



ENERGY & WATER  
OMBUDSMAN SA

GPO Box 2947  
Adelaide SA 5001

T 1800 665 565  
F 1800 665 165

ABN 11 089 791 604

[ewosa.com.au](http://ewosa.com.au)

Ms Jenessa Rabone  
Project Leader  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

8 June 2018

Dear Ms Rabone

**Submission to the Australian Energy Market Commission (AEMC):  
Estimated Meter Reads**

The Energy and Water Ombudsman (SA) Limited (“EWOSA”) welcomes the opportunity to comment on the Australian Energy Market Commission’s Consultation Paper on the *Estimated Meter Reads* rule change requests.

EWOSA is an independent Energy and Water Ombudsman Scheme in South Australia. It receives, investigates and facilitates the resolution of complaints by customers with regard to (*inter alia*) the connection, supply or sale of electricity, gas or water.

We agree with the characterisation of issues resulting from estimated meter reads in the Consultation Paper. Estimated meter reads result in inaccurate reads and billing that requires adjustment, which can often cause high bills and back billing that can be hard for customers to manage, particularly those in hardship. This reduces consumer confidence in the energy market.

Billing complaints are the highest category of complaints received by EWOSA. EWOSA received over 3500 billing complaints in 2016-17, around 40 per cent of total complaints. Many of these occurred in categories where estimated bills are a major driver of complaints, including: high bills (1112 complaints), account error (517 complaints), meter billing (378 complaints), back billing (257 complaints), no bill or delay in bill (205 complaints) and estimated bills (194 complaints).

Despite problems resulting from estimated meter reads, we do not believe that estimated meter reads should be prohibited. Not enabling estimated meter reads could lead to even worse outcomes regarding high bills and back billing, particularly for customers with meters that are difficult to access. And requiring actual meter reads every three months would likely raise costs for retailers and distributors, which would ultimately be passed on to consumers.

We generally support a rule change which would oblige retailers to ensure that bills based on estimated meter reads are not based on grossly inaccurate meter estimates. This would tend to reduce the amounts being overcharged and undercharged, but would probably not reduce the incidence of overcharging and undercharging. There may also not be much improvement in consumer confidence in the energy market.

We support a requirement on retailers to accept a customer self-read when certain conditions are met. We believe that the conditions outlined in the rule change request are appropriate. Such a requirement is likely to reduce problems with high bills, back billing and other bill errors. Consumer confidence in the energy market would most likely improve as a result.

A customer self-read, while most likely still considered by retailers and the National Energy Retail Rules (NERR) to be an estimated meter read, would effectively be an actual meter read and reduce problems associated with bill shock, given that any adjustments to future bills would be negligible. As a result, a rule change requiring retailers to accept a customer self-read would be likely to substantially reduce the billing complaints received by EWOSA.

A rule change requiring retailers to accept a customer self-read may also reduce the need for rule changes which would prohibit bills based on grossly inaccurate meter reads, allow for adjustments to estimated bills and allow for more accurate estimates when energy usage has changed.

While some meters are more difficult to read than others, there are already resources available to assist customers to read their own meters. For example, the EWOSA website contains instructions on how to read meters ([www.ewosa.com.au](http://www.ewosa.com.au)), as does the South Australian government website ([www.sa.gov.au](http://www.sa.gov.au)) and many retailer websites.

Under the proposed rule, in situations where a retailer rejects a customer self-read, we believe the retailer should be required to provide reasons to the customer and allow the customer to rectify the self-read. If there is still a dispute after that, the process outlined in rule 29 of the NERR should be followed or one very similar to it should be established as part of the rule change. The customer always has the option to complain to their energy Ombudsman as well if they are unhappy with the retailer's rejection of their self-read.

We suggest that the proposed rule could also provide retailers an option where, if they would prefer not to accept a customer self-read and particularly if there are chronic meter access issues, that they provide the customer with a remotely read Class 4 advanced meter at no cost to the customer. The existing option to opt-out of having an advanced meter would still need to be provided to the customer.

Should you require further information or have any enquiries in relation to this submission, please email me at [antony.clarke@ewosa.com.au](mailto:antony.clarke@ewosa.com.au) or telephone me on (08) 8216 1851.

Yours faithfully



Antony Clarke  
Policy and Research Officer  
Energy and Water Ombudsman SA