



Our Ref: EWOQ/18/0050

Your Ref: ERC0236

12 July 2018

Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Sir / Madam

Re: National Electricity Amendment (Metering Installation Timeframes) Rule 2018 and National Energy Retail Amendment (Metering Installation Timeframes) Rule 2018 Consultation Paper

Thank you for the opportunity to make a submission on the Australian Energy Market Commission's National Electricity Amendment (Metering Installation Timeframes) Rule 2018 and National Energy Retail Amendment (Metering Installation Timeframes) Rule 2018 Consultation Paper (the Consultation Paper).

Background to EWOQ

The Energy and Water Ombudsman Queensland (EWOQ) provides a free, fair and independent dispute resolution service for small electricity and gas customers across Queensland and water customers in south east Queensland who are unable to resolve a dispute with their supplier.

In our submission to the Consultation Paper, we have only provided responses to the questions based on our experience as an external dispute resolution scheme dealing with residential and small business energy customer complaints in Queensland.

We welcome the proposed rule change for metering installation timeframes for new and replacement meters as one step in addressing the current lack of consumer confidence in the industry and acknowledge the assessment framework used to determine if the rule will satisfy the national electricity objective (NEO).

The NEO is:

“To promote efficient investment in, and efficient operation and use of, electricity services for the long term interest of consumers of electricity with respect to –

- (a) price, quality, safety, reliability and security of supply of electricity;
- and
- (b) the reliability, safety and security of the national electricity system”.

As an industry ombudsman scheme, we agree with the AEMC's assessment where relevant in satisfying itself that the rule is “compatible with the development and application of consumer protections for small customers, including (but not limited to) protections relating to hardship customers” (the “consumer protections test”).

Since the introduction of competition in metering on 1 December 2017, EWOQ has seen a significant increase in the number of cases closed in relation to metering installations for new and existing connections, specifically alterations/removal/configuration, delays and solar metering installation delays. In the 2017-18 financial year EWOQ has closed 456 cases, compared to just 97 cases in the previous financial year.

We provided the following responses to questions raised where we have relevant information or data to provide.

Question 1 Requirements for meter installation timeframes
1.1 What are the benefits to customers of imposing installation timeframes in new and replacement situations?

EWOQ supports imposing installation timeframes for new and replacement meters on the retailer to provide metering installations within six business days after the customer has met the necessary preconditions. Imposing installation timeframes will contribute to improving customer confidence in the industry and certainty for the customer that an agreement with the retailer will be adhered to. However, EWOQ does not support amending the National Energy Rules (NER) to require retailers to use their best endeavours to provide a metering installation on a date agreed with the customer, unless a penalty is imposed on the retailer if not completed on the agreed date. We are concerned that using best endeavours will do little to increase consumer confidence in the industry or improve the current situation of metering installation delays being experienced by customers.

1.3 Should there be different requirements for different types of installation scenarios and why?

It is EWOQ’s understanding that there can be considerable onsite differences between installation types that will vary based on the complexity of the setup. Therefore we agree there should be different requirements for different types of installation scenarios. Some large customers may have multiple meters or basic residential meters may require other work to be done prior to installation and as such, consideration should be given to having different requirements for these different types. The requirements may include different classes, such as the current urban and rural and may include remote areas.

1.4 Should the current timeframe in the NER for the replacement of malfunctioning meters be amended? If so, what is the appropriate timeframe?

EWOQ does not consider it necessary to change the current timeframe in the NER for replacement of malfunctioning meters. The current 10 business days timeframe appears more than sufficient time for this to occur, as currently the vast majority of malfunctioning meters being replaced is completed within this timeframe. For consistency and simplicity, it would be appropriate to consolidate all timeframes in line with the six business days proposed rule change.

1.5 If a timeframe was imposed for new and replacement situations, at what point should the ‘clock’ start? That is to say, what preconditions would need to be met before the relevant timeframe should commence for each of the different types of installation scenarios?

As identified in the Consultation Paper the preconditions may include:

- (a) the retailers received a formal request from the customer for the new or replacement meter
- (b) an electrician has confirmed the site is safe and ready for the metering installation
- (c) the distributor has advised that installation can proceed
- (d) the customer agreement with the retailer is in place.

The timeframe for the ‘clock’ start should be the latter of either of following preconditions (a) the retailer has received a formal request from the customer for the new or replacement meter, or (b) an electrician has confirmed the site is safe and ready for the metering installation.

Question 2 Potential measures to improve the meter installation process
2.1 For each of the options to minimise process timeframes above (planned interruption notices and the customer notification process):

The options identified in the Consultation Paper to minimise process times are:

- shorter planned interruption notice
- customer notification process for new meter deployments
- Other options to minimise timeframes such as enabling a metering coordinator and metering provider to be appointed at the same time as currently they occur sequentially.

2.1 (a) What are the benefits of the proposal?

The current four day notification period provides a consumer protection as it allows an opportunity for a customer to prepare for the planned interruption. If the retailer and the customer agree to a preferred date for a planned interruption for the purposes of meter replacement or repair, the benefits to the customers would be an improved installation timeframe. This would result in increased confidence and satisfaction with the industry. Improving confidence in the industry may benefit retailers by building ongoing relationships with the customer, and thereby increasing customer satisfaction and decreasing churn within the industry.

The current customer notification process for new meter deployments provides consumer protections and as two written prior notifications to customer are required, the customers have sufficient opportunity to opt out of the new meter deployment.

As identified above, improving installation timeframes through appointing a metering coordinator and metering provider simultaneously will benefit customers and relevantly increase confidence and satisfaction with the industry.

2.1 (c) Is there any new information that is now available following implementation of the competition in metering rules that should change how the Commission considered these issues in the final rule determination?

Since the implementation of the National Electricity Amendment (Expanding competition in metering and related services) Rule 2015 No. 12, some customers, such as those in rural locations are bearing the replacement costs for faulty meters, while urban customers may not be charged replacement costs.

Customers may also be required to continue to pay an ongoing service fee to have a meter provided in working order and any adjustment in the final rule change should consider the implementation costs for customers, as currently the rule is silent on costs for customers.

2.2 Are there any other options that would help to minimise the processes and timeframes involved in meter replacement, without compromising safety and consumer protections?

As identified in the Consultation Paper jurisdictional derogations in Queensland enabled the distributor and the customer to agree to a preferred date for a planned interruption for the purposes of meter replacement or repair, and that the impact on the customer is the same whether the distributor or retailer is carrying out the interruption.

Other options for consideration may include:

- Bringing in a compliance component with a possible guaranteed service level payment if the timeframe is not met.
- Expanding the compliance component and possible guaranteed service level payment affected parties other than the customer requiring the replacement meter.
- This can occur where the meter requires de energisation of neighbouring premises.
- It is also worth noting that the customer's agreement and in the event neighbouring parties are affected, their agreement must be acquired before a shorter timeframe is secured.
- EWOQ would be supportive of obtaining this agreement via a number of communication mediums such as, phone, in writing, via email or SMS message with well documented or recorded customer contact notes and available to ombudsman schemes in the event of a dispute being lodged by the customer.

Question 3	Other issues related to planned interruption notices
3.1	For each of the proposals related to planned interruption notices (the 24 hour enquiry line and notices to large customers):

The proposals in the Consultation Paper include:

- Requirement for retailers to provide a 24 hour enquiry line for planned interruption is unnecessary, and instead require retailer to provide an enquiry line during business hours
- No planned interruption notice to large customers.

3.1 (a)	What are the benefits of the proposal?
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The requirement for retailers to have a 24 hour enquiry line to enable customers to contact the retailer outside normal business hours promotes strong customer relationships. Many customers do not have the flexibility of contacting a retailer during business hours.

Large business customers are outside EWOQ's jurisdiction, but it is our view that these customers will still require notification of planned interruptions as some large customers may run workshops or manufacturing businesses 24 hours a day. Failure to notify of a planned interruption outside of business hours may impose additional costs on the large customers such as employees' salary costs, while the business is unable to operate due to a planned interruption.

Thank you for the opportunity to contribute to this review. If you require any further information regarding this matter please contact Ms Jane Pires, Energy and Water Ombudsman on 07 3087 9452.

Yours sincerely,



Jane Pires
Energy and Water Ombudsman