



Shane Rattenbury MLA

Attorney-General

Minister for Consumer Affairs

Minister for Water, Energy and Emissions Reduction

Minister for Gaming

Member for Kurrajong

Our ref: 24/370

Ms Anna Collyer

Chair

Australian Energy Market Commission

Submission to the Australian Energy Market Commission's draft rule on accelerating the deployment of smart meters

Dear Ms Collyer

Thank you for the opportunity to comment on the draft rule on accelerating the deployment of smart meters. The ACT Government supports the accelerated rollout of smart meters and recognises the importance of real-time data to better support the orchestration of consumer energy resources. Smart meters can play a pivotal role in enabling real-time monitoring of energy consumption and generation at the individual consumer level and enable the distribution network operator to better coordinate and manage consumer energy resources, such as rooftop solar, batteries, and vehicle-to-grid electric vehicles.

The proposed changes to the deployment of smart meters closely align with the ACT Government's Integrated Energy Plan (IEP) and Zero Emissions Vehicle (ZEV) Strategy. The proposed changes to the metering framework provide earlier access to the benefits that smart meters offer and enable a more efficient deployment of smart meters than under the current framework.

The success of an accelerated smart meter rollout will be determined by whether consumers are given the choice to maintain pre-existing retail pricing options as well as adequate notice, information, and education on the benefits of switching to time varying retail pricing.

Providing consumers with the information needed and empowering them to make an informed choice regarding their tariff will build trust and support our transition to renewable energy. A successful strategy is one that recognises and rewards consumer decisions and behaviour, rather than penalise those that do not have the capacity or motivation to shift their energy demand.

ACT Legislative Assembly London Circuit, GPO Box 1020, Canberra ACT 2601

+61 2 6205 0005

rattenbury@act.gov.au

@ShaneRattenbury

shanerattenburymla

shanerattenbury

I am writing to ask the AEMC to consider increasing consumer protections by enabling an active consumer decision on retailer-imposed tariff changes, either through requiring explicit informed consent, or allowing all electricity consumers the choice to opt-in, following the installation of a smart meter. I recognise the importance of cost reflective network tariffs and would welcome your views on a shared strategy with the energy industry on how to best reflect these charges in retail pricing.

Retailers should provide clear information and education to customers to allow them the choice to switch to a cost-reflective time-of-use (TOU) or demand tariff, highlighting the benefits of such tariffs. This should also include information on the 12-month transition period following the installation of a smart meter. For those customers that do not wish to switch to more cost-reflective pricing, retailers can offer different products to manage the risk that network charges are not met. Uninformed consumers are unlikely exhibit the behaviour changes required to benefit from cost-reflective pricing and will potentially be exposed to higher bills.

Information provided to customers could also include estimates of what their historical bill would have been under a cost-reflective tariff, alongside information on how behaviour changes can impact it.

There will be benefit in national bodies working with jurisdictions and regulators, like the ACT's Independent Competition and Regulatory Commission, to ensure complementary messaging regarding the draft rule and its implications on relevant stakeholders. This would help to minimise resource implications and maximise the effectiveness of any communications.

I note that my Queensland counterpart, the Hon Mick de Brenni MP, Minister for Energy and Clean Economy Jobs has also written to you on these matters. I share the concerns he has raised with you, particularly to ask the AEMC to ensure that current rules and proposed safeguards give priority to protecting consumer rights and interests, and that retailers respect those rights, including a consent requirement when switching retail tariffs.

I would like to work with you on progressing this matter. Dr James Priestley, Director Energy Policy, Climate Change and Energy Division can provide further advice to you if required. Dr Priestley can be contacted at James.Priestley@act.gov.au or 02 6207 2092.

Yours sincerely

Shane Rattenbury MLA