

28 February 2019

Mr John Pierce
Chairman
Australian Energy Market Commission
Level 6, 201 Elizabeth Street,
Sydney NSW 2000.

Submitted online: www.aemc.gov.au/contact-us/lodge-submission

AEMC Rule Change Consultation: Bill Contents – Customers with Interval Meters

Thank you for the opportunity to provide a submission in response to the Australian Energy Market Commission's (AEMC) Rule Change Consultation covering Bill Contents – Customers with Interval meters.

Momentum Energy is a 100% Australian-owned and operated energy retailer. We pride ourselves on competitive pricing, innovation and outstanding customer service. We retail electricity in Victoria, New South Wales, South Australia, Queensland, the ACT, and on the Bass Strait Islands. We offer competitive rates to both residential and business customers along with a range of innovative energy products and services. We also retail natural gas to Victorian customers.

Momentum Energy is owned by Hydro Tasmania, Australia's largest producer of renewable energy.

Introduction

Momentum supports the provision of accurate billing data that ensures customers are fully informed when assessing their energy bills. As a national retailer we seek consistent regulation in order to minimise costs to customers and we are also cognisant of the increasing complexity of the electricity market. While customers demand flexibility in this ever changing market they also applaud simplicity when dealing with retailers.

Electricity Bill Regulation

In the past the electricity bill has been seen by regulators as the key customer touch point to provide regular billing, credit, pricing and customer support information. There are now viable alternative¹ customer mediums that can provide relevant detailed billing information for those customers that require this information. Retailers and regulators should work together to support a better customer experience, for the majority of customers, and where ever possible avoid additional regulatory intervention with the electricity bill.

¹ AEMC Rule Change Bill Contents Customers with Interval Meters Consultation paper Section 5.2 page 17.

Conclusion

We have provided responses to most of the issues raised in the rule change consultation paper via the attached Stakeholder Template but in summary we are of the view that the market has moved on and the vagaries around advanced interval meters no longer justifies more regulatory intervention by imposing additional mandated bill content. Most customers do not use or have a need to validate their bill with their meter via the start and end index reads. Bench mark validation can readily be undertaken using the same time last year average consumption or the previous month's consumption graph.

However, if the AEMC decides otherwise Momentum supports consistency with what is already in place in Victoria ensuring existing market transactions can be used and minimal changes to billing systems are required.

Should you require any further information with regard to these issues, please don't hesitate to contact me on 0478 401 097 or email randall.brown@momentum.com.au

Yours sincerely



Randall Brown
Regulatory Manager

ATTACHMENT 1

STAKEHOLDER FEEDBACK TEMPLATE

The template below has been developed to enable stakeholders to provide their feedback on the questions posed in this paper and any other issues that they would like to provide feedback on. The AEMC encourages stakeholders to use this template to assist it to consider the views expressed by stakeholders on each issue. Stakeholders should not feel obliged to answer each question, but rather address those issues of particular interest or concern. Further context for the questions can be found in the consultation paper.

SUBMITTER DETAILS

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CHAPTER 4 – ASSESSMENT FRAMEWORK

1. Is the proposed assessment framework appropriate for considering the rule change request?	Momentum Energy supports the proposed assessment framework criteria but also suggests that since the start and end index reads have now been provided in Victoria for almost 8 years that some post implementation customer research should be conducted to assess the past and current value and use of these reads to customers. The provision of the start and end index reads were introduced to offset a perceived concern with the prospect of not having this information when smart meters (interval) were introduced. Customers were not familiar with interval readings as opposed to accumulation meter readings. This change should also be supported by a robust cost benefit analysis before it is transitioned to the national rules.
2. Are there other relevant considerations that should be included in the assessment framework?	As above.

CHAPTER 5 – SECTION 1 - ISSUES

3. To what extent is it an issue that a retailer is not required to provide to a small customer with an interval meter the start and end meter reading in the bill?	
a. Is it any different for customers with advanced interval meters?	

Stakeholder feedback

Bill contents – customers with interval meters
31 January 2019

<p>4. With more advanced interval meters to be roll out and more digital near real-time solutions/tools available to customers, is it likely that this issue becomes more or less prevalent over time?</p>	<p>This was a transitional issue when Advanced Metering Infrastructure (AMI) meters were first rolled out into Victoria. Customers can validate/benchmark their bills using the same time last year average consumptions and historical consumption graphs that are now regulated requirements for energy bills. Alternatively customers can request or download detailed interval meter data.</p> <p>Momentum agrees that this issue will have diminished importance over time as energy management tools and solutions continue to emerge in the market.</p>
<p>5. What are the tools offered to customers with advanced interval meters to understand their bill and energy consumption?</p>	<p>As above.</p> <p>Customers can request their interval consumption data from either retailers or distributors or use online portals to download this information.</p>
<p>6. What are the tools offered to customers with interval meters (type 5)?</p>	<p>As above.</p>
<p>7. How many complaints do stakeholders receive related to the issue raised in this rule change request?</p>	<p>The EWOF report cited in the consultation paper (covering complaints relating to start and end reads) was from 2015 following the smart meter roll out in 2011. Most smart meter consumer issues have been reducing over time which indicates consumers and industry are better managing the education and communication issues associated with the installation of smart/interval meters.</p>

CHAPTER 5 – SECTION 2 – OTHER ISSUES

<p>8. What tools are available to customers with advanced interval meters to understand their use, reading and installation?</p>	<p>As above.</p>
<p>9. Do you consider that the information available for customers is adequate to understand advanced interval meter use, reading and installation?</p>	
<p>10. What additional information should be publicly available for customers to understand advanced interval meter use, reading and installation?</p>	

CHAPTER 5 – SECTION 3 – SOLUTIONS

<p>11. What are the costs and benefits of eliminating the transitional rule?</p>	<p>The transitional rule only requires retailers to provide the start and end reads if the data is reasonably available. Mandating the provision of the start and end reads could cause changes</p>
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	to metering if some interval meters do have suitable functionality.
12. What are the costs and benefits of adopting the Victorian solution?	If implemented it should be introduced exactly as per Victoria for smart meters to minimise retailer billing system, metering and market system changes.
	Start and end index reads were introduced into Victoria to minimise negative smart meter sentiment without understanding the scope of consumer use of this data. The start and end index reads progressively become more inaccurate as data substitution and estimation takes place. Over time unplanned smart meter communication failures cause meter data to be estimated and substituted without adjusting the meter index reads. Hence, over time, the start and end index reads become inaccurate and cannot accurately be used to reflect the summation of the consumption reflected on customer bills.
13. Are there any alternative solutions to consider that may have greater benefits and/or lower costs?	Consideration should be given to the number of customers that will use the start and end index reads. The electricity bill is becoming more complex to understand as regulations continue to expand the mandatory items on the bill. Customers are also seeking simplicity and care must be taken to ensure the bill delivers the correct balance of information relevant to the majority of customers. More information is not always a better solution.
14. To what extent, if any, will the Consumer Data Right reform address the issues raised in the rule change request?	