

23 July 2021



Ms Deborah Cope
Acting Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop, Sydney NSW 1240

Dear Ms Cope,

Review of Non-Urban Metering Reform Charges from 1 October 2021 – 30 June 2025

The Public Interest Advocacy Centre (PIAC) is leading social justice law and policy centre. Established in 1982, we are an independent, non-profit organisation that works with people and communities who are marginalised and facing disadvantage. PIAC builds a fairer, stronger society by helping to change laws, policies and practices that cause injustice and inequality. The Energy and Water Consumers' Advocacy Program (EWCAP) represents the interests of low-income and other residential consumers of electricity, gas and water in New South Wales. The program develops policy and advocates in the interests of low-income and other residential consumers in the NSW energy and water markets

PIAC broadly supports the Independent Pricing and Regulatory Tribunal's (IPART) position outlined in the Supplementary Draft Report (the Draft) and welcomes IPART's further examination of Non-Urban Metering Reform Charges.

PIAC notes the Draft includes decisions that do not appear internally consistent with the objective of facilitating the implementation of metering reforms and the uptake of telemetry services.

The NSW Government will fund the capital costs of upgrading government owned meters and, in conjunction with the Commonwealth Government, fund a one-off rebate for users who opt to have their meters connected to the telemetry system. PIAC supports these decisions and welcomes government contributions to support improved metering rollout and better availability and use of accurate and timely metering data.

IPART's decisions regarding the telemetry and non-telemetry charges, while reflective of costs, do not appear consistent with the objective of enabling a more rapid and wider take-up of telemetry metering. PIAC considers the objective of enabling the benefits of telemetry metering would be more appropriately and more consistently reflected by having:

- A differential between telemetry and non-telemetry charges; and
- A telemetry charge set at a level according with more than 75% of meters opting-in, from the outset.

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The differential between these charges and cost recovery could either be covered by government contribution (until the target level of more than 75% is achieved) or added to the costs recovered through any future exit charges that WaterNSW may levy on behalf of the government.

This approach would be more consistent with the pricing principle that risks and costs are borne by those most able to manage them. Individual telemetry users cannot influence the number of other telemetry users, whereas WaterNSW and the NSW Government can, and are, through the rebate proposed in the Draft.

Continued engagement

PIAC would welcome the opportunity to meet with IPART and other stakeholders to discuss these issues in more depth.

Yours sincerely,

Douglas McCloskey

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