waiver from and the role those</li> </ul>	<p>We have engaged with AEMO and they have not flagged any risks posed by the trial to their operation of the electrical power system or the market.</p> <p><b>Assessment:</b> We consider that the trial project will not have an adverse effect on</p>

<p><b>the market, the declared distribution systems and declared transmission system for gas or markets for natural gas and the measures that the proponent will take to avoid or mitigate such adverse effects</b></p>	<p>provisions play in allowing AEMO to perform its functions</p> <ul style="list-style-type: none"> <li>the proponent's proposed risk management plan</li> <li>AEMO's views on the trial project</li> </ul>	<p>AEMO's ability to operate and/or administrate the electrical power system.</p>
<p><b>Whether the extent and nature of the trial project confidential information claimed by the proponent may impair:</b></p> <p><b>the AER's ability to provide appropriate public transparency in relation to the conduct and outcomes of trial projects;</b></p> <p><b>or the appropriate development of regulatory and industry experience arising from the trial project.</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>the nature of the trial project confidential information claimed by the proponent</li> <li>how the claimed confidential information relates to the proposed aims, objectives and success criteria for the trial project</li> <li>the ability to publish sufficient information to allow the wider industry to understand the nature of the project and learn from its outcomes, potentially aggregated with other case studies</li> <li>the ability to publish sufficient information to help support a change to the regulatory framework to the benefit of consumers</li> </ul>	<p>Endeavour has not claimed confidentiality within its trial application. The trial conditions will capitalise on this transparency to maximise knowledge sharing and the development of regulatory and industry experience.</p> <p><b>Assessment:</b> As Endeavour has not made any confidentiality claims, we do not consider there are any confidentiality issues which undermine the AER's ability to provide appropriate public transparency regarding the trial's outcome or to impede the development of regulatory and industry experience.</p>
<p><b>Innovative trial principles – Energy Laws</b></p>		
<p><b>Requirement</b></p>	<p><b>Assessment factors</b></p>	<p><b>Assessment</b></p>
<p><b>Whether the trial project is focused on developing new or materially improved: approaches to the use or supply of, or demand for, electricity customer connection services or customer retail services natural gas services</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>the nature of the trial project</li> <li>the aims and objectives of the trial project</li> <li>whether the project could lead to cost savings, add value to existing services (e.g. through improved quality, safety or reliability and security) or</li> </ul>	<p>The trial will evaluate whether the use of an MFN to facilitate a DNSP-initiated metering swap and move to in-meter load control will deliver better savings for consumers than investment in AFIC infrastructure. This approach is expected to deliver material savings to consumers. The trial's MFN-initiated metering swap model differs from the DNSP metering provider of last resort model investigated by the AEMC in their review of metering contestability, in that it is DNSP-led but</p>

	<p>introduce new services that consumers value</p> <ul style="list-style-type: none"> <li>• whether similar projects have been implemented previously or are currently being used elsewhere</li> </ul>	<p>preserves current third-party metering coordination arrangements.</p> <p><b>Assessment:</b> We consider the trial to be focused on developing a new and materially improved approach to the supply of electricity to customers as facilitated by a DNSP-initiated smart-meter rollout.</p>
<p><b>Whether the trial project is likely to contribute to the achievement of the national energy objectives</b></p>	<p>The AER will consider factors such as whether the trial project will improve:</p> <ul style="list-style-type: none"> <li>• efficiency of investment in energy services</li> <li>• efficiency of operation of energy service</li> <li>• efficiency of use of energy service</li> </ul> <p>and, in doing so, lower the price consumers pay or improve the quality, safety and reliability and security of energy services and/or the overall energy system</p>	<p>The trial tests whether avoiding the need for inefficient investment in network infrastructure will deliver savings to consumers. Smart meters delivered through the trial will provide data to assist in the efficient operation of the network and corresponding improvement of the quality, safety and reliability of electricity supplied. Accelerated smart meter roll-out facilitated by the trial and the implementation of learnings resulting from the trial could contribute to the fulfilment of the AEMC's smart meter uptake targets. This may allow for increased uptake of CER and improved network management to accommodate this, fulfilling objectives relating to the reduction of emissions and the achievement of targets for the reduction of emissions which will form part of the upcoming revised NEO.</p> <p><b>Assessment:</b> we consider that the trial will deliver immediate benefits to consumers and the network as well as learnings that will contribute to the achievement of the national electricity objectives.</p>
<p><b>Whether the trial project is able to demonstrate a reasonable prospect of giving rise to materially improved services and outcomes for consumers of energy</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• the nature of the trial project</li> <li>• the aims and objectives of the trial project</li> <li>• whether the project could lead to cost savings, add value to existing energy services (e.g. through improved quality, safety or reliability and security) or introduce new energy services that consumers value</li> </ul>	<p>Endeavour will reimburse retailers the agreed cost of the meter and installation, ensuring that no costs are borne by customers. Outcomes for consumers include opportunity to access more retail plan types, opportunity to connect CER, and greater control over energy usage and access to meter data. Indirect benefits of the trial are associated with efficient network costs.</p> <p><b>Assessment:</b> in addition to the trial's potential to deliver cost savings, we consider that the consumers receiving smart meters paid for by the trial will be able to access a range of benefits at no</p>

	<ul style="list-style-type: none"> <li>• whether the project could improve outcomes for consumers experiencing vulnerability</li> <li>• whether the benefits to consumers from the improved services and outcomes are likely to outweigh any risks associated with the project</li> <li>• evidence of the organisation's operational and financial ability to carry out the proposed trial project</li> </ul>	<p>cost and that therefore the trial has reasonable prospect of giving rise to materially improved services and outcomes to consumers of energy.</p>
<p><b>Whether the trial project maintains adequate consumer protections, including whether the trial project may involve risks to consumers and (if so), how those risks might be mitigated</b></p>	<p>The AER will apply the Consumer Risk Assessment tool developed by the Energy Security Board. The AER will also consider factors such as:</p> <ul style="list-style-type: none"> <li>• The type of risks associated with the trial project, such as financial, safety or security</li> <li>• The magnitude of the risks</li> <li>• The probability of the risks eventuating</li> <li>• The types of consumers that could be impacted, particularly the impact on consumers experiencing vulnerability</li> <li>• The complexity of the trial and associated risks and whether it is reasonable for consumers to give their explicit informed consent to take on that risk</li> <li>• Whether the risks can be appropriately managed or mitigated</li> <li>• Whether the risks associated with the trial are appropriately allocated between the trial waiver proponent, any retail customers participating in a trial</li> </ul>	<p>The AER has applied the Consumer Risk Assessment tool in our consideration of consumer risks and protections. The trial conditions allow for comprehensive opt-out provisions and clarify that the waiver does not exempt metering providers from obligations to rectify genuine metering failures. We will set expectations that retailers must at all times comply with all requirements relating to life support (including those set out in the NERR) and will issue notices containing information that accords with best-practice recommendations developed in consultation with AER's Consumer Projects team.</p> <p><b>Assessment:</b> we consider that the trial maintains adequate consumer protections and adequately mitigates risks to consumers.</p>

	project and, if relevant, other parties.	
<b>Whether the trial project is unable to proceed under the existing regulatory framework</b>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• The nature of the trial project</li> <li>• the provisions of the laws/rules the proponent is seeking a waiver from</li> <li>• whether there are alternative approaches the proponent could pursue, including seeking a waiver or exemption under alternative frameworks (e.g. exempt seller, ring-fencing etc)</li> </ul>	<p>The trial requires exemptions from 7.8.6(a)(2) of the NER, which prohibits a DNSP from removing a metering installation (or any part of a metering installation) to install or maintain a network device, and 7.8.10, under which a metering coordinator is required to arrange for repairs to be made to a metering installation as soon as practicable in the event of a metering installation malfunction. Exemption from these provisions will allow Endeavour to liaise directly with a single metering provider, Intellihub, to issue MFNs facilitating en masse swaps in strategic areas of the network. An existing retailer-led approach exists, but retailers are not incentivised to manage the swap with the same efficiencies as a DNSP. The trial conditions allow retailers to appoint metering providers to participate if they can install for the same price or less than Endeavour's reimbursement to retailers and deliver within Endeavour's timeframes, incentivising these players to undertake works efficiently.</p> <p><b>Assessment:</b> we consider that a waiver is necessary and that the trial's evaluation of the efficiency and cost-effectiveness of a DNSP-led metering replacement mechanism could not proceed under current frameworks.</p>
<b>Whether the trial project has moved beyond research and development stages but is not yet established, or of sufficient maturity, size or otherwise commercially ready, to attract investment</b>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• the nature of the trial project</li> <li>• the aims and objectives of the trial project</li> <li>• whether the project has gone through any initial trials or testing</li> </ul>	<p>The trial activity has been performed at a small scale under the previous LONA in 2020, which was considered to be successful. We see the merit in testing whether the trial is cost effective while addressing differing AFIC replacement needs at a larger scale.</p> <p><b>Assessment:</b> we consider that the trial has moved beyond initial testing stages and would benefit from testing at scale, under the reporting conditions.</p>
<b>Whether the trial project may negatively impact AEMO's operation of the national energy</b>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• the provisions of the laws/rules the proponent is seeking a waiver from</li> </ul>	<p>AEMO have advised that the trial does not pose risks to their operation of the electrical power system or the market. Potential administrative burden on AEMO has been minimised via an agreement</p>



<p><b>systems and national energy markets or AEMO's facilitation of customer connection services and customer retail services and, if there are impacts, how those impacts can be mitigated</b></p>	<p>and the role those provisions play in allowing AEMO to perform its functions</p> <ul style="list-style-type: none"> <li>• the proponent's proposed risk management plan</li> <li>• AEMO's views on the trial project</li> </ul>	<p>with AEMO that Endeavour will not be required to notify AEMO of metering swaps initiated via MFN for the purposes of the trial. In the event of a genuine meter fault, Endeavour would be required to follow the standard meter fault notification process.</p> <p><b>Assessment:</b> We consider that the trial project will not have an adverse effect on AEMO's ability to operate or administer the electrical power system and the market. Relief from the obligation to notify AEMO of the initiation of trial adequately mitigates the risk of increased administrative burden caused by the trial.</p>
<p><b>Whether the trial project may impact on competition in a competitive sector of a national energy market</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• The energy market(s) in which the trial project would operate, if any</li> <li>• Whether the project could reduce competition in that market</li> <li>• Whether trialling the project would confer an unfair competitive advantage on the proponent that could be detrimental to competition in an energy market, including the potential for cross-subsidisation and discrimination</li> <li>• Whether the trial project could reduce the ability of consumers to switch their energy supplier</li> </ul>	<p>The trial allows Endeavour to work primarily with the metering provider previously appointed via contestable process to deliver the 2020 Albion Park trial, while allowing other retailers to request the appointment of other metering providers offering technically compliant solutions. The trial conditions will require reporting on retailer requests to engage other metering providers appointed via competitive processes and will require Endeavour to appoint any such nominated metering coordinators, provided that they can deliver within timeframes and for a cost agreed between parties, paid by Endeavour to participating retailers to offset the cost of meter replacement. We consider that this will incentivise competitive participation by metering providers and retailers while preserving Endeavour's planned costs and timeframes.</p> <p><b>Assessment:</b> we consider that the trial will not have adverse impact on competition in a competitive sector of the national energy market should it proceed under the conditions.</p>
<p><b>Innovative trial principles – Energy Regulations</b></p>		
<p><b>Requirement</b></p>	<p><b>Assessment factors</b></p>	<p><b>Assessment</b></p>
<p><b>Whether the trial project is able to be trialled and evaluated</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• whether there are other barriers to the project proceeding that cannot</li> </ul>	<p>Reporting requirements under Condition One have been developed in consultation with TAG to confirm that information requested is necessary to meaningfully evaluate the success of the trial and is</p>

	<p>be resolved through a trial waiver</p> <ul style="list-style-type: none"> <li>• evidence of the organisation's operational and financial ability to carry out the proposed trial project</li> <li>• the aims, objectives and proposed success factors of the trial project and the extent to which these are measurable and so can be evaluated</li> </ul>	<p>within the scope of data easily available to a DNSP.</p> <p><b>Assessment:</b> we consider that the project is able to be trialled and meaningfully evaluated should learnings be measured under the trial conditions.</p>
<p><b>Whether there is potential for the trial project to be successfully expanded</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• whether the trial project is scalable</li> <li>• whether the trial project is applicable across multiple jurisdictions and customer types</li> </ul>	<p>The trial conditions ensure that the trial's evaluation of an alternative delivery mechanism for DNSP-led metering rollouts will take place under conditions which protect consumers and preserve competition, making a successful trial appropriate to inform a potential future rule change scaling the model to customers in states other than Victoria.</p> <p><b>Assessment:</b> we consider the trial's model appropriate to expand via a rule change request.</p>
<p><b>Whether the trial project will provide for public sharing of knowledge, information and data resulting from the trial project.</b></p>	<p>The AER will consider factors such as:</p> <ul style="list-style-type: none"> <li>• the aims, objectives and proposed success factors of the trial project</li> <li>• the trial project confidential information claimed by the proponent</li> </ul>	<p>Endeavour have not claimed confidentiality over the learnings generated by the trial and have been receptive to working with the AER to publicly share knowledge and data. The trial conditions will ensure that the success of the project is evaluated in a way that is rigorous and reportable.</p> <p><b>Assessment:</b> we consider that the trial will provide learnings to be measured under the trial conditions.</p>

# Attachment C – Conditions of Trial Waiver

Section 18ZM of the NEL allows the AER to impose any conditions on a trial waiver that it considers appropriate. Section 18ZR requires that a trial waiver proponent must comply with any conditions to which the trial waiver is subject, and if the proponent breaches a condition the AER may revoke the trial waiver or revoke or vary the condition, or impose further conditions on the trial waiver.

Section 18ZM of the NEL allows the AER to impose any conditions on a trial waiver that it considers appropriate. Section 18ZR requires that a trial waiver proponent must comply with any conditions to which the trial waiver is subject, and if the proponent breaches a condition the AER may revoke the trial waiver or revoke or vary the condition, or impose further conditions on the trial waiver.<sup>8</sup>

The following conditions have been imposed on the trial to mitigate risks associated with consumer impact and metering contestability, and to ensure learnings are collected about the trial to benefit future policy. These conditions also serve to address feedback received during the consultation stage from stakeholders.

The trial waiver is granted subject to the following conditions and the waiver may be invalid and cease to apply if any of these conditions are not met. If Endeavour is found to be in breach of these conditions, they risk termination of the trial waiver as per clause 4.3 of the Trial Projects Guidelines.

## Condition 1: Customer Opt-out

It is a condition of this waiver that Endeavour must allow any customer whose address or NMI is listed in confidential Attachment D, and any customer not listed in that Attachment but who Endeavour elects to include in the trial otherwise (the **Trial Customers**) to opt out of the trial in accordance with the following steps:

- If a Trial Customer declines to accept a smart meter (type 4) being installed on their property, then Endeavour must not install a type 4 meter on that property but must offer the Trial Customer a non-communicating type 4A meter.
- If that Trial Customer declines to accept a non-communicating type 4A meter on their property, Endeavour must not install a type 4A meter on that property but must offer the Trial Customer a time clock.
- If that Trial Customer declines to accept the installation of a time clock, Endeavour must not install a time clock but must enable the Trial Customer to fully opt-out of the trial.

While smart meters enable a much wider range of tariffs and CER (such as rooftop solar), the AER has established a principle in the Trial Projects Guideline<sup>9</sup> that customers are able to opt-out of the trial project at any time and for any reason unless otherwise agreed by the

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<sup>8</sup> The AER's framework for monitoring and ensuring compliance with conditions on a trial waiver is set out in the AER's Trial Projects Guidelines on page 21, and is explained in the Trial Projects Guidelines Explanatory Statement at pages 26 – 27

<sup>9</sup> AER, Trial Projects Guidelines (2023), clause 4.4 and clause 6.3.

AER or otherwise stipulated in a trial Rule or a notice issued by the AEMC under NEL section 104B, NERL section 262B or NGL section 314B.<sup>10</sup>

### **Condition 2: Contestability**

It is a condition of this waiver that Endeavour:

- report to the AER on any request by a retailer of Trial Customers to engage metering coordinators appointed by those retailers via competitive processes; and
- agree to allow the retailer to appoint any such nominated metering coordinators, provided that they can provide the services within the timeframes planned and for a price agreed between Endeavour and the retailer; and
- pay to retailers the amount agreed for each meter installed by that retailer under this condition.

### **Condition 3: Genuine Meter Failures**

This waiver does not apply in the event of a genuine metering fault occurring within the Trial Customers. In this event existing replacement provisions under 7.8.10 of the National Electricity Rules would apply despite this trial.

### **Condition 4: Reporting**

It is a condition of this waiver that Endeavour must provide regular reports to the AER at the following intervals and containing the following information set out at **Table 1** below.

### **Condition 5: Customer notice**

While the notice to be provided to customers is proposed to be delivered by retailers of Trial Customers on request by Endeavour, it is a condition of this waiver that Endeavour provide a draft of this notice, approved by the AER, to participating retailers prior to granting of such notice.

The notice should be drafted to ensure clear communication and to use plain, simple language; it must list information outlined in the AER's Smart Meters & You Fact Sheet. This includes:

- that customers can opt out of the new meter;
- instructions on how to opt out and how to raise a concern or make a complaint;
- the expected date and time for the meter replacement;
- the last opportunity customers will have to opt out, which must be no earlier than seven days before the replacement;
- confirmation that no costs will be incurred by the customer;
- contact details of Endeavour (as the party that will provide customer service and respond to questions about the trial)

We also require that such notices contain:

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<sup>10</sup> See part 6.3 of the Trial Project Guidelines.

- A statement clarifying that complaints lodged through Endeavour’s complaint mechanism will be sent also to the AER.
- An invitation to customers to discuss any aspect of the trial (including complaints and experiences relating to load control) with the AER directly via contact details hosted on our trial web page, even after the trial has concluded.
- A link to the relevant trial page hosted on the Energy Innovation Toolkit website (URL to be provided by the AER to Endeavour within 10 business days following granting of this trial waiver).
- A statement clarifying that the web page will include:
  - detailed information about the trial, covering risks, benefits, potential tariff changes, information about how to access opt-out provisions, and contact details for dispute resolution options;
  - information about the AER’s trial monitoring processes, and powers to pause, terminate or change the conditions of the trial in response to complaints, should we choose to enact them; and
  - contact channels for complaints and feedback on customer experience to be lodged directly with the AER.
- Confirmation that there is no actual meter fault and these works are utilising such a notice only to effect network maintenance and/or improvements.
- Information about the potential for customers to access time of use tariffs through a smart meter – and a link to the Energy Made Easy guide to tariffs.
- Additional notice and information to support life support customers.<sup>11</sup>

## Expectations

The following expectations, while not binding on entities not party to the trial waiver, are outlined below, as positive customer engagement and protections for Trial Customers on life support are considered key to the successful implementation of this trial:

- That retailers of Trial Customers will adopt the recommendations or substantive drafting of the notice provided by Endeavour.
- That both Endeavour and the retailers of Trial Customers will at all times comply with all requirements relating to life support, including those set out under the National Energy Retail Rules cl. 124B(1) and cl. 124B(2). It is expected that additional notice will be given, and accommodations made, to enable Trial Customers on life support to be supported throughout the trial.

It is expected in relation to life support customers that Endeavour will provide assistance throughout the trial to such customers, including providing contact support staff training on the rights and needs of life support customers to ensure contact from such customers is responded to promptly and appropriately.

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<sup>11</sup> As required by National Energy Retail Rules cl. 124B(1) and cl. 124B(2).

The AER reserves all powers to take enforcement action against any breaches of existing notice and life support provisions not expressly covered by the waiver.

**Table 1 – Reporting requirements**

Frequency	Value	Metrics/data
<b>Before trial commences</b>	Trial Customers	<ul style="list-style-type: none"> <li>Detailed list of NMIs or site addresses the subject of the proposed trial</li> <li>Details (number and locations) of Trial Customers on life support</li> <li>Details of any Sample Meters and plans for replacement of these</li> </ul>
	Customer notice	<ul style="list-style-type: none"> <li>Draft of proposed notice to be provided to AER for review prior to commencement of works</li> <li>AER to provide feedback within 10 business days</li> </ul>
<b>Ad hoc reporting (within 5 business days)</b>	Customer complaints	<ul style="list-style-type: none"> <li>Number of complaints</li> <li>Project location of complaints</li> <li>Complaint details</li> </ul>
	Retailer requests to appoint own metering coordinator	<ul style="list-style-type: none"> <li>Retailer</li> <li>Coordinator</li> <li>Relevant NMIs</li> <li>Was proposal accepted?</li> <li>If not, why not?</li> </ul>
	Unplanned interruptions/genuine metering faults relating to trial NMIs	<ul style="list-style-type: none"> <li>NMIs</li> <li>Resolution of interruption</li> </ul>
	Safety incidents, concerns or complaints	<ul style="list-style-type: none"> <li>Project locations</li> <li>Impact of incident</li> <li>Resolution of incident</li> <li>Incidents involving life support customers</li> </ul>
<b>First report</b>	Power Interruption Notices issued	<ul style="list-style-type: none"> <li>Number of notices</li> <li>Relevant NMIs</li> </ul>
	Registered life support equipment informed consent for power interruption	<ul style="list-style-type: none"> <li>Relevant NMIs</li> <li>Declined installations</li> </ul>

<b>Quarterly reports</b>	Smart meter rollout (period)	<ul style="list-style-type: none"> <li>• Number of smart meters installed</li> <li>• Location breakdown of installs</li> </ul>
	Smart meter rollout (project to date)	<ul style="list-style-type: none"> <li>• Number of smart meters installed</li> <li>• Location breakdown of installs</li> </ul>
	Project costs	<ul style="list-style-type: none"> <li>• Actual spend vs project cost (period)</li> <li>• Actual spend vs project cost (project to date)</li> <li>• Reason for any overspend</li> </ul>
	Retailer requests to appoint own metering coordinator	<ul style="list-style-type: none"> <li>• Retailer and metering coordinator</li> <li>• Relevant NMIs</li> <li>• Was proposal accepted?</li> <li>• If not, why not?</li> </ul>
	Consumer opt-out rate	<ul style="list-style-type: none"> <li>• Number of opt-outs (period, broken down by type 4A, time clock and entire opt-out)</li> <li>• Number of opt-outs (project to date)</li> <li>• Opt-outs by location/NMI</li> </ul>
	Consumer contact points	<ul style="list-style-type: none"> <li>• Requests for notice or communication translations</li> <li>• Number of complaints or concerns (period)</li> <li>• Number of complaints or concerns (total)</li> <li>• Location complaint breakdown</li> <li>• Number of impacted life support customers</li> <li>• Complaint trends/outliers</li> <li>• <i>(attachment – all deidentified comms and complaints to date)</i></li> </ul>
	Consumer impacts and data	<ul style="list-style-type: none"> <li>• Metering data (from Intellihub / other participating metering providers)</li> <li>• Customer load</li> <li>• Customer activities</li> <li>• Changes to tariffs</li> <li>• CER engagement and uptake</li> </ul>
<b>Project evaluation</b>	Full data	<ul style="list-style-type: none"> <li>• Costs vs project costs</li> <li>• Costs savings/losses</li> <li>• Cost-benefit realisation</li> </ul>

		<ul style="list-style-type: none"> <li>• Consumer impacts (including opt out numbers and known uptake of CER)</li> </ul>
	<p>Endeavour evaluation</p>	<ul style="list-style-type: none"> <li>• Costs and saving</li> <li>• Learnings</li> <li>• Risks (identified and realised)</li> <li>• Consumer impacts and benefits</li> </ul>



# Attachment D – List of Trial Customer NMI

*[To protect personal information this is a CONFIDENTIAL attachment not included in publicly available documents]*