

10 May 2016



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

Office of the Chief
Executive Officer

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Dear Mr Pierce

John,

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

Ausgrid is pleased to provide comments in response to the AEMC's Draft Rule Determination on the National Energy Retail Rules (NERR) Amendment proposed by Ergon Energy Queensland (EEQ).

Ausgrid supports the AEMC's decision to make a more preferable Draft Rule which we note largely reflects the alternative solution proposed by Ausgrid and Energy Networks Australia (ENA).

We agree with the AEMC's assessment that the Draft Rule is likely to better contribute to the achievement of the National Electricity Objective (NEO) than the amendments proposed by EEQ. We support the Draft Rule as it strikes an appropriate balance between the benefits derived from billing on actual consumption against the frequency of billing, and is likely to:

- **Address the issues raised by EEQ's in a more targeted and proportionate manner** - therefore avoiding unnecessary costs to retailers and Meter Data Providers.
- **Facilitates the efficient use of energy services** – by establishing a clear timeframe that better enables retailers to issue customer bills based on actual consumption (rather than estimate reads) without eroding existing consumer protections around billing frequency.
- **Improve customers' billing experience** - by reducing the number of bills issued based on estimates. As noted by the AEMC, bills based on actual consumption data are likely to enhance customer billing experience as they provide customers with better information to make more informed decisions about their energy usage. In addition, bills based on actual consumption data are less likely to result in customer confusion or bills shocks.
- **Mitigates retailers exposure to volume risks** – by reducing the need for retailers to issue estimate reads in order to comply with their obligation under rule 24(1) of the NERR.

If you have any queries or wish to discuss this matter in further detail please contact Murray Chandler on (02) 92697210 or via email murray.chandler@ausgrid.com.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Trevor Armstrong", written over a horizontal line.

TREVOR ARMSTRONG
Acting Chief Executive Officer