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Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

VECTOR LIMITED
101 CARLTON GORE ROAD
PO BOX 99882
AUCKLAND 1149
NEW ZEALAND
+64 9 978 7788 / VECTOR.CO.NZ

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Submission on Reducing Customers' Switching Times

Introduction

1. This is Vector Limited's (Vector) submission on the Australian Energy Market Commission's (AEMC) consultation paper, dated 4 July 2019, on the proposed *National Electricity Amendment (Reducing Customers' Switching Times) Rule* and *National Energy Retail Amendment (Reducing Customers' Switching Times) Rule*.
2. We set out below our responses to Questions 1 to 3 in the consultation paper which pertain to the nomination of metering roles and meter churn procedures.
3. No part of this submission is confidential. Vector's contact person for this submission is:

Paul Greenwood
Industry Development Australia
Paul.Greenwood@vectorams.com.au
Tel: 0404 046 613

Responses to selected consultation questions

Question 1: Do you agree that clause 7.8.9(e)(1) of the NER restricts the delivery of the proposed changes to the customer transfer procedures and process?

Question 2: Are there any impacts from removing clause 7.8.9(e)(1) from the NER and allowing the MC, MP or MDP roles for metering installations to be nominated in the procedures but as a separate request or in parallel to a retail customer transfer?

Question 3: Are there any unintended impacts from removing or clarifying clause 7.8.9(e)(2) of the NER and including the requirement in AEMO's meter churn processes?

4. Clause 7.8.9(e)(1) of the *National Electricity Rules* (NER) currently enables:

...an Incoming Retailer to nominate a Metering Coordinator, Metering Provider, and Metering Data Provider to be appointed at a connection point in respect of which it is the Incoming Retailer, and for those appointments to be recorded as being effective on or, where requested by an Incoming Retailer, after the day that the market load at the connection point transfers to the Incoming Retailer as the new financially responsible Market Participant...

5. Vector does not oppose the proposed removal of the above clause from the NER. However, we are concerned that the current ability of a retailer to initiate a change in metering roles in the Market Settlements and Transfer procedures (MSATS) **after** the customer transfer is completed may inadvertently be impacted by transferring these obligations to the Australian Energy Market Operator's (AEMO) procedures. Should clause 7.8.9(e)(1) be removed from

the NER, provisions must be made to ensure that current retailer processes related to metering role nominations separate from the retail customer transfer process remain unaffected. Otherwise, retailers and metering service providers will have to make unnecessary changes to their systems and processes and bear the costs of those unnecessary changes.

6. AEMO's high level design proposes that the retail customer transfer process in MSATS be limited to a change of retailer only. Currently, MSATS allow the roles of Metering Coordinator (MC), Metering Data Provider (MDP) and Metering Provider (MP) to be changed as well. We agree with the proposed removal of retailers' ability to nominate the MDP and MP roles during this process; however, we believe that the nomination of the MC should still be permitted for efficiency reasons. Removing this ability would require retailers and MCs to perform and manage additional transactions (and incur additional costs) which would otherwise be unnecessary. Any rule or procedural changes should simply remove the right of an MC to object to a nomination, but not a retailer's ability to nominate an MC during this process.
7. AEMO's high level design also proposes that meter data to support a retail customer transfer is required to be provided to all relevant parties within 2 business days of the completion of the transfer. The design proposes that the responsibility for ensuring that this data is delivered lies with the MC. We do not agree with this proposal. Under clause 3.12.2 of the current MDP Service Level Procedure on delivery timing requirements (reproduced below), MDPs already perform this function in relation to retail customer transfers. Rather than placing a new obligation on the MC, who will be required to obligate the MDP to provide the data via commercial agreements, it would be much more practical and efficient for this obligation to remain with MDPs.

3.12.2 Delivery Timing Requirements

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Each MDP must provide *metering data* to the relevant FRMP within two *business days* of receiving a Completed notification of a change of FRMP, including *estimated metering data*, for a type 4A, 5, 6 or 7 *metering installation*.

8. We consider our views and suggestions above to be consistent with the 'guiding principles' adopted by the AEMC and AEMO joint advice for improving the retail customer transfer process. These include, among others: 1) a simple and easy customer transfer process for consumers, 2) streamlined supporting procedures, and 3) any changes having regard to the implementation and ongoing costs (pages 3-4 of the consultation paper).

Concluding comment

9. We are happy to discuss this submission with the AEMC.

Yours sincerely



Mitch Webster
Group Manager - Sales and Marketing
Vector Advanced Metering Services