

ATTACHMENT 1

STAKEHOLDER FEEDBACK TEMPLATE

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in this paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

SUBMITTER DETAILS

ORGANISATION: Alinta Energy

CONTACT NAME: Shaun Ruddy

EMAIL: Shaun.Ruddy@Alintaenergy.com.au

PHONE: (02) 9372 2653

CHAPTER 4 – ASSESSMENT FRAMEWORK

1. Is the proposed assessment framework appropriate for considering the rule change request?	Alinta supports the Commission's assessment framework to assess the proposed rule change.
2. Are there other relevant considerations that should be included in the assessment framework?	None identified.

CHAPTER 5 – SECTION 1 - ISSUES

3. To what extent is it an issue that a retailer is not required to provide to a small customer with an interval meter the start and end meter reading in the bill?	<p>The absence of start and end index reads on bills for customers with an interval meter is an issue rarely raised by Alinta Energy's electricity customers. Customers identifying this issue as a concern comprises a very minor proportion of overall concerns.</p> <p>In attempting to verify consumption from an index read on a bill, a customer may refer to the index on an interval or advanced meter at their premises. In Victoria, the issue of accuracy and substitution of data was identified as a source of confusion for customers should retailers be obliged to display start and end reads on electricity bills.¹ This was due to the</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

¹ See submissions to the Essential Service Commission's *Regulatory Review - Smart Meters Issues Paper (2011)* and *Smart Meter Open Letter (2010)*.

For example:

(1) United Energy <https://www.esc.vic.gov.au/sites/default/files/submissions/4590767f-04f4-405e-a7a9-4ce62f94e200.pdf> page 5.

	<p>impact of substitutes and estimates and the disconnect between the sum of interval data and the difference between start and end reads (which were not data that Meter Data Providers (MDPs) were obliged to provide at the time). Customers are charged, and retailer costs are settled on interval data in the market, not on the difference between start and end index reads.</p> <p>Where distributors have installed a manually-read interval meter, often these are programmed and read on an accumulation basis and are classified as a basic (type 6) meter in the market. In these cases, rule 21(1)(j) of the National Energy Retail Rules (NERR) apply and a NEM13 data file is provided by the distributor.</p>
a. Is it any different for customers with advanced interval meters?	Alinta notes the growth in advanced interval meters being installed in National Energy Consumer Framework (NECF) jurisdictions. Again, in our experience, there have been few complaints directly relating to the absence of index reads on customer bills where an advanced interval meter has been installed.
4. With more advanced interval meters to be roll out and more digital near real-time solutions/tools available to customers, is it likely that this issue becomes more or less prevalent over time?	<p>It is important to note that customers moving to advanced interval metering may opt in (or in the future, need to opt out of) some form of cost reflective pricing. As more customers become accustomed to time of use, demand or other forms of cost-reflective pricing, the need to reconcile the accumulated total consumption in kWh will decrease as it does not convey meaningful information to customers.</p> <p>Alinta supports the provision of data to our customers and assisting them understand their consumption to help them make informed choices about how they use energy. An examination of the materiality and benefits of the changes made in Victoria (given the now complete universal deployment of advanced meters) should be understood before the same change is made to the NERR. An objective assessment of costs and benefits <i>following</i> changes that impose significant implementation costs should be part of best practice regulation.</p>
5. What are the tools offered to customers with advanced interval meters to understand	Many retailers have either developed or are in the process of developing, online tools and mobile applications that help customers understand their consumption, cost and how to

(2) TRUenergy (now Energy Australia)
<https://www.esc.vic.gov.au/sites/default/files/submissions/d815a6bf-eec8-478d-bf45-517828e61d25.pdf> page 2

their bill and energy consumption?	<p>best manage their use of energy. These tools are also available to customers with basic meters and can help customers choose the retail energy product most appropriate for their circumstances.</p> <p>In addition to the tools retailers and other market participants have or are developing, there are mandatory requirements under retail authorisations to provide customer data (including interval meter data) to customers and bill content information showing graphical representation of customer consumption over billing periods (same time last year for example/average kWh per day).</p>
6. What are the tools offered to customers with interval meters (type 5)?	See response above.
7. How many complaints do stakeholders receive related to the issue raised in this rule change request?	See Alinta's response to question 1.

CHAPTER 5 – SECTION 2 – OTHER ISSUES

8. What tools are available to customers with advanced interval meters to understand their use, reading and installation?	Individual retailers provide information on advanced interval meters, how to read these devices, who is responsible for routine reading and maintenance and other useful information on their websites and in response to customer queries.
9. Do you consider that the information available for customers is adequate to understand advanced interval meter use, reading and installation?	Alinta believes that retailers have the incentive and the responsibility to continually improve customer understanding and meet their expectations. The Power of Choice rule change (2017) and the development of products and services around advanced interval metering remain relatively new and competition between retailers, energy service companies (ESCOs) and other participants will develop as the market matures. Imposing further regulation upon retailers will hamper innovation at a time when retailers and ESCOs assess developing, viable business models and products to maximise the benefits of advanced metering for customers.
10. What additional information should be publicly available for customers to understand advanced interval meter use, reading and installation?	As noted by the Commission, other initiatives are underway including the Consumer Data Right (CDR). Alinta supports customer access and use of their data (appropriately handled and protected from a privacy perspective).

CHAPTER 5 – SECTION 3 – SOLUTIONS

11. What are the costs and benefits of eliminating the transitional rule?	All retailers are likely to face billing system changes if the transitional rule is eliminated. Almost all retailers will need to undertake billing system development due to the number of impacted customers and the cost of manual solutions and associated risk of error.
---------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p>In addition to system changes, call centres and complaint handling personnel will need to be trained on the impacts of including index reads for NECF jurisdiction customers with advanced interval metering.</p> <p>Alinta is considering the cost of eliminating the transitional rule and intend to share any estimate of these costs with the Commission in confidence.</p> <p>The benefits of the transitional rule are not likely to be material. A limited cohort of customers are likely to take advantage of the information presented and in Victoria, the presentation of index data on bills did not prevent complaints to retailers and EWOV, nor did it change the fact that the customer's bill is based on settlement intervals, not start and end indexes. In any case, the benefit of reduced complaint handling internally and externally is not expected to be significant, given this issue is seldom raised as a concern by customers.</p> <p>The transitional rule (and the Victorian approach), while providing information that customers have been historically familiar with, will be less useful in the future and preserves the notion of simple tariff and product offerings as a standard at a time when solar PV, batteries, electric vehicles, virtual power plants and other innovations along with network tariff reform should be a focus for industry as the market transitions to a decentralised, low-carbon model.</p>
<p>12. What are the costs and benefits of adopting the Victorian solution?</p>	<p>The Victorian approach will present similar costs to the elimination of the transitional rule.</p>
<p>13. What are the reasons for retailers to exclude cumulative readings in the bills for other NEM jurisdictions when this information is disclosed in the bills in Victoria?</p>	<p>The Victorian obligation was imposed upon retailers and the number of customers impacted (due to the mandatory advanced meter roll out) was material. The transitional rule continues to apply in NECF jurisdictions and the provision of start and end index reads has not been an issue that has attracted consumer interest given the large number of other regulatory and policy changes (including the implementation of Power of Choice itself) that industry has needed to focus resources and attention on in recent years.</p>
<p>14. Are there any alternative solutions to consider that may have greater benefits and/or lower costs?</p>	<p>Alinta believes that continued development of mobile applications, portals showing customer consumption and cost, the existing rights for customers to access data and current bill content information sufficiently support the benefits of the proposed rule already. Adding potentially inaccurate data to bills (from a financial settlement perspective) in the form of index reads will not contribute to the NERO or build customer confidence in the market if it subsequently results in complaints and additional costs. This is particularly the case when the benefits and costs of the Victorian approach has never been revisited since implementation.</p>
<p>15. To what extent, if any, will the Consumer Data Right reform</p>	<p>The CDR will widen the services available to customers and retailers, ESCOs and other service providers will have the</p>

Stakeholder feedback

Bill contents – customers with interval meters
31 January 2019

address the issues raised in the rule change request?	opportunity to present data to customers that is meaningful and will assist them in making informed choices. Given the changes underway in the market at present, Alinta believes there is limited benefit (but material implementation costs) associated with the rule change request and does not believe it should not be made at this time.
-------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------