



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.



New South Wales

# Electricity Supply Amendment (Advanced Meters) Bill 2016

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New South Wales

# Electricity Supply Amendment (Advanced Meters) Bill 2016

No. , 2016

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## A Bill for

An Act to amend the *Electricity Supply Act 1995* with respect to the installation, maintenance and replacement of electricity meters and the carrying out of certain electrical work; to amend the *Electricity (Consumer Safety) Act 2004* with respect to electricity meters; and for other purposes.

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**The Legislature of New South Wales enacts:**

1

**1 Name of Act**

2

This Act is the *Electricity Supply Amendment (Advanced Meters) Act 2016*.

3

**2 Commencement**

4

This Act commences on a day or days to be appointed by proclamation.

5

<b>Schedule 1</b>	<b>Amendment of Electricity Supply Act 1995 No 94</b>	1
<b>[1] Section 29 Electricity meters</b>		2
Omit the section.		3
<b>[2] Section 31 Customer may choose supplier and contractor</b>		4
Omit “any other person” from section 31 (1) (b).		5
Insert instead “an accredited service provider”.		6
<b>[3] Section 31 (2)</b>		7
Omit the subsection.		8
<b>[4] Section 31A</b>		9
Insert after section 31:		10
<b>31A Accredited service providers</b>		11
(1) A person must not provide a contestable network service unless the person is accredited to provide services in accordance with the regulations (an <i>accredited service provider</i> ) and the person’s accreditation authorises the person to provide the contestable network service concerned.		12
Maximum penalty: 500 penalty units.		13
(2) The regulations may exempt the provision of specified, or a specified class of, contestable network services from the requirement that the services must be provided by an accredited service provider.		14
(3) The exemption may be unconditional or subject to conditions.		15
(4) The regulations may make provision for or with respect to the following:		16
(a) the accreditation of accredited service providers (including the imposition of conditions on accreditation),		17
(b) different classes of accredited service providers,		18
(c) the payment of fees in connection with the accreditation of accredited service providers (including the imposition of fees for applications for accreditation and renewal of accreditation).		19
(5) In this section:		20
<i>contestable network service</i> means:		21
(a) a service provided for the purpose of complying with a requirement imposed by a distributor under this Division, and		22
(b) any other distribution service (within the meaning of the <i>National Electricity Rules</i> ) prescribed by the regulations.		23
<b>[5] Section 32 Sealing of electrical installations</b>		24
Omit the section.		25
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<b>[6] Section 54 Powers of entry</b>	1
Omit section 54 (1A). Insert instead:	2
(1A) An authorised officer of a retailer may enter the premises of a customer for the following purposes:	3
(a) reading, testing, maintaining, inspecting or altering any meter installed at the premises,	4
(b) calculating or measuring energy supplied or taken at the premises,	5
(c) checking the accuracy of metered consumption at the premises,	6
(d) replacing meters,	7
(e) any other purpose prescribed by the regulations relating to metering.	8
<b>[7] Section 54 (2)</b>	9
Omit the subsection. Insert instead:	10
(2) A power of entry to premises under this section may be exercised only during daylight hours except:	11
(a) in an emergency, or	12
(b) in the case of an authorised officer of a retailer—if there is a problem with a meter on the premises that poses a risk to safety.	13
<b>[8] Section 63M Inspectors</b>	14
Omit section 63M (1A).	15
<b>[9] Section 63N Obstruction of inspectors</b>	16
Omit section 63N (2).	17
<b>[10] Section 63O Inspection of certain electrical equipment</b>	18
Omit the section.	19
<b>[11] Section 63Q Orders prohibiting the unsafe operation of electricity delivery equipment</b>	20
Omit “or retailer” from section 63Q (1).	21
<b>[12] Section 63W Search warrants</b>	22
Omit section 63W (1) (a).	23
<b>[13] Section 66 Interference with electricity meters</b>	24
Omit “by the distributor”.	25
Insert instead “under this Act, the regulations or any other energy laws (within the meaning of the <i>National Energy Retail Law (NSW)</i> )”.	26
<b>[14] Section 183A Personal liability of authorised officers</b>	27
Insert “or retailer” after “network operator” wherever occurring.	28



<b>[15] Section 196</b>	1
Insert after section 195:	2
<b>196 Power of entry by metering provider</b>	3
(1) A metering provider may enter the premises of a customer for the following purposes:	4
(a) reading, testing, maintaining, inspecting or altering any metering installation at the premises,	5
(b) calculating or measuring energy supplied or taken at the premises,	6
(c) checking the accuracy of metered consumption at the premises,	7
(d) replacing meters.	8
(2) A power of entry to premises under this section may be exercised only during daylight hours except:	9
(a) in an emergency, or	10
(b) if there is a problem with a meter on the premises that poses a risk to safety.	11
(3) Sections 55, 58–60 and 62 apply to the power of entry conferred on a metering provider under this section in the same way as they apply to a power of entry conferred on an authorised officer under Division 3 of Part 5.	12
(4) In this section, <i>metering provider</i> has the same meaning as it has in the <i>National Electricity Rules</i> .	13
<b>[16] Schedule 6 Savings, transitional and other provisions</b>	14
Insert at the end of the Schedule:	15
<b>Part 15 Provisions consequent on enactment of Electricity Supply Amendment (Advanced Meters) Act 2016</b>	16
<b>69 Definitions</b>	17
In this Part:	18
<i>advanced meter</i> means a meter that is a type 4 metering installation referred to in Chapter 7 of the <i>National Electricity Rules</i> .	19
<i>amending Act</i> means the <i>Electricity Supply Amendment (Advanced Meters) Act 2016</i> .	20
<i>basic meter</i> means a meter that is a type 5 or 6 metering installation referred to in Chapter 7 of the <i>National Electricity Rules</i> .	21
<i>interim period</i> means the period commencing on the amendment of section 31 by the amending Act and ending on 1 December 2017 (or such later day as may be prescribed by the regulations).	22
<i>metering provider</i> has the same meaning as it has in the <i>National Electricity Rules</i> .	23
<i>retailer</i> has the same meaning as it has in the <i>National Energy Retail Law (NSW)</i> .	24

<b>70</b>	<b>Basic meters during interim period</b>	1
(1)	Division 4 of Part 3 of this Act, as in force before the repeal of section 29 by the amending Act, continues to apply during the interim period in respect of:	2
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(a)	any requirement to install a basic meter imposed under Division 4 of Part 3 of this Act before that repeal, and	4
		5
(b)	a meter installed by a distributor before that repeal, and	6
		7
(c)	a basic meter installed during the interim period.	7
(2)	A distributor who installed a meter before the repeal of section 29 by the amending Act, or installed a basic meter during the interim period, remains responsible for the maintenance of that meter.	8
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<b>71</b>	<b>Interim provisions for installation of advanced meters by retailers and metering providers</b>	11
		12
(1)	A retailer or metering provider who provides, installs or replaces an advanced meter during the interim period, or maintains an advanced meter installed during the interim period, must ensure that:	13
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(a)	any person engaged to install an advanced meter is a qualified person (within the meaning of the <i>Electricity (Consumer Safety) Regulation 2015</i> ) and has undertaken appropriate training in the installation of advanced meters (including de-energisation and re-energisation of electrical installations), and	16
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(b)	safety and compliance testing is carried out in relation to each installation as required by Part 1 of Chapter 3 of the <i>Electricity (Consumer Safety) Regulation 2015</i> .	21
		22
		23
(2)	A retailer or metering provider must have a safety management system in place that specifies the ways in which the retailer or metering provider proposes to ensure compliance with subclause (1).	24
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(3)	A retailer or metering provider must not, during the interim period, install an advanced meter in relation to premises at which 1 or more persons require life support equipment unless the occupier of the premises is given at least 4 business days notice of the proposed installation (or such shorter period as may be agreed, in writing, between the occupier and retailer or metering provider).	27
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(4)	Clauses 8 (except for clause 8 (1) (d)) and 9 of Schedule 2 apply to a retailer or metering provider who contravenes this clause, or regulations made under this Schedule consequent on the enactment of the amending Act, in the same way as they apply to a licensee who contravenes a requirement of this Act.	33
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		36
(5)	In this clause:	37
	<i>life support equipment</i> has the same meaning as it has in the <i>National Energy Retail Rules</i> .	38
		39
<b>72</b>	<b>Continuation of accreditation</b>	40
		41
	A person accredited for the provision of services for the purposes of section 31 immediately before the insertion of section 31A by the amending Act, is taken to be an accredited service provider and the accreditation of the person is subject to any terms and conditions that applied to the person's accreditation immediately before that insertion.	42
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<b>73</b>	<b>Meaning of “customer connection services”</b>	1
	For the purposes of Division 4 of Part 3 of this Act, <i>customer connection services</i> does not include the provision, installation or maintenance of advanced meters during the interim period.	2 3 4
<b>74</b>	<b>Regulations</b>	5
(1)	Regulations made under this Schedule consequent on the enactment of the amending Act may make separate savings and transitional provisions, or amend this Part to consolidate the savings and transitional provisions.	6 7 8
(2)	The regulations made under this Schedule consequent on the enactment of the amending Act have effect despite anything to the contrary in this Part.	9 10
<b>[17]</b>	<b>Dictionary</b>	11
	Insert in alphabetical order:	12
	<i>accredited service provider</i> —see section 31A.	13
<b>[18]</b>	<b>Dictionary, definition of “connection point”</b>	14
	Omit “, as determined in accordance with the regulations”.	15
	Insert instead “as determined in accordance with the <i>Service and Installation Rules of New South Wales</i> , as in force from time to time, published by the Department of Industry, Skills and Regional Development”.	16 17 18
<b>[19]</b>	<b>Dictionary, definition of “electrical installation”</b>	19
	Omit “associated equipment that are”. Insert instead “electrical equipment”.	20
<b>[20]</b>	<b>Dictionary, definition of “electricity delivery equipment”</b>	21
	Omit “or retailer”.	22

<b>Schedule 2</b>	<b>Amendment of Electricity (Consumer Safety) Act 2004 No 4</b>	1
		2
[1]	<b>Section 3 Definitions</b>	3
	Insert “meters,” after “fittings,” in the definition of <i>electrical installation</i> in section 3 (1).	4
[2]	<b>Section 3 (1), definition of “electrical installation”</b>	5
	Insert “measuring,” after “conveyance,”.	6
[3]	<b>Section 3 (1), definition of “electrical installation”</b>	7
	Insert “(other than a meter)” after “equipment” in paragraph (a).	8
[4]	<b>Section 30A</b>	9
	Insert after section 30:	10
	<b>30A Electricity meters</b>	11
	(1) Without limiting section 30, an authorised officer may inspect an electrical installation that includes the installation of an electricity meter to ensure that the installation complies with this Act and any standards or requirements imposed by the regulations.	12 13 14 15
	(2) The regulations may prescribe a fee for or in connection with the inspection by an authorised officer of an electrical installation that includes the installation of an electricity meter.	16 17 18
[5]	<b>Schedule 1 Savings, transitional and other provisions</b>	19
	Insert at the end of clause 1 (1):	20
	any other Act that amends this Act	21
[6]	<b>Schedule 1</b>	22
	Insert at the end of the Schedule, with appropriate Part and clause numbering:	23
	<b>Part Provision consequent on enactment of Electricity Supply Amendment (Advanced Meters) Act 2016</b>	24 25
	<b>Amendment of definition of “electrical installation”</b>	26
	(1) Despite the amendments made to the definition of <i>electrical installation</i> by the <i>Electricity Supply Amendment (Advanced Meters) Act 2016</i> , the installation of a basic meter (being a type 5 or 6 metering installation referred to in Chapter 7 of the <i>National Electricity Rules</i> ) is not an <i>electrical installation</i> for the purposes of this Act.	27 28 29 30 31
	(2) This clause ceases to have effect at the end of the interim period (within the meaning of Part 15 of Schedule 6 to the <i>Electricity Supply Act 1995</i> ).	32 33

<b>Schedule 3</b>	<b>Amendment of Electricity Supply (Safety and Network Management) Regulation 2014</b>	1
		2
<b>[1] Clause 7 Content of safety management system</b>		3
Omit clause 7 (1) (b) (ii).		4
<b>[2] Clause 7 (1) (b) (iv)</b>		5
Insert “, and electrical installations of customers connected to the network operator’s network,” after “network operator’s network”.		6
		7
<b>[3] Clause 15 Definitions</b>		8
Omit the definitions of <i>accreditation</i> and <i>contestable service</i> from clause 15 (1).		9
<b>[4] Clause 16 Persons to be accredited for the provision of contestable services</b>		10
Omit the clause.		11
<b>[5] Clause 43 Delegation of functions</b>		12
Insert at the end of the clause:		13
(2) The Secretary may delegate any function conferred or imposed on the Secretary by or under this Regulation (other than this power of delegation) to any employee of the Department.		14
		15
		16

<b>Schedule 4</b>	<b>Amendment of Electricity Supply (General)</b>	1
	<b>Regulation 2014</b>	2
<b>[1]</b>	<b>Clause 68 Point of supply and distribution systems</b>	3
	Omit the clause.	4
<b>[2]</b>	<b>Clause 70 Prescribed electricity works</b>	5
	Omit the clause.	6

<b>Schedule 5</b>	<b>Amendment of Electricity (Consumer Safety) Regulation 2015</b>	1
		2
<b>[1] Chapter 3 Electrical installations</b>		3
	Insert “meters,” after “fittings,” in the note to the Chapter.	4
<b>[2] Chapter 3, note</b>		5
	Insert “measuring,” after “conveyance,”.	6
<b>[3] Chapter 3, note</b>		7
	Omit “section 4 (4)” from paragraph (a). Insert instead “section 3 (4)”.	8
<b>[4] Chapter 3, note</b>		9
	Omit “(such as by clause 41 of this Regulation)” from paragraph (e).	10
<b>[5] Clause 32 Standards and requirements for electrical installation work</b>		11
	Omit “or metering arrangements” from clause 32 (2) (b).	12
<b>[6] Clause 34 Notification of results of safety and compliance tests</b>		13
	Omit “or metering arrangements” from clause 34 (1) (b) (ii).	14
<b>[7] Clause 34 (1) (d)</b>		15
	Insert after clause 34 (1) (c):	16
	(d) in the case where the electrical installation is connected, or is intended to be connected, to a distribution system and the electrical installation includes the installation, alteration or replacement of an electricity meter—to the Secretary.	17 18 19 20
<b>[8] Clause 41 Definition of “electrical installation”</b>		21
	Omit the clause.	22