

## Part 8 Prepayment meter systems

### 127 Definitions

In this Part:

**additional required information** means the information referred to in rule 128(2), being information that is additional to that required to be disclosed under Division 10 of Part 2;

**installation** of a standard *meter* to replace a prepayment *meter* system includes the conversion of the prepayment *meter* system to a standard operating mode so that the prepayment *meter* system operates as a standard *meter*;

**removal** of a prepayment *meter* system includes rendering the system non-operational;

**self-disconnection** means an *interruption* to the supply of energy because a prepayment *meter* system has no credit (including emergency credit) available;

**standard meter**, in relation to a particular small customer, means a *metering* installation of the type that would ordinarily be installed at the premises of the customer in accordance with energy laws;

**trial period** means the trial period referred to in rule 130.

### 128 Disclosure requirements at energy marketing stage

- (1) Before the formation of a prepayment *meter* market retail contract between a retailer and a small customer, the retailer must provide the additional required information to the customer in relation to the contract.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) The additional required information that the retailer is to provide to a small customer is information in relation to the following:
  - (a) the methods by which the customer can make payments to the prepayment *meter* system account and the locations of payment centres or recharge facilities (if relevant);
  - (b) the amount of emergency credit to be provided in the prepayment *meter* system;
  - (c) details of the trial period at or before the expiry of which the customer may withdraw from the contract;
  - (d) the method by which the customer may receive any rebate, concession or relief available under any government funded energy charge rebate, concession or relief scheme;
  - (e) dispute resolution options available to small customers.
- (3) The additional required information may be provided in writing, electronically or verbally.

- (4) This rule does not affect and is additional to any information required to be provided under Division 10 of Part 2.

## 129 System requirements

### (1) System requirements

A retailer who sells or proposes to sell energy under a prepayment *meter* market retail contract must ensure that the prepayment *meter* system meets the requirements of this rule.

#### Note

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

### (2) System display

The prepayment *meter* system must display:

- (a) the financial balance of the prepayment *meter* system, accurate to within \$1.00 of the actual balance; and
- (b) whether the prepayment *meter* system is operating in normal credit or emergency credit mode; and
- (c) current consumption information (in both KWh or MJ and \$AUD).

### (3) Self-disconnection times

The prepayment *meter* system must not disconnect supply to the small customer as a result of a self-disconnection, otherwise than between the hours of 10am and 3pm on a week day.

### (4) Recommencement of supply

Where supply to the small customer has been *interrupted* through self-disconnection, the prepayment *meter* system must be capable of recommencing supply as soon as information is communicated to the system that a payment to the prepayment *meter* system account has been made which exceeds the amount of emergency credit.

### (5) Reporting of self-disconnection

The system must be capable of identifying to the retailer every instance of self-disconnection and the duration of that self-disconnection.

### (6) Emergency credit

The prepayment *meter* system must provide an amount of emergency credit not less than:

- (a) a level equivalent to the average cost of 3 days of electricity or gas supply (as applicable) to within \$1.00; or
- (b) such other amount as is approved by the AER from time to time in accordance with the requirements (if any) of these Rules.

### (7) Methodology of average costing

A retailer must:

- (a) provide the AER with a statement of its methodology for determining the average cost of energy supply within 10 days of being required to do so by notice from the AER; and
- (b) if the AER does not approve that methodology—change it within a specified period of being required to do so by notice from the AER in accordance with changes reasonably required by the AER and specified in the notice.

**(8) Rebate, concession or relief schemes**

The prepayment *meter* system must have the technical capacity to deliver to the small customer the benefit of any government funded energy charge rebate, concession or relief scheme to which the customer is entitled.

**130 Trial period**

- (1) A small customer who enters a prepayment *meter* market retail contract with a retailer has the right to withdraw from the contract at or before the end of the trial period with no penalty, exit or termination charges or *meter* removal or conversion charges.
- (2) The trial period is:
  - (a) a period of 3 months, unless paragraph (b) applies; or
  - (b) a longer period specified in the prepayment *meter* market retail contract, commencing on the date the contract is formed.
- (3) Where the small customer exercises the right of withdrawal under this rule, the retailer must, at no cost to the customer:
  - (a) make immediate arrangements for:
    - (i) the removal of the prepayment *meter* system; and
    - (ii) the installation of a standard *meter*; and
  - (b) provide information about and a general description of the customer retail contract options available to the customer.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (4) The retailer must send a notice to the small customer not more than 20 business days and not less than 10 business days before the expiry of the trial period advising the customer of the date of the expiry of the trial period and the options available to the customer.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (5) Withdrawal from a prepayment *meter* market retail contract operates as a rescission of the contract.

(6) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**131 Operating instructions to be provided**

- (1) A retailer must, at no charge, provide the following information on the use of the prepayment *meter* system to a small customer who enters into a prepayment *meter* market retail contract:
- (a) instructions on how to operate the prepayment *meter* system that are:
    - (i) expressed in clear, simple and concise language; and
    - (ii) in a format that makes it easy for a person not familiar with the operation of a prepayment *meter* system to understand;
  - (b) instructions on how to access the emergency credit facility of the prepayment *meter* system;
  - (c) instructions on how to obtain a refund of remaining credit when the prepayment *meter* market retail contract is terminated;
  - (d) instructions on how and where payments to the prepayment *meter* system account can be made;
  - (e) the retailer's telephone number or numbers for complaints, enquiries and emergencies (the cost for which is no more than the cost of making a local call).

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) If requested by the small customer, the retailer must use its best endeavours to provide the operating instructions in a language other than English requested by the customer.

**132 Consumption information to be provided**

- (1) On request, a retailer must promptly provide a small customer with the following information:
- (a) total energy consumption;
  - (b) average daily consumption;
  - (c) average daily cost of consumption,

for the previous 2 years or since the commencement of the prepayment *meter* market retail contract (which ever is the shorter) divided into quarterly segments.

**Note**

This subrule is classified as a tier 3 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) Information provided to the small customer under subrule (1) for the previous 2 years must be provided without charge, but information requested for an earlier

period or more than once in any 12 month period may be provided subject to a reasonable charge.

(3) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**133 Limitation on recovery of debt**

- (1) Where a small customer owes a debt to a retailer, other than of a kind referred to in rule 137 or 138, the retailer must not recover any repayments of the debt under a prepayment *meter* market retail contract or under any other contract or agreement that adjusts the charges in the prepayment *meter* system to recover the amount of the debt.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

(2) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**134 Credit retrieval**

- (1) A prepayment *meter* market retail contract must explain how a small customer can obtain a refund of any credit remaining in the prepayment *meter* system account when the prepayment *meter* market retail contract is terminated or otherwise ends.

(2) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**135 System testing**

- (1) Where a small customer with a prepayment *meter* market retail contract requests the retailer that the whole or part of the prepayment *meter* system be checked or tested, the retailer must make immediate arrangements for one or more of the following:

- (a) a check of the *metering data*;
- (b) a check or test of the prepayment *meter* system;
- (c) a check or test by the *responsible person* or *metering coordinator* (as applicable) for the *meter* installation at the small customer's premises.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) The small customer must pay the retailer in advance the retailer's (and, where appropriate, the *responsible person's* or *metering coordinator's* (as applicable)) reasonable charge for any checks or tests undertaken pursuant to subrule (1).
- (3) If a prepayment *meter* system is found to be inaccurate or not operating correctly following a check or test undertaken pursuant to subrule (1), the retailer must:
  - (a) correct any overcharging or undercharging in accordance with rules 136 and 137; and
  - (b) refund any fee paid in advance under subrule (2); and
  - (c) make immediate arrangements to replace or repair the prepayment *meter* system; and
  - (d) advise the small customer of the existence of its dispute resolution processes.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

(4) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**136 Overcharging**

- (1) This rule applies where a small customer with a prepayment *meter* market retail contract has been overcharged as a result of:
  - (a) an act or omission of the retailer or distributor; or
  - (b) without limitation, a fault in or incorrect operation of a prepayment *meter* system found following a check or test under rule 135.
- (2) The retailer must:
  - (a) inform the customer of that overcharging within 10 business days of the retailer becoming aware of that overcharging; and
  - (b) ask the customer for instructions as to whether the amount should be:
    - (i) repaid to the small customer; or
    - (ii) added to the balance of the prepayment *meter* system account.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (3) Where the retailer asks for instructions from a small customer under subrule (2) and no instructions are provided by the customer within 20 business days, the retailer must add to the balance of the prepayment *meter* system account the amount overcharged to the customer.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**(4) Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

**137 Undercharging**

- (1) This rule applies where a small customer with a prepayment *meter* market retail contract has been undercharged as a result of:
  - (a) an act or omission of the retailer or distributor; or
  - (b) without limitation, a fault in or incorrect operation of a prepayment *meter* system found following a check or test under rule 135.
- (2) The retailer must inform the small customer within 10 business days of becoming aware of that undercharging and at that time indicate the amount undercharged and whether or not it proposes to recover from the small customer the amount undercharged.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (3) Where a retailer proposes to recover from a small customer an amount undercharged as a result of a retailer's or distributor's error, the retailer must:
  - (a) limit the amount to be recovered to the amount undercharged in the 9 months before informing the customer of the undercharging; and
  - (b) provide details and an explanation of the amount to be recovered; and
  - (c) not charge the customer any interest on the amount; and
  - (d) offer the customer time to pay the amount undercharged, by agreed instalments or by an agreed adjustment to the charges in the prepayment *meter* system, over:
    - (i) if the undercharging occurred over a period of less than 12 months—a period nominated by the customer, being no longer than the period during which the undercharging occurred; or
    - (ii) in any other case—a period of 12 months.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**(4) Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

### **138 Illegal energy use**

- (1) Despite rule 137, if a retailer has undercharged or not charged a small customer as a result of the customer's fraud or intentional consumption of energy otherwise than in accordance with the energy laws, the retailer may estimate the consumption for which the customer has not paid and either:
  - (a) bill the customer for all of the unpaid amount; or
  - (b) make an agreed adjustment to the charges in the prepayment *meter* system to recover the unpaid amount.

- (2) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

### **139 Life support equipment**

- (1) A small customer with a prepayment *meter* market retail contract must inform the retailer if a person residing at the customer's premises has or requires *life support equipment*.
- (2) The retailer must, as soon as practicable after being so informed, advise the small customer of the retailer's obligations under section 59 of *the Law*.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (3) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

### **140 Customer enquiries and complaints**

A retailer must, before commencing to sell energy to small customers under prepayment *meter* market retail contracts, establish and maintain an enquiry, complaints and emergency 24 hour telephone service (the cost for which is no more than the cost of making a local call) to provide information, advice and assistance about the operation of the retailer's prepayment *meter* system.

**Note**

This rule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

### **141 Payment difficulties and hardship**

- (1) **Identification by retailer's management system of self-disconnection**

A retailer offering or selling energy under prepayment *meter* market retail contracts must ensure that the retailer's management system is capable of identifying to the retailer every instance of a small customer's self-disconnection and the duration of that self-disconnection.



(2) **Dealing with payment difficulties**

If:

- (a) a small customer with a prepayment *meter* market retail contract informs the retailer in writing or by telephone that the customer is experiencing payment difficulties; or
- (b) the retailer's management system identifies to the retailer that a small customer has self-disconnected 3 or more times in any 3 month period for longer than 240 minutes on each occasion,

the retailer must contact the customer as soon as is reasonably practicable:

- (c) to offer to make immediate arrangements for:
  - (i) the removal of the customer's prepayment *meter* system; and
  - (ii) the installation of a standard *meter*,  
at no cost to the small customer; and
- (d) to provide information about, and a general description of, the customer retail contract options available to the customer, and
- (e) to provide information about and referral to any government funded energy charge rebate, concession or relief scheme; and
- (f) to provide information about its customer hardship policy; and
- (g) to provide information about available financial counselling services.

(3) **Records relating to customers with payment difficulties**

The retailer must maintain verifiable records, in relation to small customers facing payment difficulties with prepayment *meter* systems, sufficient to allow the retailer to answer any enquiries by the AER (for example, as part of the AER's performance reporting function against hardship program indicators) or the relevant energy ombudsman.

**Note**

This rule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**142 Payment towards prepayment meter system account**

(1) **Recharge facilities, times and locations**

A retailer selling energy under a prepayment *meter* market retail contract must ensure that facilities are in place for the small customer to make payments in relation to the prepayment *meter* system account by at least one of the following methods:

- (a) by cash, at a minimum of 2 locations that are readily accessible to the customer, one of which is open between 9am and 5pm on any day of the week, including Saturdays, Sundays and public holidays (excluding Christmas Day);

- (b) by a 24 hour, 7 days a week telephone service, using credit card, debit card, electronic funds transfer or any other telephone payment method acceptable to the retailer and agreed to by the customer;
- (c) by a 24 hour, 7 days a week electronic or other payment method acceptable to the retailer and agreed to by the customer.

(2) **Minimum payment**

The retailer must ensure the minimum amount that the small customer can pay in relation to the prepayment *meter* system account is an amount between \$1.00 and \$10.00 (both inclusive).

**Note**

This rule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**143 Tariffs and charges**

- (1) This rule sets out minimum requirements that are to apply in relation to the terms and conditions of prepayment *meter* market retail contracts.
- (2) A retailer must set out in a prepayment *meter* market retail contract with a small customer all tariffs and charges payable by the customer.
- (3) The retailer must give notice of any variation to the tariffs and charges that affect the customer by:
  - (a) either:
    - (i) giving notice to the customer; or
    - (ii) publishing the notice of a variation on the retailer's website and providing separate notice to be displayed clearly at each location where payments to the prepayment *meter* account can be made, and doing so in sufficient numbers such that all customers are able to secure a copy; and
  - (b) where a local instrument so requires, publishing a notice about the variation in a newspaper circulating in the participating jurisdiction in which the retailer has affected customers, notifying customers that:
    - (i) there has been a variation; and
    - (ii) the variation is published on the retailer's website, in accordance with the local instrument.
- (4) The notice must be given as soon as practicable, and in any event no later than the date on which the variation takes effect.
- (5) The retailer must set out in the prepayment *meter* market retail contract the obligations with regard to notice that the retailer must comply with where the tariffs and charges are to be varied.

## **144 Billing for other goods and services**

- (1) If a retailer provides goods and services otherwise than for the sale and supply of energy for a small customer with a prepayment *meter* market retail contract, the retailer:
  - (a) must bill the customer for those goods and services separately; and
  - (b) must not recover any payment for those goods and services under the prepayment *meter* market retail contract or under any other contract or agreement that adjusts the charges in the prepayment *meter* system to recover the amount.

### **Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) **Application of this rule to prepayment meter market retail contracts**

This rule is a minimum requirement that is to apply in relation to small customers who purchase energy under a prepayment *meter* market retail contract.

## **145 Customer termination of contract or request for removal**

- (1) **Retailer's obligations**

If a small customer who is a party to a prepayment *meter* market retail contract terminates the prepayment *meter* market retail contract or requests the removal of the prepayment *meter* system, otherwise than in accordance with rule 130, the retailer must make immediate arrangements for:

- (a) the removal of the prepayment *meter* system; and
- (b) the installation of a standard *meter* to replace the prepayment *meter* system; and
- (c) the provision of information about, and a general description of, the customer retail contract options available to the customer.

### **Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) **Recovery of charges**

The retailer may recover fair and reasonable termination charges and *meter* removal charges (including, where applicable, conversion charges) from a small customer who was a party to a prepayment *meter* market retail contract if:

- (a) the contract states a date on which the contract will end; and
- (b) the retailer is permitted to do so by the prepayment *meter* market retail contract; and
- (c) the termination occurs or the request for removal is made after the trial period has elapsed.

- (3) **Exceptions for charges in certain circumstances**

Subrule (2) does not apply where the termination of the prepayment *meter* market retail contract or removal of the prepayment *meter* system:

- (a) occurs where a small customer has informed the retailer that a person residing at the premises concerned has or requires *life support equipment*; or
- (b) occurs pursuant to an offer made by the retailer under rule 141(2)(c) to a small customer who is experiencing payment difficulties.

## **146 Different retailer**

- (1) A retailer who has or had a prepayment *meter* market retail contract with a small customer in respect of premises where a prepayment *meter* system is installed must, if requested to do so by another retailer who has entered into a customer retail contract with the customer in respect of the premises at which the prepayment *meter* system is installed, make immediate arrangements for:
  - (a) the removal of the prepayment *meter* system at no cost to the other retailer; and
  - (b) the installation of a standard *meter* at no cost to the other retailer.

### **Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

- (2) A retailer may recover from a small customer who was a party to a prepayment *meter* market retail contract, the fair and reasonable costs incurred pursuant to subrule (1)(a) and (b), if permitted to do so by the prepayment *meter* market retail contract and if the termination occurs after the trial period has elapsed.

## **147 Deemed customer retail arrangements**

### **(1) Application of this rule to move-in and carry-over customers**

This rule applies to a move-in customer or carry-over customer where the premises concerned are supplied with energy using a prepayment *meter* system.

### **(2) Other provisions not affected**

The provisions of this rule are additional to the provisions of Division 8 of Part 2 relating to deemed customer retail arrangements.

### **(3) Terms and conditions to be read as applying to prepayment meter systems**

The terms and conditions of the deemed customer retail arrangement between the customer and the financially responsible retailer are, to the extent that they are the terms and conditions of the retailer's standard retail contract, taken to be appropriately modified to take account of differences that arise with the use of prepayment *meter* systems.

### **(4) Supplementary terms and conditions**

The terms and conditions of the deemed customer retail arrangement between the customer and the financially responsible retailer are supplemented by the

following subrules, which are, to the necessary extent, taken to modify the terms and conditions of the arrangement.

**(5) Fees, charges and costs**

The retailer must not charge the customer any fees, charges or other costs (other than the standing offer price and a fair and reasonable deposit for the use of a smart card or other similar technology if required to access the prepayment *meter* system) for using the prepayment *meter* system.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**(6) Removal and replacement of prepayment meter system on request**

The retailer must, if requested by the customer to do so, make immediate arrangements for:

- (a) the removal of the prepayment *meter* system at no cost to the customer; and
- (b) the installation of a standard *meter* at no cost to the customer.

**Note**

This subrule is classified as a tier 1 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)

**(7) Notice requirements**

The retailer must give the customer the following information:

- (a) information on the terms and conditions of the deemed customer retail arrangements;
- (b) information as to how to operate the prepayment *meter* system and the location of recharge facilities (if relevant);
- (c) information about the ability of the customer to request that the retailer make immediate arrangements for:
  - (i) the removal of the prepayment *meter* system at no cost to the customer; and
  - (ii) the installation of a standard *meter* at no cost to the customer;
- (d) information about the existence and a general description of the retailer's prepayment *meter* market retail contracts, market retail contracts (if any), and if the retailer is the designated retailer in relation to those premises, the retailer's standard retail contract and standing offer prices;
- (e) information as to whether or not the retailer proposes to offer the customer a contract of the kind referred to in paragraph (d);
- (f) information about the ability of the customer to choose a retailer for the purchase of energy;
- (g) information about the retailer's customer hardship policy;
- (h) information about available financial counselling services.

**Note**

This subrule is classified as a tier 2 civil penalty provision under the National Energy Retail Regulations. (See clause 6 and Schedule 1 of the National Energy Retail Regulations.)