



28 January 2016

Ms Meredith Mayes
AEMC Director
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

United Energy
6 Nexus Court
Mulgrave VIC3170
PO Box 449
Mt Waverley VIC 3149
T 03 8846 9900
F 03 8846 9999
www.ue.com.au

Electronic lodgement – ERC0197

Dear Meredith

RE: Consultation Paper – National Electricity Amendment (Updating the electricity B2B framework) Rule 2015

United Energy (UE) appreciates the opportunity to respond to the AEMC on the Consultation Paper – Updating the electricity B2B framework. UE looks forward to further participation in the debate on the governance framework for the B2B arrangements and the development and implementation of transactions to facilitate high volume mass market transactions for the variety of meter types and new roles to facilitate both current and new services.

UE has provided detailed responses to each of the areas for consultation in the Attachment, in summary:

- B2B changes need to be finalised by 31 December 2016 and operational by 1 December 2017;
 - The current B2B services need to be amended and implemented for the new competitive metering environment in a well co-ordinated transition. The current B2B services need to cater for the new roles and the various meter types for mass market, high volume transactions so that efficiencies are not reduced.
 - This initial work should also include establishing B2B processes that support the operation of the minimum services that smart meters are required to be able to deliver and the operation of the Embedded Network processes; that is the work required to fully enable the desired policy outcomes.
- A reconstituted IEC should have the following membership:
 - 2 Retailer representatives, nominated and elected by retailers;
 - 2 DNSP representatives, nominated and elected by DNSPs;
 - 1 Metering representative, nominated and elected by MCs, MPs and MDPs;
 - 1 AEMO representative, appointed by AEMO and being the senior executive with responsibility for the operation of the retail electricity market;
 - 1 Consumer representative, appointed by the ECA;
 - 1 Third Party B2B representative, nominated and elected by registered B2B participants who are not retailer, DNSPs, MCs, MPs or MDPs; and

- 2 Independent members, one of whom will be the chairman, nominated and elected by B2B participants, AEMO and the Consumer representative.
- Expansion of the reconstituted IEC beyond this membership should require a super-majority support from each voting block of the IEC.
- An alternative representative for each member should be appointed.
- The primary member should be obliged to attend all meetings or arrange for the alternate to attend.
- A quorum of the newly constituted IEC should be a minimum of six members (or alternates) including - one independent (Chair), one DNSP representative and one retailer representative.
- The (current) IEC should be tasked with amending the IEC election process and operations manual and conducting an election to form the reconstituted IEC no later than 1 September 2016.
- Industry should immediately commence informal collaboration on the B2B changes to enable metering competition and submit this work into the reconstituted IEC consultation and decision making process once it is formed.
- Participants who transact using the eHub should be registered or accredited by AEMO.

UE has the following additional comments related to this consultation paper that are additional to the specific questions raised by the AEMC in the consultation paper:

- The current IEC has considered consolidating the individual jurisdictional network billing B2B procedures into a single procedure under the IEC, however legal advice we understand suggested that the B2B Communications definition would not support this. At the IEC strategy day on 19 January 2016, metering providers expressed that there may be benefits in standardized billing files across industry for their services. UE suggest that the B2B Communications clause include a provision that for the avoidance of doubt this can include billing, collections and dispute files and any proposals for inclusion into the B2B procedures will be subject to the IEC decision making and consultation processes.
- B2B costs - the definition should be amended to clarify that it is the costs incurred by AEMO at the direction of the IEC Chair, subject to the cost being within the agreed budget and recoverable. The IEC Chair on behalf of the IEC should be able to ensure that the IEC's selected resources are contracted and the scope delivered on time to meet the IEC/industry requirements. The IEC needs to ensure that the project is delivered and well managed and needs to have the discretion to direct the funding to cover certain resources etc.

Should you have any comments in relation to this response please do not hesitate to contact me on (03) 8846 9856.

Yours sincerely

Verity Watson
Manager Regulatory Strategy