

Estimated Meter Reads: QCOSS Submission to Australian Energy Market Commission

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The Queensland Council of Social Service (QCOSS) is the state-wide peak body representing the interests of individuals experiencing or at risk of experiencing poverty and disadvantage, and organisations working in the social and community service sector.

QCOSS thanks the Australian Energy Market Commission (AEMC) for the opportunity to comment on the consultation paper explaining the proposed rule changes regarding estimated meter reads:

- to prohibit the use of estimated meter reads
- to require retailers to apply a specific methodology for estimates where the customer has installed a solar system
- to require retailers to accept a customer self-read of a meter as the basis for an estimated meter read.

QCOSS agrees that there are issues with estimated meter reads. This issue is not going away any time soon. Even some advanced meters will continue to be read manually. For example, where there is no access to the communications network required to support advanced meters that can be remotely read.

- Over-estimated meter reads: results in over billing, overpayment, and could cause financial hardship in the period before the actual meter read and the customer is credited with the overpayment.
- Under-estimated meter reads: this will result in under billing, underpayment, bill shock and may cause financial hardship or even disconnection.

We support the proposed rule change to require retailers to accept a customer self-read of a meter as the basis for an estimated meter read. We do not however completely agree with the proposal to impose a civil penalty for grossly inaccurate meter estimate as the basis for a customer's bill.

Currently, where an estimate is used, besides the customer's own reading of the meter, it may be based on:

- historical actual reads for that customer
- if there are no historical actual reads for that customer, average use by a comparable customer.

We propose the following addition to the rule change: If a retailer cannot use an actual read or customer's own reading of the meter as the basis for a customer's bill then they should take reasonable steps to contact the customer to:

- explain that an actual read was unable to be done and that their bill will be based on an estimate
- explain the basis for the estimate (historical or comparable customer)
- explain that the estimated read may not accurately reflect actual usage and the common reasons for this (eg, changing usage patterns, household composition, change in energy efficiency appliances, or the installation of PV solar panels) and what happens if the estimate is under or over the actual
- to inform them of their right to provide their own meter read as the basis for the estimated
- to provide them information about how to read their own meter and how to provide this to the retailer.

We suggest that, if retailers don't take reasonable steps to contact the customer, a civil penalty may then apply for grossly inaccurate meter estimates. We think the threshold should be quite high before the civil penalty kicks in, provided they have made the estimate on a reasonable basis using the accepted methodology. We suggest that the Energy and Water Ombudsman Queensland may be able to provide some insight into this.

In addition, more consideration needs to be given to how a customer can provide a meter read, especially those that cannot submit information online, or even the practicality of printing out a form or photo. For example, even if online is the preferred channel, customers that genuinely can't do this should be allowed to provide the information over the phone.

QCOSS is of the view that the introduction of the rule change, including the additional requirement for retailers to take reasonable steps to contact a customer before using an estimated read, would obviate the need for the other proposed rule changes. In any event, we do not support the suggested rule change to prohibit the use of estimated meter reads as it would increase the cost of doing business and ultimately be passed on customers.