



D18117794

25 September 2018

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Mr Pierce,

RE: ERC0241 – DRAFT RULE DETERMINATION-NATIONAL ELECTRICITY AMENDMENT (ESTIMATED METER READS) RULE 2018, NATIONAL GAS AMENDMENT (ESTIMATED METER READS) RULE 2018, NATIONAL ENERGY RETAIL AMENDMENT (ESTIMATED METER READS) RULE 2018

The Energy and Technical Regulation Division (the Division) of the Department for Energy and Mining thank you for the opportunity to make a submission in response to the *National Electricity Amendment (Estimated meter reads) Rule 2018, National Gas Amendment (Estimated meter reads) Rule 2018, National Energy Retail Amendment (Estimated meter reads) Rule 2018-Draft Determination* as issued on 9 August 2018 (ERC0241).

As noted in the Division's submission to your Consultation Paper for this Rule change, the arguments put forward by the three rule change applicants are valid and in the case of South Australia, concerns which have been raised by customers with the Energy and Water Ombudsman (EWOSA) and in correspondence with the SA Government.

On this basis, the Division is generally supportive of the Draft Determination and how it deals with the issue of estimated bills which, as noted in the previous submission, can have a significant financial impact on families and small businesses where they are proven to be inaccurate.

Whilst it is appreciated the overwhelming majority of bills are based on actual meter reads, providing a clear, simple and binding process by which a customer can provide his/her own meter read is welcomed. Applying civil penalty provisions to these obligations is also supported.

The Division acknowledges that in developing the Draft Rule, the AEMC seeks to strike a balance between customer protection and regulatory and administrative burden, noting that the latter can impact on retailer costs, and ultimately price.

To ensure the benefits of this Rule change can be as widespread as intended, the Division considers the final Rule should require retailers to take into account the needs of information disadvantaged households, including those without ready access to the internet and those with language difficulties, when developing their customer self-read

processes. Rule 131 provides an example of a similar obligation when developing instructions for customers with pre-payment meters.

On a final note, the Division draws your attention to the references the AEMC Draft Determination makes to the SA Government's submission to the Consultation Paper.

The comments attributed to the SA Government in that submission are inaccurate. Specifically, that the current level of consumer protections in the National Energy Retail Rules (NERR) are sufficient¹ and that the SA Government does not support introducing civil penalty provisions to rule 21².

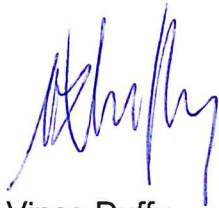
Neither of these comments were made in the Division's submission of 21 June 2018 and indeed, are contrary to the views held by the Division. These inaccuracies have been raised directly with the AEMC at officer level.

In the case of the comment regarding civil penalty provisions in particular, not only does South Australia support introducing civil penalty provisions but as lead legislator, South Australia is responsible for progressing any changes to the National Energy Retail Regulations, as approved by the COAG Energy Council.

Whilst it is appreciated this may simply be a typographical error, the Division respectfully requests this be corrected in the Final Determination.

Should you wish to discuss this submission further, please contact Ms Rebecca Knights, Director Energy and Technical Regulation Division, Department of Energy and Mining on 08 842 93185.

Yours sincerely,



Vince Duffy

Executive Director, Energy and Technical Regulation
Department for Energy and Mining

¹ AEMC, Draft Rule Determination, National Electricity Amendment (Estimated Meter Reads) Rule 2018, National Gas Amendment (Estimated Meter Reads) Rule 2018, National Energy Retail Amendment (Estimated Meter Reads) Rule 2018, 9 August 2018, p. 17.

² AEMC, Draft Rule Determination, p. 18.