



Rule change on estimated meter reads - consultation paper

Stakeholder submissions invited on new rule change requests

The AEMC has started consultation on three rule change requests that aim to address the impacts of inaccurate estimated meter reads on consumers.

Summary of the rule change requests

Under the National Energy Retail Rules (NERR), electricity and gas retailers must base customers' energy bills on an actual reading of the meter if one is available. Retailers may base bills on an estimated read if an actual read is not provided.

Estimated meter reads can sometimes be inaccurate, such as where there have been long term issues accessing a meter. When an actual meter read is eventually carried out it can result in bill shock for customers. Inaccurate estimated reads could lead to customers:

- being exposed to higher bills if their energy use was overestimated; or
- having to repay significant sums due to their energy use being underestimated.

The Hon Josh Frydenberg MP, Ms Kirsty Johnson and Dr Daryl Dodt have proposed a number of solutions to address issues related to inaccurate estimated meter reads.

- Minister Frydenberg has proposed requiring retailers to accept a meter read provided by customers as the basis for an estimated bill. In addition, retailers would be required to adjust a customer's bill that is based on an inaccurate estimate, by allowing the customer to submit a self-read.
- Ms Kirsty Johnson has proposed prohibiting estimated reads, and requiring actual meter reads to occur every three months.
- Dr Dodt has proposed that estimates for households with solar panels be determined based on data of energy generated by solar panels with similar circumstances in conjunction with customer billings for the previous year.

The three rule change proponents consider that their rule change requests will improve customer outcomes by reducing the risk of customer bills based on inaccurate estimates.

Issues for consultation

The AEMC has published a consultation paper that seeks stakeholder feedback on a number of issues related to inaccurate estimated meter reads. These issues include:

- whether the existing provisions in the NERR adequately protect customers from the impacts of inaccurate estimates
- how the issues related to estimated meter reads are likely to evolve with the increased uptake of advanced meters, which can be remotely read
- whether issues relating to inaccurate estimated meter reads are different for gas and electricity customers
- the costs and benefits of the proposals put forward by the rule proponents, and questions on how each would be implemented.

The AEMC is seeking feedback on how to reduce the impact on customers of inaccurate estimated meter reads

Consultation process

The consultation paper and the three rule change requests are available on the AEMC's website.

Stakeholders are invited to make written submissions by **14 June 2018**.

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