

10 October 2019

John Pierce
Chairman
Australian Energy Market Commission
AEMC, PO Box A2449
Sydney South
NSW 1235

Submission via AEMC website portal

Dear Mr Pierce,

Introduction of metering coordinator planned interruptions rule change proposal

Simply Energy welcomes the opportunity to provide feedback as a part of the consultation on the Introduction of metering coordinator planned interruptions rule change.

Simply Energy is a leading second-tier energy retailer with over 720,000 customer accounts across Victoria, New South Wales, South Australia, Queensland and Western Australia. Being a consumer-centric organisation, Simply Energy supports the key objectives of the proposal as well as majority of the proposed provisions. While acknowledging that the current proposal provides a greater level of service standards, Simply Energy considers some of the obligations need to be expanded and clarified. In exploring the requirements of the consultation paper (including National Electricity Rules (NER) and National Energy Retail Rules (NERR) draft amendments), Simply Energy's submission evaluates:

- Lack of contractual protections for customers
- Benefits and limitations of the proposed changes
- Potential alternative approaches
- Other considerations to enhance the operation of the proposed requirements.

Lack of contractual protections for customers

- Contractual obligations:

Customers have contractual protections through their customer retail contract (Market or Standard) and the deemed connection agreement with their distributor. These contracts provide a basis for customers making use of their protections in relation to Retailer Planned Interruptions and Distributor Planned Interruptions. However, there is no similar contractual relationship between end customers and metering coordinators (MCs) to provide the basis for customers making use of their protections in relation to the proposed Metering Coordinator Planned Interruptions. A deemed agreement similar to that between an end customer and their distributor is required between an end customer and their MC to provide this basis.

- Restoration of supply

Rules 90 (3) and 59(C)(5) of the NERR include civil penalty provisions on distributors and retailers, respectively, to use their best endeavours to arrange to restore a customer's supply as soon as possible. If MCs can take a customer off supply as distributors can, then MCs should also be subject to civil penalty provisions requiring them to use their best endeavours to arrange to restore a customer's supply as soon as possible.

- Unplanned interruptions

To make effective use of the rule changes proposed, MCs will be required to interrupt supply for customers who do not have any association with that MC or the retailer who appointed that MC. This raises the risk of unplanned outages for customers who share a fuse, when that fuse is removed to enable an MC to work on one customer's meter. If the MC does not have the correct contact details for other customers sharing the fuse, or does not receive a response from one or more of them, the fuse removal could be an unplanned interruption for these customers. Applying the entire Rule 91 of the NERR to MCs give protect customers impacted in this way the same protections they receive in relation to distributor unplanned interruptions.

Benefits and limitations of the proposed changes

Simply Energy considers that the proposed changes will be an effective solution to only a limited number of shared fuse scenarios, specifically straightforward cases where two or three sites are involved, one or two retailers are required to coordinate the works, all affected customers have provided consent to have their supply interrupted by a third party, no life support requirements identified have been identified, and the notice period for planned interruptions was adequately followed by the MCs.

However, as the scope of work increases, such as in high-rise buildings or blocks of multiple low-density units, the proposed solution has limitations and will not be effective. The key issue we have experienced at these sites is the cost of replacing the meter panel to enable new meters to be installed. This issue is not adequately addressed by the proposal, because it does not require all meters on the panel to be replaced at once. As a result, the panel may be sufficient to accommodate a small number of new meters, only to become inadequate later as more new meters are installed, at which time the panel must be replaced and the existing new meters reinstalled. In addition, if meters are replaced singly or in small batches, then customers will experience multiple interruptions, whereas if all meters are replaced at one time there will only be one interruption.

Furthermore, Simply Energy has encountered situations where meter replacement is required due to 'accuracy failure' fault notification sent by the distributor, which cannot be completed as there is no room on the meter board and the landlord refuses to pay to upgrade the board. As a result the customer is left paying for estimated, not metered, usage due to the faulty meter.

Simply Energy proposes that distributors are given an obligation to manage panel replacements and install isolation links so that fuses are no longer shared. This could be performed as part of the standard control regulated services, avoiding direct cost impacts on end customers.

This is the standard practice in Tasmania where *TasNetworks* installs isolation links and manages meter panel replacement, which works seamlessly from an end-customer perspective.

Potential alternative approaches

On the 2nd September 2019, SA Power Networks (SAPN) implemented a new process to manage some multi-occupant scenarios. Key tasks performed by the impacted parties are as follows:

- SA Power Networks provides timely and relevant information to all identified Retailers impacted by a multi-occupant site where this is not available to them, along with all relevant details about the schedule of the electrical works.
- Retailers to nominate their preferred MC to carry out the meter installation work.
- Retailers and MCs to use best endeavour and ensure they comply with the agreed data-time, with generally 3 weeks' notice provided at a minimum.
- SA Power Networks does not coordinate with Meter Providers, and this resides with the Registered Electrical Contractor (REC) and Retailer.
- SAPN provides an 'reschedule' process to ensure all meters are replaced at once.

Key advantages of this approach are:

- Distributors have all the relevant data to identify impacted retailers.
- Distributors hold all relevant customer data, including Life Support, reducing the risk of adverse outcomes or unintended consequences.
- The well-established Distributor Planned Interruption process can be used for all sites.
- All meters are replaced at once.

Please refer to [section 2a](#): Multi Alteration of Service Provision for more information:

<https://www.sapowernetworks.com.au/public/download.jsp?id=226273>

Currently SAPN only follows this process if there is a customer appointed REC. Simply Energy considers that customers will benefit from this process in all multi-occupant scenarios, and as a result it should be adopted for all such scenarios, in all jurisdictions.

Other considerations

Simply Energy recommends that the AEMC clarifies how the current NERR Rule 91A 'Metering coordinator and distributor to assist and cooperate – electricity' is intended to interact with any rule changes made in response to the current proposal, as the Rule states that:

"...where the installation, maintenance, repair or replacement of metering equipment is to be undertaken by the metering coordinator; and such installation, maintenance, repair or replacement requires an interruption of supply to the customer's premises; and a retailer planned interruption cannot be undertaken in order to effect the interruption, the distributor must effect the interruption and provide such assistance as the metering coordinator may reasonably require to enable the metering coordinator to carry out the installation, maintenance, repair or replacement of metering equipment; and the metering coordinator must provide such information and assistance as the distributor may reasonably require to enable the distributor to carry out its obligations under rules 90 and 91; and the distributor and the metering coordinator must give all other reasonable assistance to each other, and cooperate with each other, in relation to the interruption and their respective obligations under these Rules."

Proposed next steps

Simply Energy considers that there is a strong need for industry-wide collaboration and cooperation. In closing, Simply Energy supports the rule change proposal provided its scope is expanded to cover all complex scenarios, filling the policy gaps regarding MCs direct engagement with end customers, putting greater accountability on distributors as key coordinators, and requiring retailers to comply with network co-ordinated metering exchange agreed dates and times.

Simply Energy would welcome the opportunity to engage with the AEMC, as well as other key stakeholders such as CMIG and Information Exchange Committee to further explore any gaps in the current process that can be identified and hence worked on.

Simply Energy looks forward to engaging with you on these matters. If you have any questions or would like to engage in discussions with Simply Energy, please contact Aakash Sembey, Industry Regulations Manager, on (03) 8807 1132 or Aakash.Sembey@simplyenergy.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'James Barton', with a horizontal line underneath.

James Barton
General Manager, Regulation