

18 April 2021

Queensland Review of the Electrical Safety Act Queensland Office of Industrial Relations GPO Box 69 Brisbane QLD 4001

Submitted electronically at: <u>esreviewer@oir.qld.gov.au</u>.

Dear Sir/Madam,

Queensland Review of the Electrical Safety Act

The Australian Energy Council (AEC) welcomes the opportunity to respond to the Queensland Government's Office of Industrial Relations' Review of the *Electrical Safety Act 2002*.

The AEC is the industry body representing 22 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

Our submission to the consultation is limited to the need for Queensland's electrical safety legislation to recognise the introduction of energy market reforms in 2017 for the delivery of metering services and amendments to the Electrical Safety Regulation 2013 to enable the use of efficient remote re-energisation of premises through digital meters.

In December 2017, the Australian Energy Market Commission (AEMC) implemented a significant package of reforms through the National Electricity Rules¹. A key feature of this initiative was the requirement to install digital meters with remote communications in all new and replacement situations. This has resulted in the deployment of over 1 million digital meters throughout the National Electricity Market, including almost 400,000 in Queensland.

Digital meters are a significant improvement on the meters they are replacing and with their remote functionality offer many opportunities for better, more efficient services to be delivered by retailers and distributors to customers. However, regulatory restrictions in some jurisdictions, including Queensland, have limited the use of remote services such as re-energisation and de-energisation and delayed the realisation of benefits to customers. In 2020, the NSW Government lifted its prohibition on the use of these services and implemented a new framework to enable the use of remote re-energisation and remote de-energisation of customer premises via digital metering. The AEC now seeks a similar outcome in Queensland.

The use of remote re-energisation in Queensland is prohibited by section 220 of the Electrical Safety Regulation 2013. Section 220 has formed an effective barrier to the use of remote reenergisation in Queensland since it was first identified as one during consultation on the National Smart Meter Program (2008 to 2011). Section 220 was again identified as a barrier to during the consultation for the development and implementation of the AEMC's metering competition reforms (2015 to 2017), in that it would limit the uses of enabling technology for greater customer participation in the future energy market. The Queensland Competition Authority's 2019 report

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¹ AEMC, National Electricity Amendment (Expanding competition in metering and related services) Rule 2015, November 2015

titled "*Ministerial advice - Benefits of advanced digital metering*"² again identified section 220 as a barrier to realising the benefits of digital metering.

More recently, section 220 has again been highlighted as a barrier to the realisation of the consumer benefits of digital metering in submissions made to the AEMC's review of the metering reforms implemented in December 2017³.

The AEC notes that one of the key focus areas for the review of the Electrical Safety Act is "on ensuring the state's electrical safety legislative framework remains able to keep pace with new and emerging technologies". The AEC considers that addressing the barrier section 220 will ensure that Queensland's electrical safety legislation is ready for the energy transition which is already underway.

The functionality and services able to be delivered by digital metering can provide services to customers that will reduce their costs and provide electricity services which are safe and reliable. Experience in other jurisdictions shows that the safety risks can be managed appropriately while delivering benefits to customers and retailers.

Any questions about this submission should be addressed to David Markham by email to <u>david.markham@energycouncil.com.au</u> or by telephone on (03) 9205 3107.

Yours sincerely,

David Markham Networks and Distributed Energy Resources Policy Manager Australian Energy Council

² QCA, *Ministerial advice Benefits of advanced digital metering*, September 2019

³ AEMC, Review of the regulatory framework for metering services, Consultation paper, 3 December 2020