



22 December 2016

Ms Lily Mitchell  
Senior Advisor  
Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

By electronic lodgement

Dear Ms Mitchell

### **ERC 0195 – Improving the accuracy of customer transfers – draft rule determination**

Origin Energy (Origin) welcomes this opportunity to comment on the Australian Energy Market Commission's (AEMC) draft rule determination on improving the accuracy of customer transfers (National Energy Retail Rules, Electricity Rules and Gas Rules).

Origin agrees with the principle that retailers must take responsibility to manage customer transfers when an error occurs and believes that this is an important part of maintaining consumer confidence in the competitive energy market.

We note that transfers in error comprise a very small minority of all transfers. This is a testament to the accuracy of retailer and market systems and when errors do occur, they are usually the result of inaccurate data held in market systems or factors beyond the incoming and outgoing retailer's control. The relatively small number of transfers in error that manifest as formal complaints to ombudsmen is a further demonstration of the ability of retailers to work cooperatively and efficiently to resolve these errors when they occur.

The more preferable rule will formalise these processes and may result in more efficient outcomes for customers and industry. However, we have some concerns with the rule as drafted and these are discussed below.

#### National Energy Retail Rules - Draft rule 57A – retailer obligations in relation to correction of transfers without consent

Origin's key concern with draft rule 57A (if made) is the requirement set out in 57A(1) that *any* retailer contacted by a customer would be required to notify the new retailer within three business days that they need to comply with draft rule 57A(3).

We believe 57A(1) be amended to limit affected retailers to the old and new retailer only. Placing an obligation on a retailer not involved in any transfer in error (whether actually in error or not) runs the risk of further confusion through a lack of visibility of the new and old retailer by the unrelated retailer in market systems, leading to further delays. As such, we suggest that the 57A(1) be amended to involve the old and new retailer only.

#### National Energy Retail Rules- Draft rule 116- When a retailer must not arrange de-energisation

Draft rule 116 will result in system changes for all retailers, but will provide limited benefit to customers themselves. Origin does not believe the benefits of draft rule 116(1)(j) will outweigh its cost of implementation and operation.

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If a customer contacts their old or new retailer regarding a transfer in error, a disconnection service order would be cancelled if one had been lodged. Evidence of Explicit Informed Consent (EIC) will not prevent the disconnection of another customer if an incorrect address is recorded against the customer's name.

Rather than add further steps to the already comprehensive process associated with de-energisation, Origin would suggest that de-energisation should not take place in circumstances where a customer has contacts a retailer asking if they have been transferred incorrectly (with EIC). The additional requirement to check for evidence of valid EIC over a defined time period (12 months) every time a de-energisation is initiated will add costs to each service order for a very small number of impacted customers.

#### Address standard

Origin agrees with the AEMC's decision not to make a rule on mandating an address standard. While supporting the concept in principle, work underway by AEMO and progressive validation of data by retailers on transfers has reduced the need for an address standard to be implemented. We support the AEMC's view that the cost of implementing an address standard would likely outweigh its costs and would absorb resources involved in other Power of Choice initiatives.

We would welcome further discussion with the AEMC on this response. In the first instance, please contact David Calder on (03) 8665 7712.

Yours sincerely



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