

12 May 2016

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

Lodged via www.aemc.gov.au

Dear Mr Pierce,

Meter Read and Billing Frequency – Publication of Draft Rule and Draft Rule Determination

Simply Energy welcomes the opportunity to respond to the Meter Read and Billing Frequency – Publication of Draft Rule and Draft Rule Determination (draft rule).

Simply Energy is a leading tier 2 energy retailer servicing Victoria, South Australia, New South Wales and Queensland.

The draft rule forms the Australian Energy Market Commission's (AEMC) response to the proposed rule change by Ergon Energy Queensland (Ergon).

Simply Energy reiterates that its processes are focused on providing customers with regular, accurate bills. Simply Energy's customers expect to receive regular bills and some customers contact the call centre to confirm when their next bill will be sent out.

Also, Simply Energy previously submitted that it agrees with Ergon's conclusions that estimated bills cause difficulties for consumers and retailers. The aim with an estimated bill is for it to be as accurate as possible. This can be a problem for Simply Energy if the customer's first or second bill (since becoming a Simply Energy customer) needs to be estimated due to the lack of an actual read. This is because Simply Energy has very little information on which to base its estimate.

Ergon's proposal to allow retailers some extra days to bill customers provides useful flexibility to retailers who have an approach that seeks to minimise the number of estimated bills. This may be particularly useful if it reduces the number of bills based on interval meter substitution data, and Simply Energy supports it on this basis.

AEMC's draft rule and draft rule determination

The AEMC has proposed to expand the requirements for retailers to issue a bill to a customer on a standing offer at least once every 100 days, rather than the current requirement of 3 months

However we also note the concerns the AEMC raises that by delaying a bill by a significant period to wait for an actual read the bill may be delivered beyond the 3 month requirement. We agree

with the AEMC on the benefits of frequent billing to provide customers with timely information about their usage and costs, whether based on an actual or estimated read. A prolonged delay in provision of this information can create problems for customers, including in relation to affordability.

In conclusion, Simply Energy endorses the AEMC rule change to extend the period between bills issued by a retailer to a standing offer customer from 3 months to 100 days, subject to MDPs acting in good faith to not further defer providing actual reads due to this extension.

If you have any questions concerning this submission, please contact Alan Love on 03 8807 5113.

Yours sincerely

James Barton
General Manager Regulation