



Government of Western Australia
Energy Policy WA

Electricity Retail Licensing and Exemption Review

Behind-the-meter generation and
storage services (BTM Code)


BTM Code Second Working Group

Friday 13 March 2020





Agenda

1. Welcome
 2. Behind-the-meter Service Definition
 3. Draft Behind-the-meter Code of Practice
 4. Details of the next Behind-the-meter Code Working Group Meeting
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1.

Welcome

The background of the slide features a teal-tinted sky with scattered clouds. Silhouettes of several wind turbines are visible, with their blades in motion. A large, semi-transparent white circle is positioned on the left side of the image, containing the number '2.' and a horizontal line.

2.

Behind-the-meter
Service Definition

BTM Services Definition

Background

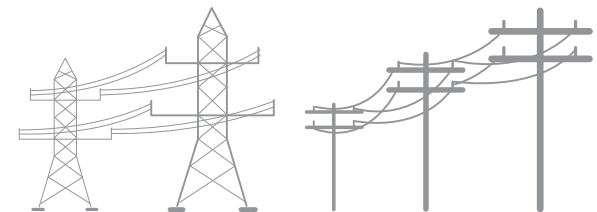
- At the first BTM Code Working Group meeting, Energy Policy WA committed to provide Working Group members with further clarification on the intended scope of alternative electricity services to be addressed by the new BTM Code.
- Energy Policy WA has considered the renewable energy component as being based on similar definitions in other Western Australian legislation, such as the [*Electricity Industry \(License Conditions\) Regulations 2005*](#).
- The terms ‘storage works’ and ‘storage activity’ which have been proposed in the [*Electricity Industry Amendment Bill 2019 \(page 6\)*](#) are included in the proposed definition.
- Working Group members are asked to note that the proposed definition of BTM services is open for further consideration and discussion by the Working Group and subject to endorsement by the Minister for Energy.
- A finalised wording of the definition will be developed as part of the legal drafting of the BTM Code.

Proposed Scope/Definition of BTM Services

Proposed Definition

- The proposed definition of BTM services would include the following components:
 - A secondary electricity service provided to a single customer that also holds a direct relationship with a licensed electricity retailer.
 - A secondary electricity service provided via an agreement between a supplier and a customer under which the customer purchases electricity generated by a behind-the-meter energy system specified in the agreement.
 - The term ‘behind-the-meter energy system’ would include:
 - (a) a system of photovoltaic arrays; or
 - (b) a system of wind turbines; or
 - (c) a hydro power system; or
 - (d) another system for the generation of electricity from a renewable energy source;

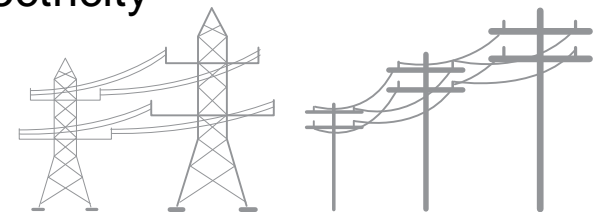
and may include storage works.



Proposed Scope/Definition of BTM Services

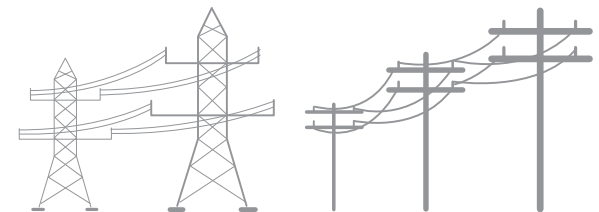
Proposed Definition

- The term ‘customer’ would be similar to the definition of ‘small-use electricity customer’ - with electricity consumption not exceeding 160 megawatt hours per annum (noting the potential for a reduced level of Code protections to be applied to contestable customers (with consumption exceeding 50 megawatt hours per annum)).
- The term ‘storage works’ means any wires, apparatus, equipment, plant or buildings used, or to be used, for, or in connection with, or to control, a storage activity.
- The term ‘storage activity’ means an activity comprising all of the following –
 - (a) receiving energy in the form of electricity;
 - (b) storing the received energy in any form;
 - (c) discharging the stored energy in the form of electricity



Coverage of other electricity services

- Further to Working Group discussions on 12 February 2020, Energy Policy WA reiterates that the regulation of embedded networks, such as strata complexes and caravan parks, is not under consideration in the development of the draft BTM Code.
- Alternative energy services that could be prescribed in the future, and subject to a Code of Practice, include microgrids, electric vehicle charging stations, community energy projects and peer-to-peer trading.



Questions

Are there any questions?





3.

Draft Behind-the-meter Code

Draft BTM Code

Background

- The draft BTM code should be read in conjunction with the BTM services definition document
- The draft BTM code provisions have been informed by the requirements in the [Code of Conduct for the Supply of Electricity to Small Use Customers](#) (Customer Code) and the [Electricity Industry \(Solar Power Purchase Agreements\) Exemption Order 2016](#).
- Requirements relating to life support and financial hardship that are included in the Customer Code have been omitted from the draft BTM Code.
 - As an optional or discretionary service, it is considered a disproportionate regulatory response to require providers to have these obligations.
 - Furthermore, it may create confusion for customers to have duplicating obligations around these matters from different providers.
- Energy Policy WA will develop a model contract based on the draft BTM code requirements at a later date.
- Reminder that reporting requirements will be covered elsewhere likely in regulations.
- Energy Policy WA is progressing with the Final Recommendations Report and will provide an overview at the next Working Group meeting.

Draft BTM Code

General Comments

- The proposed draft Code text below is provided to demonstrate the possible format and content of code information.
- All comments from Working Group members will be considered.
- All proposed text is preliminary in nature and subject to refinement through further drafting/consultative processes.

Working Group Questions

- Are there any Code obligations that Working Group members consider are overly restrictive?
- Do the Code obligations provide enough certainty to industry as to the expected requirements?
- Are there any additional matters that warrant inclusion in the draft Code?

Working Group members are requested to provide feedback on these matters by email or at the next workshop meeting.

Part 1 - Preliminary

Definitions

- Do Working Group members have any comments on the definitions proposed in the draft BTM Code?
- Are there any additional definitions that warrant inclusion in the draft Code?

Part 2 – Marketing and Information Provision

Background and Context

- These requirements are intended to ensure that BTM customers are:
 - protected from inappropriate marketing;
 - able to identify the provider; and
 - able to make an informed decision when considering whether to enter into a behind-the-meter service agreement.
- Minimum requirements for standards of marketing conduct that providers or their marketing agents must comply with are also to be specified.
- Pre-contractual consumer information will also be required to be in plain English.

Working Group Question: Should the 10-day cooling off period for unsolicited agreements in the Australian Consumer Law be extended to solicited behind-the-meter service agreements?

Working Group Question: Is this requirement as to information on meter type and accuracy relevant for a BTM customer?

Part 3 – Billing

Background and Context

- The billing related requirements are intended to ensure that BTM customers are provided with sufficient information to understand:
 - how their bill is calculated;
 - the period covered by the bill;
 - who to contact for queries or complaints; and
 - that alternative arrangements are available if the customer is experiencing problems paying the bill and the nature of these arrangements.
- Complaints related information should allow the BTM customer to easily access the internal complaints process and/or the energy ombudsman if he/she is dissatisfied with the provider's review of their bill.

Part 4 – Metering

Background and Context

- These requirements are intended to ensure that BTM customers are provided with accurate measuring equipment, so that the meter readings, and bills, accurately reflect the service provided.
- It is intended that in situations where a BTM customer requests that the meter is tested and it is subsequently found to be defective, the provider's reasonable charge for testing the meter is to be refunded back to the customer.
- Testing of a meter for accuracy must be done in accordance with the Australian Standards.
- The metering requirements do not relate to the separate contract for electricity services between a BTM customer and a licensed electricity retailer.

Part 5 – Payment of Bills

Background and Context

- These requirements are intended to ensure that BTM customers:
 - have adequate time to pay a bill;
 - are provided with additional flexibility in specific circumstances; and
 - are sufficiently protected from any late payment fees.
- For example, a requirement has been included that prevents a provider from charging a customer a late payment fee if a complaint has been made to the energy ombudsman and the complaint has not been resolved or it has been upheld by the energy ombudsman.

Clause 18

- *The due date for payment of a bill must be at least 12 business days from the date of the bill, unless otherwise agreed with the BTM customer.*

Working Group Question: Is a minimum due date of 12 business days from the date of the bill acceptable?

Part 6 – Payment Difficulties

Background and Context

- Additional protections are intended for BTM customers experiencing payment difficulties to ensure their continued access to the benefits of behind-the-meter electricity services.
- These protections are to include requirements for providers to consider any reasonable requests for alternative payment arrangements from BTM customers experiencing payment difficulties.

Part 7 – Temporary Non-Supply/Interruption of BTM Electricity Services

Background and Context

- These requirements are intended to ensure that interruption of electricity services to BTM customers for bill non-payment only occurs after adequate notification and that any other interruptions only occur for reasons outside of the control of the provider.
- Providers should be required to give customers a range of options to pay a bill before arranging for the temporary non-supply of electricity services. For example, a requirement for the provider to advise the BTM customer of the availability of internal complaints handling processes and of the energy ombudsman.
- Limitations on temporary non-supply for failure to pay a bill are also proposed, including if the provider is notified by the energy ombudsman that a complaint is being investigated.

Part 7 – Temporary Non-Supply/Interruption of BTM Electricity Services

Clause 25

- *A provider may arrange for temporary interruption of a BTM customer's electricity services:*
 - *on request by the customer; or*
 - *to address the remediation of faulty equipment; or*
 - *following direction from the distribution operator of the grid supplying electricity to the customer for reasons of system emergency or planned/unplanned network outages; or*
 - *for health and safety reasons e.g. bushfire event.*

Working Group Question: For what other situations could there be a need for temporary non-supply or interruption to a behind-the-meter electricity service?

Part 8 – Restoration of Behind-the-meter Electricity Services

Background and Context

- It is intended that electricity services to BTM customers are restored in a timely manner following any required actions by the customer, for example, the payment of any outstanding charges.

Part 9 – Complaints Handling

Background and Context

- These requirements are intended to ensure that BTM customers have access to, and knowledge of how to access, an appropriate and equitable internal dispute resolution process.

Clause 28

- *A provider must develop, publish and implement a complaints handling procedure, consistent with AS ISO 10002:2014.*

Working Group Question: Is the requirement to meet Australian Standards suitable? How would providers ensure that customer complaints are recorded, investigated and responded to fairly?

Questions

Are there any questions?





4.

Behind-the-meter
Code Working
Group

Next Meeting Details

Next Meeting Details

Thank you for your participation and attendance in this working group.

- Energy Policy WA will email working group members with details of the next working group meeting.
- Energy Policy WA will amend the draft BTM Code based on feedback and email to Working Group members to review before the next working group meeting.

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