

28 February 2019



Ms Stephanie Flechas
Australian Energy Market Commission
By email: submissions@aemc.gov.au

Dear Ms Flechas,

Submission to Bill Contents – Customers with Interval Meters Consultation Paper – REF RRC0026

Aurora Energy welcomes the opportunity to provide comment on the *Bill Contents – Customers with Interval Meters Consultation Paper* (Consultation Paper) issued by the Australian Energy Market Commission (AEMC) on 31 January 2019.

Ensuring customers can understand their electricity bill is highly important to Aurora Energy. An easily accessible and comprehensible bill facilitates a positive customer experience through ensuring transparency and building trust with customers.

Aurora Energy acknowledges the issues raised by the rule change proponent. However, it does not support the proposal to amend the National Energy Retail Rules (NERR) to mandate the inclusion of start and end advanced interval meter readings on a customer bill. This is based on:

- Advanced meter data being more complex, difficult to access and challenging to correlate against different retail tariff combinations, particularly customers with solar generation or time-of-use tariffs.
- Effective customer protection obligations already act to provide customers with their meter data to ensure transparent billing outcomes.
- Retailers provide innovative customer solutions that cater for advanced meter data complexity.
- Given the nature of advanced meter data, providing a start and end meter read for customers with an interval meter would require a significant system change and produce costs for Aurora Energy and subsequently its customers.

Advanced meter data is complex and challenging to access

The reading of advanced meters by customers is inherently complex and likely to lead to greater customer confusion. Customers will be required to cycle through multiple screens on an advanced meter and correlate these to the individual tariffs on their bills. In the contemporary energy market, it is Aurora Energy's view that a customer's need for bill transparency can easily be provided without requiring a physical interaction between the customer and their meter.

Customers with complex billing arrangements such as multiple tariffs, solar generation and/or time-of-use tariffs will find it particularly difficult to produce a direct correlation between a standalone advanced meter reading and a final billed amount. In these circumstances, additional

information required to gain a full understanding of bill components, for example customer on-site generation or time-of-use time periods.

With the progressive rollout of advanced meters, retailers have the opportunity to offer customers innovative products to assist their understanding of their advanced meter data and bills. Aurora Energy has taken this step with the establishment of a product which utilises a mobile-based application to provide advanced meter, on its time-of-use product. Customers who adopt this application, through use on their phones, tablets or computers are able to track their consumption on a daily basis and correlate this directly to a 'real-time' credit balance.

Current measures ensure customer access to meter data and transparent billing outcomes

Under current rules, customers that receive bills based on advanced meter data are able to review the consumption data on their bill and correlate this against the stated charges. For customers that require additional assurance, a number of obligations already exist to ensure access to mechanisms for validating bill and energy consumption data, including:

- customers can request a meter test or check of the meter data if they seek to review a bill;
- customers can request historical billing information from retailers for a previous two year period; and
- upon a customer request, retailers must provide customers with consumption data in a format specified by the Australian Energy Market Operator (AEMO) in its Metering Data Provision Procedures (MDPP).

The information provided to customers under these obligations, ensures transparent billing outcomes for customers and properly caters for the detailed nature of advanced meter data.

Interval metered billing is different in nature to bills based on cumulative consumption

Advanced meters function differently to accumulation meters in that they record a reading every thirty minutes and then reset back to zero. They are not read quarterly but daily (except type 4A meters which are read quarterly but still use interval readings). Billing consumption is calculated by summing all intervals within the bill period.

Due to the fundamental difference in nature of advanced meter data, the concept of an open and close accumulative reading is no longer the primary basis for billing. Advanced meters commonly store an 'index read' which is an accumulation read stored in the meter. There are a number of issues in relying on the index read as the basis for billing, or as a customer validation mechanism on the bill. The index read on an advanced meter cannot always be guaranteed to match the read displayed on the bill and neither can it be guaranteed to equal the sum of the intervals. The index read on any given bill may also change due to substitution data or misalign with readings presented at tariff level, such as in demand or time-of-use tariffs.

For advanced metered customers, maintaining start and end reads becomes an artificial construct to support a legacy billing model. In some cases, maintaining start and ends reads may reduce transparency rather than enhancing customer confidence in meter data.

Cost to deliver change

Finally, Aurora Energy notes the proposed Rule change would require a significant system amendment and cost for Aurora Energy. Aurora Energy considers this an unnecessary impost noting the challenges in communicating advanced meter data and that the current measures for providing data to customers under regulation, and through retailer innovation, are sufficient.

If you have any questions regarding the issues outlined above please contact Aurora Energy's Regulatory and Policy Manager, Hayden Moore, at hayden.moore@auroraenergy.com.au

Yours sincerely



Kane Ingham
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