

12 May 2016

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

Dear Mr Pierce

RE: AEMC Draft Determination – National Electricity Amendment (Meter Read and Billing Frequency) Rule 2016 (Reference RRC0006)

Endeavour Energy welcomes the opportunity to support the AEMC's draft determination regarding the National Electricity Amendment (Meter Read and Billing Frequency) proposed rule.

The proposed rule change request by Ergon Energy Retail (Ergon) sought to reduce the extent to which estimations are relied upon for electricity bills by aligning the obligations on retailers under the NERR and Metering Data Providers (MDP) under AEMO's procedures.

The AEMC's consultation paper identified three potential solutions, the first of which was proposed by Ergon, which were as follows:

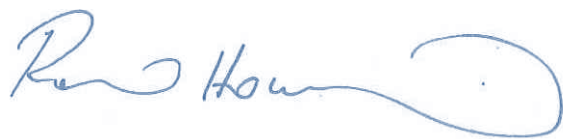
1. Amend the rules to allow retailers to delay issuing a bill to a small customer supplied under a standing offer until it receives meter data from the MDP;
2. Recommend to AEMO that it amend its Service Level Procedure to require MDPs to read meters more frequently; or
3. Maintain the current arrangements in which some small customers may receive estimated bills.

In our submission to the consultation paper, we stated that we appreciated the matter raised by Ergon and that we consider it desirable that regulatory requirements are aligned where feasible. We stated that the existing arrangements were sufficient; however, if any amendments were required our preferred solution was a variation to Option 1 wherein the maximum time limit for retailers to issue a bill could be marginally extended. We considered this a more proportionate and least cost solution to the issue identified by Ergon.

The AEMC's draft determination adopts a similar position by extending the time limit for retailers to issue a bill based on actual consumption to small customers on a standard retail contract to at least once every 100 days replacing the existing requirement of once every three months. This rule change will broadly maintain the frequency of billing whilst increasing the likelihood of bills being based on actual metering data. We support the AEMC's preferable rule and consider it will better contribute to the achievement of the National Electricity Retail Objective by striking an appropriate balance between billing frequency and accuracy. We do not consider any further amendments are required to the draft determination.

If you have any queries or wish to discuss this matter further please contact Jon Hocking, Manager of Network Regulation at Endeavour Energy on (02) 9583 4386 or alternatively via email at jon.hocking@endeavourenergy.com.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Rod Howard", with a large, stylized flourish at the end.

Rod Howard
Acting Chief Executive Officer