



New South Wales

Electricity Supply Amendment (Advanced Meters) Bill 2016

Explanatory note

This explanatory note relates to this Bill as introduced into Parliament.

Overview of Bill

The objects of this Bill are:

- (a) to provide that retailers and metering providers, rather than distributors, are responsible for the installation, maintenance and replacement of electricity meters, and
- (b) to provide for the regulation of electricity meters as electrical installations under the *Electricity (Consumer Safety) Act 2004*, and
- (c) to make further provision with respect to the accreditation of persons who are permitted to carry out certain network services.

Outline of provisions

Clause 1 sets out the name (also called the short title) of the proposed Act.

Clause 2 provides for the commencement of the proposed Act on a day or days to be appointed by proclamation.

Schedule 1 Amendment of Electricity Supply Act 1995 No 94

Amendments relating to electricity meters

The proposed amendments to the *Electricity Supply Act 1995* (the *ES Act*) make it clear that distributors are not responsible for, and do not have the authority to exercise control over, the installation of electricity meters under the ES Act. Retailers and metering providers are to be responsible for the installation, maintenance and replacement of electricity meters. The

amendments made by Schedule 2 also ensure that safety compliance and testing for electricity meters is provided for by the existing scheme for safety compliance and testing for electrical installations under the *Electricity (Consumer Safety) Act 2004* and the regulations made under that Act.

Schedule 1 [1] removes the authority of a distributor to impose requirements in relation to the installation of electricity meters and to refuse to provide connection services if those requirements are not satisfied.

Schedule 1 [5] removes a redundant provision that allows a distributor to attach seals to a customer's electrical installation.

Schedule 1 [6] and [7] make it clear that authorised officers of a retailer may exercise powers of entry under the ES Act only with respect to electricity metering.

Schedule 1 [8]–[12] make minor amendments to clarify the role of inspectors under the ES Act with regard to matters for which distributors are responsible under that Act, in particular to remove provisions relating to the inspection of the installation of electricity meters.

Schedule 1 [13] makes an amendment to the offence of interfering with an electricity meter to reflect the role of persons other than distributors in relation to electricity meters.

Schedule 1 [14] provides that an authorised officer of a retailer is not personally liable in respect of any matter or thing done by the authorised officer in good faith for the purpose of exercising a function under the ES Act. Liability attaches instead to the retailer concerned.

Schedule 1 [15] grants metering providers a power of entry to premises for the purposes of exercising certain functions in relation to the installation of electricity meters.

Schedule 1 [16] inserts provisions of a savings and transitional nature. In particular, the amendment provides for distributors to remain responsible for certain meters installed before the commencement of the proposed Act. The provisions also allow retailers and metering providers to install, and take responsibility for, the installation of advanced meters (type 4 metering installations as referred to in Chapter 7 of the *National Electricity Rules*) ahead of related changes to the *National Electricity Rules* due to commence on 1 December 2017.

Schedule 1 [18] amends the definition of *connection point* to provide that the connection point is to be determined in accordance with the *Service and Installation Rules of New South Wales* rather than the regulations.

Schedule 1 [19] amends the definition of *electrical installation* to use language consistent with the *Electricity (Consumer Safety) Act 2004* in relation to that term.

Schedule 1 [20] amends the definition of *electricity delivery equipment* to remove a reference to equipment to be used, or intended to be used, by a retailer in the generation, transmission or distribution of electricity as retailers are not involved in those functions.

Amendments relating to accredited service providers

Schedule 1 [4] inserts proposed section 31A, which, in effect, replaces section 31 (2) of the ES Act. The proposed section clarifies who may carry out contestable network services (defined as a service provided for the purposes of complying with a requirement imposed by a distributor under Division 4 of Part 3 of the ES Act and any other service prescribed by the regulations).

In particular, the proposed section provides for the exemption of contestable network services from the operation of the proposed section and the making of regulations in connection with the accreditation of service providers, conditions of accreditation and the payment of fees in connection with accreditation.

Schedule 1 [2], [3] and [17] make consequential amendments.

Schedule 1 [16] includes, among other things, a provision that ensures a person with accreditation to provide contestable services immediately before the commencement of the proposed amendment is taken to be an accredited service provider and the person's accreditation continues as if it had been granted after the amendment.

Schedule 2 Amendment of Electricity (Consumer Safety) Act 2004 No 4

Schedule 2 [4] inserts proposed section 30A to make it clear that an authorised officer may inspect an electrical installation that includes the installation of an electricity meter to ensure compliance with the applicable standards and requirements. The proposed section also provides that the regulations may prescribe a fee for the inspection by an authorised officer of the installation of the electricity meter.

Schedule 2 [1]–[3] amend the definition of *electrical installation* to include electricity meters. The proposed amendments ensure that work in relation to electricity meters is subject to the safety testing and compliance standards applicable to other electrical installations.

Schedule 2 [6] provides that the amendments do not apply in relation to basic meters (type 5 or 6 metering installations referred to in Chapter 7 of the *National Electricity Rules*) until related changes to the *National Electricity Rules* come into force on 1 December 2017.

Schedule 2 [5] makes a consequential amendment.

Schedule 3 Amendment of Electricity Supply (Safety and Network Management) Regulation 2014

Schedule 3 [1] and [2] make amendments consequent on the removal of the distributor's functions in relation to electricity meters by Schedule 1 to the proposed Act.

Schedule 3 [3] and [4] make amendments consequent on the amendments made by Schedule 1 in relation to accredited service providers.

Schedule 3 [5] authorises the Secretary of the Department of Industry, Skills and Regional Development to delegate functions under the *Electricity Supply (Safety and Network Management) Regulation 2014* to any employee of the Department.

Schedule 4 Amendment of Electricity Supply (General) Regulation 2014

Schedule 4 removes redundant provisions consequent on the amendments relating to electricity meters made to the ES Act by Schedule 1 to the proposed Act.

Schedule 5 Amendment of Electricity (Consumer Safety) Regulation 2015

Schedule 5 makes minor amendments consequent on the amendments relating to electricity meters made to the ES Act by Schedule 1 to the proposed Act.