

13 February 2020

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

Submission via AEMC website portal

Dear Mr Pierce,

AEMC Rule Change Draft Determination: Introduction of metering coordinator planned interruptions rule change proposal

Simply Energy welcomes the opportunity to provide feedback as a part of the consultation on the Introduction of metering coordinator planned interruptions draft rule.

Simply Energy is a leading second-tier energy retailer with over 720,000 customer accounts across Victoria, New South Wales, South Australia, Queensland and Western Australia. Being a consumer-centric organisation, Simply Energy supports the key objectives of the proposal as well as majority of the proposed provisions. While acknowledging that the current proposal provides a greater level of service standards, Simply Energy has reviewed the proposed obligations and considers some of the requirements need to be expanded and clarified. In exploring the requirements of the consultation paper (including National Electricity Rules (NER) and National Energy Retail Rules (NERR) draft amendments), Simply Energy's submission evaluates:

- Lack of notification requirements on distributors
- Limitations of the proposed new timeframes
- Potential improvement opportunity

Lack of notification requirements on distributors

Simply Energy strongly supports the proposed requirements within the AEMO's metrology procedure to require distributors to record shared fusing information as soon as practicable after becoming aware of the shared fuse arrangements. It is noted in the draft rule that the distributors are not required to proactively inspect sites to gather this information for their customers but should record it if they become aware of it and hence there is a dependency on retailers and Metering Coordinators, who are required to notify the distributors as soon as practicable after becoming aware of shared fusing while acknowledging the possibility the distributor can also become aware of shared fusing during the course of their work. The draft rule also introduces new obligations on distributors where a distributor planned interruption is needed to interrupt supply in shared fusing situations where multiple customers and multiple retailers are involved however it is unclear if retailers will be notified about

the interruption via network outages web page (which is not NMI/site specific) or using a NMI specific B2B transaction as per IEC procedures. To ensure a customer-centric outcome, Simply Energy suggests the latter i.e. creating specific requirements in the Rules to use IEC/B2B Procedures (not limited to the Meter Fault and Issue Notification as this notification is generally received before a shared-fuse is identified) to inform participants of interruptions of customers on shared isolation because the existing process used by the distributors for notifying customers involve 'letterbox card drop' with a nominated date and time for the interruption.

Clarifying the distributor notification mechanism will be highly advantageous to the end customer as it will create an opportunity for Simply Energy (and other Retailers) to align/coordinate the interruption to have a new meter installed, hence achieving maximum efficiency in the end to end process.

Limitations of the proposed new timeframes

Under the draft rule, an additional installation timeframe is proposed that requires the retailer to complete the installation of the customer's meter within 30 business days of the shared fusing issue being discovered. Where the retailer requests the distributor to carry out a distributor planned interruption in order to complete the meter installation, the draft rule introduces a requirement for the distributor to affect the interruption within 25 business days. The use of the timeframe obligations under the proposed rule may not work in customer's best experience as it would mean the energy consumer requesting the meter installation will be the focus of the time-frame, potentially risking other affected customers in a position where they will not be able to negotiate when the interruption can occur.

Also, the proposed 25 business days timeframe placed on the network to complete the work basically prohibits retailers whose customers are also affected to undertake a retailer new meter deployment under rule 59A, as this rule requires retailers to provide a notice in writing no earlier than 60 business days and no later than 25 business days before the retailer proposes to replace the small customer's meter followed by a second notice in writing no earlier than 10 business days after the first notice was given to the customer and no later than 15 business days before the retailer proposes to replace the small customer's meter. This allows customer to opt-out of the metering deployment if their current meter is fully functional, which may very well be the case in shared fuse sites.

Simply Energy, therefore, recommends either removing the timing provision, or aligning with Rule 59A to allow retailers to conduct their due diligence and processes under the current rule 59A which is a civil penalty provision.

Potential improvement opportunity

The key issue Simply Energy has experienced at multi-occupant sites is the cost of replacing the meter panel to enable new meters to be installed. This issue is not adequately addressed by the proposal, because it does not require all meters on the panel to be replaced at once. As a result, the panel may be sufficient to accommodate a small number of new meters, only to become inadequate later as more new meters are installed, at which time the panel must be replaced, and the existing new meters reinstalled. In addition, if meters are replaced singly or in small batches, then customers will experience multiple interruptions, whereas if all meters are replaced at one time there will only be one interruption, which is not adequately address in the draft rule either.

Simply Energy has encountered situations where meter replacement is required due to 'accuracy failure' fault notification sent by the distributor, which cannot be completed as there is no room on the meter board and the customer is left paying for estimated, not metered, usage due to the faulty meter.

As such, Simply Energy proposes that distributors are given an obligation to use reasonable endeavours to install isolation points on all customers affected by shared isolation during the first interruption. This is the standard practice in Tasmania where *TasNetworks* installs isolation links and manages meter panel replacement, which works seamlessly from an end-customer perspective. Some of the benefits include:

- Reduced cost for energy consumers by resolving all the isolation issues for a site during to initial meter install once and for all.
- Existing network regulatory cost recovery mechanisms can be used to ensure network businesses are compensated for the efficient delivery of the service to install isolation.
- The need to record customers effected by shared isolation would be reduced meaning that a process to notify by retailers and metering coordinators and record by networks would not be required. This could be performed as part of the standard control regulated services, avoiding direct cost impacts on end customers.

Proposed next steps

Simply Energy considers that there is a strong need for industry-wide collaboration and cooperation. In closing, Simply Energy supports the rule change proposal provided its scope is expanded to cover all complex scenarios, putting greater accountability on distributors to notify proactively as key coordinators, and requiring retailers to comply with network co-ordinated metering exchange agreed dates and times.

Simply Energy would welcome the opportunity to engage with the AEMC, as well as other key stakeholders such as CMIG and Information Exchange Committee to further explore any gaps in the current process that can be identified and hence worked on.

Simply Energy looks forward to engaging with you on these matters. If you have any questions or would like to engage in discussions with Simply Energy, please contact Aakash Sembey, Industry Regulations Manager, on (03) 8807 1132 or Aakash.Sembey@simplyenergy.com.au.

Yours sincerely



James Barton
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