

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:	Simply Energy
CONTACT NAME:	Aakash Sembey
EMAIL:	Aakash.sembey@simplyenergy.com.au
PHONE:	0418415313

CHAPTER 3 – 3.1 PROPOSED NER AMENDMENTS

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?	No, the intent of the rule does not restrict the delivery of proposed changes in any way. Having said that, MSATS procedures and validations built in MSATS system have been restrictive in some cases, that needs to be reviewed.
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>Simply Energy has reviewed the option to remove the assignment of MC and other metering roles from retail transfer and by doing so, the impacts will be material on retailers' systems. This change was implemented as a part of metering competition that went live in Dec 2017 and the process of aligning MC change with FRMP change has been automated (one of the highest volume process) in our systems.</p> <p>While majority of the times, there is no need to change metering roles during retail transfer especially if a customer has a type 5 or 6 meter (as those roles would be associated with the DNSP). The issue we face is for COMMS metered sites where MC/RP role might be assigned to other Retailer entities (e.g. OriginMC, MomentumMC, etc.) and in such cases, Simply Energy requests for a change in MC as soon as a change in FRMP role occurs, due to the commercial sensitivity in NECF jurisdictions. While we don't have any issues in removing Metering role changes for Distributor metered site, we strongly recommend keeping the current rules in case of COMMS metered sites. Having said that, we acknowledge that MDP and MPC roles are not changed in parallel with retail transfers, and these can be decoupled however MC/RP role change should stay.</p> <p>In response to AEMO's proposal, Simply Energy suggests the objection period of MSATS could be made 'zero' days for the metering roles, instead of removing the role assignments. As</p>

Commented [SA(E1): Typo? Should be 7.8.9(e)]

	<p>such, we agree with the second option proposed by AEMO in its High-Level Design document (section 4.2.2), i.e. to remove the ability for service providers to object as MSATS procedures allow retrospective correction of role changes.</p> <p>This option would mean no changes to the NER is required.</p>
<p>3. Are there any unintended impacts from removing or clarifying clause 7.8.9 (e) 2 of the NER and including the requirement in AEMO's meter churn procedures?</p>	<p>Simply Energy believes that the rule needs to stay in the NER however it can be made less prescriptive, i.e. there is limited value in specifying the name of Procedure for this rule. We believe that the rule itself relevant to the metering competition and necessary to stay.</p> <p>In other words, Simply Energy is indifferent to which AEMO procedure it needs to be housed under, and comfortable with the clause been moved from MSATS procedures to Meter Churn procedures, while retaining the clause in the NER. The impacts of removing this clause from the NER will restrict its use case as well as a governing reference point. AEMO as market operator is not desired to add obligations under their Procedures without any relevant head of power.</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>While there are provisions in the NERR for use of estimated billing (clause 21), the use of estimated reads for 'bills' could be interpreted as first bill, standard bill or even final bill. It would be worth clarifying the use of estimated reads for the purpose of billing, considering the issues faced by consumers when 'estimates' are used in calculating consumptions.</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>Simply Energy can provide complaints data if required however there is a high volume due to the estimated billing, and it could exponentially increase if estimated billing will be used for transfer purposes.</p> <p>Simply Energy acknowledges that transfers can occur on estimates (even today). Some networks reject the transfer if an Actual Read is not available, and as such, transfer on estimates is not a common practice. The only time a transfer can occur on an estimate is where an MDP has provided a Substitute Read in CR1500 (in absence of an Actual Read).</p> <p>There is a key difference between an MDP generated Substitute Read vs any other type of Estimate Read as the MDP has access to historic data which a Retailer may not have (especially the New Retailer). However, if we consider Retailer generated estimated and/or customer own read to enable the transfer, this could become quite onerous.</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>Yes, Simply Energy believes that 'estimate' read type is a broad category and needs to split into sub-categories so that it's perceived with more confidence and minimise complaints from the consumer, especially regarding initial and final billing.</p> <p>Reviewing clause 21 and separating the types of read qualities for different purposes would be beneficial. Simply Energy suggests that:</p>

	<ul style="list-style-type: none"> - an MDP generated Substitute read could be used for transfer, and if it is used, it should not be replaced by any other read type. - Last billable read (also called as deemed read in some jurisdictions, e.g. WA Gas) could be used for Retail Transfer if there's an Actual Read available in the last 10 business days (as opposed to 15 days proposed in AEMO's high level design). - In case of a customer own read transfer, the obligation to validate the read should be with the new Retailer, acknowledging that the new Retailer may not have any historic data to validate this read against. Customer provided read can be used for transfer, only if there are standard set of rules/guidelines developed by the AER/ESCV that needs to be followed (e.g. customer own read for a transfer must be accompanied with a photo of meter and timestamped) by all participants as opposed to the requirement for a retailer to provide guidance on the use of estimated reads under rule 21 subrule 3(C). <p>Note: there is a gap in the Procedures where customer own read cannot be used for transfer because there is no transaction that supports this process between a Retailer and an MDP, as such industry would need to agree on a transaction (new) to share this information amongst parties.</p> <p>Also, in case of a DB provided sub/estimate read, or customer own read, there should be no revisions allowed to these read types.</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>Simply Energy disagrees with AEMO's proposal in its High-Level Design document that a losing retailer would only be liable to adjust the bill if materially overcharged, however not when the customer has been undercharged. Also, the word 'materiality' needs to have set threshold. This is not a fair assessment especially if the generation of these estimates are not in control of the losing Retailer.</p> <p>Simply Energy believes that by minimising the use of estimated reads for final billing (e.g. MDP provided sub-read or Customer own read should not be considered estimated reads, etc.) can minimise the impacts on overcharging and undercharging. As such, the current protections in the NER regarding under/overcharging can stay as is.</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>Simply Energy acknowledges the information provided by AEMO in its High-Level Design document, which compares energy market with telecommunications. Although the types of services are completely different, there is a significant room for improvement in the energy sector.</p> <p>Simply Energy believes there's a gap in the High-Level Design document where a customer might be with one specific retailer for only few days before switching to another Retailer,</p>

	<p>i.e. Customer decides to move from Retailer A to Retailer B however as soon as customer transferred to Retailer B, customer decides to move to Retailer C.</p> <p>This scenario has limited value for customer to receive a bill from Retailer B, and in the best interest of the customer, there needs to be a mechanism in place that allow the customer to commence services with Retailer C as if the switch to Retailer B has never occurred. In other words, a retrospective transfer but to a different retailer. AEMO has proposed the reversal of transfer that would force the Previous Retailer to take the customer back (if cooled off), however the above scenario is not considered. We believe customers should not be restricted for any minimum number of days to stay with any particular Retailer, and the choice should be left with customer, which means this above scenario could be very commonly used.</p> <p>The objective of these proposed changes is consumer-centric and as such, minimising transfer times will only serve its purpose if we consider customer transfer lifecycle in its entirety, including the current Cooling off Period (COP) in the NERR and ERC.</p>
--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

CHAPTER 4 – ASSESSMENT FRAMEWORK

<p>9. Are there any other matters that should be considered in the proposed assessment framework for this rule change request?</p>	<p>Simply Energy supports the key objectives as well as majority of the proposed provisions. While acknowledging that the current proposal provides reduced customer switching times, Simply Energy considers some of the processes require next level of detail. Simply Energy believes that the High-Level Design is (as the name suggests), quite high level and doesn't delve in to the details of technical changes that will be required in MSATS. Read type codes will require amendments, e.g. NSRD will no longer be applicable and that would require updates in the MSATS procedures in addition to Metrology and Service Level Procedures.</p> <p>Also, Simply Energy believes that in order to meet the objective in its entirety, Simply Energy sees no reason not to align VIC with the other jurisdictions in relation to the Objection by current Retailer i.e. we support the elimination of Objection to Debt that's only applicable in VIC. This would result in a seamless process across all NEM jurisdictions and quicker customer switching times, considering VIC has only 1% of basic meters left in its population.</p> <p>Simply Energy also acknowledges the comparison provided by AEMO in the proposal with an aim to adopt best practices from global markets however we need to be vigilant and carefully consider NEM constraints. E.g. in NZ market, the completion of transfer is an obligation of losing retailer, which is a completely different market structure to the NEM.</p>
------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------