



Rule change on metering installation timeframes - consultation paper

Stakeholder submissions invited on new rule change requests
The AEMC has started consultation on two rule change requests that aim to improve the metering installation process for customers.

Summary of the rule change requests

Customers typically need a new electricity meter when they need a new connection, when their old meter needs replacing, or when they want to access new products and services such as solar panels. Under the AEMC's *Competition in metering* rules which started in December 2017, all new meters must be advanced or 'smart'. Currently, there are no set timeframes for retailers when providing customers with a new electricity meter, except in the case of faulty meters, which must be replaced within ten business days.

The Commission has received two rule change requests relating to metering installation timeframes and notification processes:

- The Hon Josh Frydenberg MP has proposed requiring retailers to provide customers with new electricity meters within a defined timeframe. Specifically, retailers should use their best endeavours to install a new electricity meter on a date agreed with the customer, or otherwise within six business days after the customer has met necessary preconditions. This would apply for all new and replacement meters except for faulty meters. The Minister has also proposed an obligation for retailers to inform small customers of their rights in relation to installation timeframes.
- The Australian Energy Council (AEC) has proposed that the existing requirement to repair a faulty meter within ten business days be extended to 20 business days to reflect the current steps and timeframes involved in replacing a faulty meter. The AEC has also proposed changes to the process for notifying customers about planned interruptions to replace or install a new meter. This includes:
 - allowing customers to agree to a planned interruption within the minimum four day notification period
 - removing the requirement for retailers to provide a 24 hour phone line for inquiries about planned interruptions. Instead, the phone line would be provided during business hours only.
 - removing the requirement to provide planned interruption notices to large customers.

The two rule change proponents consider their proposals will improve outcomes for customers. Reducing the timeframes in which advanced meters are installed will help customers access new products and services sooner, which may help them take greater control over electricity usage and reduce costs.

In addition, reducing the administrative requirements of retailers and metering coordinators in providing metering services (where this does not adversely affect consumer protections) may result in lower costs being passed on to consumers.

Issues for consultation

The AEMC has published a consultation paper that seeks stakeholder feedback on a number of issues related to metering installation timeframes. These issues include:

- the costs and benefits of imposing timeframes for the installation of new and replacement meters, including the appropriate point at which the relevant timeframe would commence
- the costs and benefits of the options put forward to streamline the installation process, and whether there are any other options that would help reduce the timeframes for meter replacement
- the costs and benefits of the options to improve the planned interruption notification process.

Consultation process

The consultation paper and the two rule change requests are available on the AEMC's website.

Stakeholders are invited to make submissions by **12 July 2018**.

Background: what are the Competition in metering rules?

On 1 December 2017 new rules commenced that introduced a competitive framework for metering services. Under the new framework, retailers and metering coordinators (rather than distribution network businesses) are now responsible for arranging metering services for their customers. More than 100,000 advanced meters have been installed under this new framework since the rules started.

The Competition in Metering rules, which are part of the AEMC's Power of Choice reform program, provide a framework for the competitive provision of advanced meters for residential and small business consumers. Introducing competition for the provision of advanced meters will help put downward pressure on the price of these services.

The information and services available through advanced metering can help customers find the best retail offer for their circumstances, make it quicker to switch retailers, allow them to decide how often they want to be billed, and provide them with better information about how they can change their electricity use to save money.

These reforms also underpin innovation in energy retail markets so consumers can choose from a broader range of technologies, products and services to meet their specific energy needs, including the ability to access services such as demand management, battery storage and solar services which advanced meters enable.

These reforms will also enable innovation in the delivery of distribution services. Electricity distributors will be able to detect outages more quickly and monitor the quality of electricity supply.

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