

20 February 2019



Stephanie Flechas
Advisor
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Submitted via email

Dear Stephanie,

Bill Contents – Customers with Interval Meters consultation paper

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact on people who are marginalised and facing disadvantage. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC welcomes the opportunity to respond to the AEMC bill contents – customers with interval meters consultation paper.

PIAC concurs with the proponent, and agrees that the current rules do not facilitate the level of consistency and transparency that consumers require in the provision of usage and billing information. Start and end meter values for a billing period are a simple, understandable and consistent piece of foundational information that consumers are accustomed to. In the ongoing retail-led rollout of 'smart meters', a requirement to provide start and end values will help retain consumer trust by providing a simple and understandable piece of information that can serve as an 'anchor', while understanding of the more complex information facilitated by interval metering, is developed.

PIAC recommends that this rule be made, and considers that the solution identified in section 5.3 of the consultation paper, to eliminate the transitional rule, should be adopted.

Assessment Framework

PIAC considers that some elements of the proposed framework are not appropriate for assessing this rule change request. Specifically:

- **Competition between retailers**

PIAC disagrees that retail competition is a relevant consideration in assessing this rule change request. Consumers do not have sufficient information or understanding of detailed metering and billing practices to be able to assess and compare retailers according to this criterion. Additionally, were consumers to have such information and understanding, this comparison is not able to be made easily (or effectively) at the point of comparing and choosing prospective retailers, as this

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information is only likely to be available after a retailer has been chosen. Accordingly, retail competition cannot be considered an alternative means of ensuring that consumers are given the level of consistency and clarity that they require, in the provision of this information.

- **Enhancing customer information and decision-making**

PIAC considers this to be the most relevant framework for assessing the proposal.

Consumer understanding of their usage and billing is crucial to their ability to make effective decisions to control their usage, engage with technology, and choose retail services that meet their needs. While the introduction of interval metering provides the opportunity to significantly expand the breadth, detail and accuracy of information available to consumers, this expansion must be anchored by simple, understandable and comparable information that is familiar to consumers and consistent for all consumers.

- **Transparency and trust in retailers**

The potential for the proposal, by improving the clarity and consistency of consumer usage and billing information, to have a positive impact on trust in retailers and the retail market, is an important consideration. At a time when consumer trust in the energy market is extremely low, and when the retail-led rollout of interval metering presents the potential to exasperate the trust deficit, measures which provide for consistency and transparency in information provision should be adopted as a priority.

- **Regulatory and administrative burden.**

PIAC considers this to be a minor consideration relative to the benefits to consumers. As it stands retailers already have a customer base that is likely to be a mix of interval and accumulation meters, and accordingly be required to have systems that can accommodate the presentation of start and end meter reads as part of billing for accumulation meter customers. Extending the requirement across all meters should not involve any significant administrative burden, and may indeed result in some efficiencies through the adoption of a single approach across all bills.

Further engagement

PIAC would welcome the opportunity to meet with the AEMC and other stakeholders to discuss these issues in more depth. Please do not hesitate to contact Douglas McCloskey on (02) 8898 6534 or dmccloskey@piac.asn.au

Yours sincerely,

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