

1 August 2019



Lisa Shrimpton
Australian Energy Market Commission
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Dear Ms Shrimpton,

Re: Consultation Paper: Reducing customers' switching times (retail) (Ref RRC0031)

Ausgrid welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC) consultation paper on *Reducing customers' switching times (retail)*.

Ausgrid generally supports the Australian Energy Market Operator's (AEMO) proposed changes to the National Electricity and National Electricity Retail Rules.

While we have some concerns about the implementation of the proposed changes, we are confident that they can be dealt with during AEMO's procedure consultation process. We have also decided to respond to the AEMC's consultation paper to ensure that any proposed changes to the NER or NERRs are properly considered.

Ausgrid believes that the retailers should have the ability to develop agreed reads (and subsequent billing) directly with their customers, without affecting market settlement or transaction between the retailer and network.

If you have any queries or wish to discuss this matter in further detail please contact Murray Chandler (02) 9269 7210 or via email murray.chandler@ausgrid.com.au

Regards,

A handwritten signature in black ink, appearing to read "Iftekhar Omar", written in a cursive style.

Iftekhar Omar
Head of Regulation

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: Ausgrid

CONTACT NAME: Wayne Turner

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CHAPTER 3 – 3.1 PROPOSED NER AMENDMENTS

<p>1. Do you agree that clause 7.8.9(e)1 of the NER restricts the delivery of the proposed changes to the customer transfer procedures and process?</p>	<p>Ausgrid agrees that clause 7.8.9(1) would hinder the retail transfer of customers.</p> <p>We note that the proposal from AEMO suggests that the right to object to a retail transfer should be removed and that a transfer on the last billable read should be allowed. If this proposal was to be implemented, we wish to draw to the AEMC's attention that an incoming retailer may not know the date of the last billable read. Where this occurs, Ausgrid submits that the current Metering Data Provider (MDP) should have the right to object.</p> <p>We further take the view that the relevant procedures must allow for certain parties to object to the transfer, or a solution should be developed to allow the incoming retailer access to the last billable meter read date. This objection would apply to retrospective transfers only.</p> <p>For prospective transfers, this issue does not arise and Ausgrid would support not having the ability to object to the transfer.</p>
<p>2. Are there any impacts from removing clause 9.8.9(e) 1 from the NER and allowing the MC, MP or MDP roles for metering installations to be nominated in the procedures but as a separate request or in parallel to a retail customer transfer?</p>	<p>Ausgrid agree with the removal of this clause so long as it is included in AEMO procedures. Having the obligations in AEMO's procedures rather than in the NER/NERR will allow for flexibility as customer transfer protocols develop over time.</p>
<p>3. Are there any unintended impacts from removing or clarifying clause 7.8.9 (e) 2 of the NER and including the</p>	<p>Ausgrid agree with the removal or modification of this clause so long as the intent is included in AEMO procedures. Having the obligations in AEMO's procedures rather than in the NER/NERR will allow for flexibility as customer transfer protocols develop over time.</p>

<p>requirement in AEMO's meter churn procedures?</p>	
<p>4. Are the existing provisions in the NERR related to customer billing impacting consumers utilising alternative meter read options and switching electricity retailers in a timely manner?</p>	<p>The NERR should be modified to allow the retailer to produce their own reading for billing of the customer (where Type 4A, 5 and 6 metering is installed) and not rely on the metering data from the current MDP if the retailer believes it is not suitable.</p>
<p>5. Is there any evidence to suggest that customers with manually read metering installations would not take up alternative meter read options to transfer retailers in a timely and seamless manner?</p>	<p>Where it is a new customer move-in read, the transfer should only be permitted using an actual read, as any substitution would be based on the previous customers usage.</p> <p>As there are existing tight timing obligations (up to 2 business days) on the LNSP to provide a move-in read, Ausgrid does not believe this would significantly impact the transfer of the customer.</p>
<p>6. Based on AEMO's proposed high level design and changes to the existing procedures, are clarifications required to clause 21(1) of the NERR to remove ambiguity about issuing final bills on estimate metering data?</p>	<p>Ausgrid agrees with AEMO's proposal that customer self reads should not be used for market reads or for financial transactions between the retailer and network.</p> <p>The NERR should be explicit in not allowing customer self reads for settlement, market transactions or transfers.</p>
<p>7. Are additional provisions required in the NERR to address overcharging and dispute resolution arrangements in situations when a retail electricity customer has transferred using estimate meter read?</p>	<p>Ausgrid suggest that if a retailer uses an estimated read for a customer transfer, then they should not be permitted to dispute the substituted reading provided to them by the MDP, if it was substituted as per the metrology procedure.</p> <p>If the retailer or retailer's customer believes the read provided by the MDP is insufficient the retailer should have the ability to modify the reading (and subsequent billing) directly with the customer (eg. using a customer self read or another method developed by the retailer). It should be explicit in the rules that this read is not to be used to for market settlement or billing between the retailer and network.</p> <p>Where a substitution has been created by an MDP for a customer transfer and is subsequently found to be inaccurate (eg. from a self read from a customer or other method developed by the retailer), AEMO's procedures should be updated to exclude any obligation on the MDP to replace their initial substituted reading created for the retail transfer.</p>
<p>8. Is there any additional information requirements needed for a customer to transfer retailers using different forms of meter reads, including self, last billable or estimate meter read?</p>	<p>Ausgrid believes the existing forms to be sufficient.</p>

9. Are there any other matters that should be considered in the proposed assessment framework for this rule change request?	Ausgrid is satisfied with the proposed assessment framework.
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