

AEMC Level 15, 60 Castlereagh St, Sydney NSW, 2000

## Proposed rule change: Real-time data for consumers – Directions Paper (ERC0399)

National Seniors Australia (NSA) welcomes the opportunity to make this submission to the directions paper, following on from our submission to the initial proposed rule change.<sup>1</sup>

NSA is the leading advocacy organisation for older Australians. Through our research and advocacy activities, we work to improve the wellbeing of all older Australians.

We are opposed to only giving consumers the limited rights suggested by the AEMC Directions Paper. If electricity regulators and industry argue that cost-reflective tariffs – including Time-of-Use (ToU) and demand tariffs – are needed to change consumer behaviour, how can consumers be expected to react to these price signals without timely information about their energy use?

## Consumers cannot adequately respond to cost-reflective tariffs without real-time data

If the regulator allows industry to charge consumers using cost-reflective tariffs, how are consumers meant to understand their usage without timely information? Next-day data is not optimal to allow people to respond to higher charges during peak or shoulder times. It is far better to give people feedback in real-time, so they know if they are consuming energy at higher cost.

The electricity industry has recognised that consumers need real-time data to deal with demand tariffs. According to Origin Energy<sup>2</sup>: "Assuming that customers are exposed to demand pricing, usage data would need to be available to customers in actual real-time, along with specific real-time market signals for them to respond to." However, it appears that this view does not extend to ToU and we question why.

We would argue that consumers also need access to real-time data for ToU. While real-time data may be more critical under a demand tariff, given the longer-term impact where a monthly (or longer) charge is set based on the highest usage in a 30-minute window, it is also important for customers to be able to moderate their behaviour under ToU. For example, the 1<sup>st</sup> Energy 1<sup>st</sup> Saver Time of Use Plan<sup>3</sup> offered in Queensland charges 47.41c per kWh during peak time compared to 29.37 kWh during off peak, which is a significant increase in price in peak times. Households need

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<sup>&</sup>lt;sup>1</sup> Proposed rule change: Real-time data for consumers (ERC0399) - NSA

<sup>&</sup>lt;sup>2</sup> <u>RE: ERC0399 Real time data for consumers - Origin Energy</u>

<sup>&</sup>lt;sup>3</sup> <u>1st Saver - Time of Use - EnergyMadeEasy</u>



more, not less, data to manage their behaviour in these situations. A family or shared household trying to manage the energy use of multiple occupants on such an energy plan would benefit from having real-time data as they will be able to clearly show a correlation between appliance use and energy use, and the resulting electricity bill. Having data the following day is not optimum for helping households facilitate behavioural change, especially when there are multiple occupants.

## Cost of meter upgrades

**NSA opposes the proposal to allow a one-off charge to access real-time data.** It implies that the smart meters currently being installed are not able to provide households with real-time data and will require alteration or replacement. This is particularly disappointing given AEMC recommended that customer have access to real-time data in its Metering Review in 2023.<sup>4</sup> And that smart meter rollout in Victoria, despite starting almost 20 years ago, used more advanced technology which allowed for real time data.

If the industry, including regulators, had considered this before rolling out smart meters, then reinstallation may not have been required. **We consider it unreasonable to charge consumers again for a decision they did not make.** This is a consequence of satisfying the demands of industry first and leaving considerations of consumers to a later regulatory process. We note that the Discussion Paper indicates a "large portion" of the meters for the accelerated rollout of smart meters have already been ordered, despite the final rule determination only being issued in November 2024 and the rollout commencing in December 2025.<sup>5</sup>

Any meters installed as part of the accelerated rollout – which we oppose – should be compatible with real-time data provision. There should not be a rush to an accelerated rollout of sub-standard smart meters. We reiterate our argument that now is not the time to engage in the accelerated rollout of smart meters to all households.

**Yours Sincerely** 

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<sup>&</sup>lt;sup>4</sup> Final Report, Review of the regulatory framework for metering services - AEMC

<sup>&</sup>lt;sup>5</sup> AEMC finalises landmark reform to accelerate smart meter rollout | AEMC