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8 November 2018

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

Submitted electronically

Dear Mr Pierce,

Re: Consultation Paper: National Electricity Amendment (Metering Installation – Advanced Meter Communications) Rule (ERC0246)

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to provide a submission to the Australian Energy Market Commission (the Commission) on the Consultation Paper - National Electricity Amendment (Metering Installation Timeframes) Rule Change (the consultation paper). Red and Lumo support the rule change as proposed by the Australian Energy Council as we believe that customer's must be empowered to take control of their energy use and accessing the benefits of smart meters.

Promoting customer choice

At the heart of this rule change, the most crucial element is customer choice and ensuring that there is adequate flexibility in the remote communications choices available. Consistent with our position in 2015, we consider that customers should have the choice to change their metering installation to turn on or off the remote communications without the need to replace the meter. The current drafting of clause 7.8.4 of the National Electricity Rules (the Rules) is intended to provide choice to customers, however, by virtue of the drafting, it has only contemplated customer choice at the point of installation.

Amending the rule to enable or disable remote communications without the need to replace a fully functioning meter will lead to efficient outcomes. This will help to ensure that customers remain in control and should concerns regarding remote communications arise, be comfortable with the options available to them. We believe that this flexibility will increase the likelihood of a customer uptake of smart meters and increase those that are remotely communicating in the longer term.

Efficient investment and operation and use of metering services

Red and Lumo do not support a type 4 metering installation being removed and replaced with a metering installation that does not meet the minimum metering specifications as outlined in Schedule 7.5 of the Rules. However, consumers should be able to make the choice of how their meter moves from a Type 4 to Type 4A (i.e. remove communications completely, remotely deactivate communications, or remove sim card) and that they should be able to choose this process in discussion with their retailer. Particularly as each option has different costs that may be borne by the consumer, depending on how the change can occur. Under the current rules, a consumer will need to pay for a meter replacement in order to make the selection to remove remote communications at the point of (re)installation.

The Rules should allow customers with concerns regarding remote communications to have the ability to place their meter in a state which is the equivalent of 'flight mode' on a mobile device, and being able to organise for an on demand meter read service at a regular interval of their choosing. In this scenario, a retailer can organise, consistent with the minimum services specification, for a metering data provider to send a signal to the meter to have the remote communications enabled, download the metering data and replace the meter into its non-transmitting state. Alternatively, customers may chose to remove the sim card and/or the communications module in a metering installation and engage the retailer to organise physical reads of their metering data. All of these scenarios allow for both customer choice and an efficient operation of the metering installation, consistent with the National Electricity Objective for which this rule change is being assessed.

About Red and Lumo

Red and Lumo are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in Victoria, South Australia, New South Wales and Queensland to approximately 1 million customers.

Should the Commission have any enquiries regarding this submission, please call Stefanie Macri, Manager - Regulatory Affairs on 0481 009 645.

Yours sincerely

A handwritten signature in black ink, appearing to be "Ramy Soussou". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Ramy Soussou
General Manager Regulatory Affairs & Stakeholder Relations
Red Energy Pty Ltd
Lumo Energy (Australia) Pty Ltd