

14 June 2018

Mr John Pierce
Chairman
Australian Energy Market Commission
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Dear John,

Re: Consultation Paper – Estimated meter reads

AusNet Services is a major energy network business that owns and operates assets including:

- electricity distribution assets delivering electricity to approximately 740,000 customer connection points in northern and eastern Victoria; and
- gas distribution assets delivering gas to approximately 620,000 customer supply points in central and western Victoria.

We appreciate the opportunity to make a submission to the Commission's consultation paper on proposed changes to estimated meter reading arrangements in the National Energy Retail Rules (NERR), National Gas Rules and National Electricity Rules (NER).

AusNet Services supports the Honourable Josh Frydenberg, Minister for the Environment and Energy rule change proposal specifically, which seeks to reduce the occurrence and impact of estimated reads. It proposes the new approach of requiring the retailer to use a customer provided meter read.

Whilst the NERR does not govern Victorian arrangements, the proposed approach would not be precluded in this state. As we expect retailers would prefer to deploy common approaches across the jurisdictions where this is practical, we anticipate that the proposed retailer services would be offered nationally, as part of the retailers' unified approach to customer service.

Concerns arising from estimated meter reads are more relevant to gas than electricity customers in Victoria. Electricity customer issues are largely mitigated by the broad coverage of smart meters. In our electricity distribution network, nearly 99% of small customers have AMI meters read remotely on a daily basis. Accordingly, estimated meter reads are a rarity.

For the gas network, our experience is that access issues prevent bimonthly meter reads for less than 4% of premises. Where access arrangement are exceptionally difficult, customers provide access through arranged meter reading time periods (e.g. morning or afternoon). Less than 1% of gas customers are unable to provide access at least once every 12 months, and it for this cohort where there could be significant benefit to the customer from self-providing their meter read to the retailer.

Today, without any rule changes, retailers can accept customer provided gas meter read and chose to bill their customers on the basis of those meter reads. At least one major Retailer already has phone and device apps that allow customers to provide their gas meter read to the retailer and include a photo of the meter dial as supporting evidence. However, until the practice becomes the norm across all retailers, it may not be viable for distributors to leverage potential opportunities made available by this customer provided data.

As suggested in the Consultation paper, there is potential for gas distributors to establish information exchange arrangements to receive these customer provided reads. Where the customer is not able to provide access at the appointed time, the distributors may be able to use the reads for settlements if provided by the customer within a nominated period. The provided reads would also need to satisfy the distributors other quality requirements. This option may be valued by customers, who are unavailable to provide access through locked gates during regular work days (week days).

If you have any queries regarding our submission, please do not hesitate to contact Justin Betlehem on 03 9695 6288.

Yours sincerely,



Kelvin Gebert
Manager Regulatory Frameworks