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10 October 2019

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

Submitted electronically

Dear Mr Pierce,

Re: Metering coordinator planned interruptions - Consultation Paper (ERC0275)

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to provide feedback to the Australian Energy Market Commission (the Commission) on the Consultation Paper for the introduction of Metering Coordinator (MC) planned interruptions (the consultation paper) as proposed by the Competitive Metering Industry Group (CMIG).

Red and Lumo provide in principle support rule changes that attempt to facilitate quicker meter installations. We understand and support CMIG's goals of "less site visits, and lower costs"¹. The proposal put forward in the consultation paper involves the MC attending a site to carry out a meter installation for a retailers customer (the customer) and during installation finding the need to isolate power for one or more consumers that share a fuse with the retailer's customer (affected customers). However, the proposal put forward does not clearly address a range of potential issues and we consider is not the best solution.

Customer contact details

We agree that the rule change would "enable the planned metering work to be completed, subject to obtaining the affected customers' consent or providing four business days' notice"². However, it is unclear how consent would be obtained or the method affected customers would be notified. It is unlikely that MCs will have these affected customers details for the numerous sites that are impacted by the planned interruption (especially preferred contact method). While they may potentially be able to obtain these details from the affected retailers or the network, we believe this poses a potential privacy issue with providing details to an MC who has not been appointed by that retailer and who may not have a pre-existing relationship with that MC.

While MCs may state that they can send PINs to an unnamed occupant at the property (for example "dear customer" or "to the householder). We believe that this would potentially only lead to a worse outcome from both notifying customers and from a customer experience. We believe affected customers would be less likely to act on a

¹ Australian Energy Market Commission, Consultation Paper, National Electricity Amendment (Introduction of Metering Coordinator Planned Interruptions) Rule, p9

² Ibid p9

letter from a company they may not be aware of which is not specifically addressed to them.

Customer experience

While the rule proposes to have a notification received by the retailer from the MC of the planned interruption there is no detail about the likely timing or format of this notification. The timing of the notification may not allow for other retailers to proactively contact their customers. On that basis, we consider that an unintended consequence of this proposal is that affected customers become confused when receiving an MC Planned Interruption Notification (PIN). As many customers are currently unaware of their local network, very few will be aware of who MC's are and the role they play in the market. Receiving a letter from an unknown company such as the MC is likely to be dismissed as spam, or at worse, cause confusion and angst. We believe that affected customers that do not disregard the PIN would immediately call their retailer to discuss, who may also be unaware of the interruption of supply.

While we acknowledge the commitment by the MCs to provide a 24 hour telephone line as part of their rule change proposal, we remain concerned that affected customers are unlikely to call a company they are either unfamiliar with or unaware of to discuss a power outage. This could also result in additional costs being borne by the networks through an increase in calls to the fault and emergency lines.

Life support registration

It is unlikely an MC will be aware that an affected customer at a site is registered for life support. While retailers and networks would again be able to provide this information to MCs, how this process is to be managed and tracked to ensure compliance is inadequately defined. Furthermore, the process of confirming customer details and life support are likely to cause further delays in the process, which counters the proposal.

We also hold concerns about the potential for MCs to "gain consent" from an affected customer at site. Specifically, how this consent would be provided and what information obligations would be placed on MCs when already at the property? The proposal has inadequately addressed the risks of affected customers not completely understanding the implications of the notification, or feeling pressured to consent to the supply interruption without adequate time to prepare for the loss of power.

Alternative solution: network rectification and PIN

Red and Lumo agree that the issue of shared fuses and multi-occupancy sites creates an unnecessary delay the installation of smart meters. However, a more effective solution would be to clearly establish a uniform process requiring the network to resolve the issue. We believe that the network should issue a PIN to all affected customers, isolate supply and provide separate fuses to all consumers at the site. This will allow the MC installing the new meter at the customer's request and not continue to interrupt the supply of affected customers.

Pre-installation information

Currently, networks hold information about the existence of shared fuses or multi-occupancy sites, however this information is not shared with the wider industry. We consider that the networks should facilitate the sharing of this information at the start of the process to allow for MCs to be aware of pre-existing issues before attending the

site. To address this, we believe that where MCs suspect a site may have a shared fuse or multi-occupancy they should be able to put in an information request to the network to confirm this status.

MC identification of shared fuses

Where the MC attends the site and detects that there is a shared fuse at the property, the MC could immediately lodge a request to the network to notify of a shared fuse. The network would then be obliged to issue out a PIN and organise for the isolation and coordinate the meter installation without retailers needing to re-raise service order requests to the market.

Networks issue PIN and install separate fuses

As the networks already hold all affected customers information as well as information on those registered with life support. The networks also have existing regulatory ability to carry out a planned interruption across multiple sites. Therefore, they are best placed to carry out this work moving forward.

However, in addition to the current process, the network must also install separate fusing for all consumers at the site. As was stated in the consultation paper, “DNSPs are able to arrange for an interruption to a customer's electricity supply for any customers connected to their distribution network, including for planned or routine maintenance of metering equipment or the installation of a new connection or connection alteration.”³

Timing

We believe that as part of this process a 25 business day obligation can be placed on the networks to carry out this isolation work in conjunction with the MC. The above proposal has the benefit of leveraging existing processes and regulations and placing on distributors a minor information sharing obligation as well as an installation timeframe.

We believe this proposal would allow for the network and the MC to have a flexible approach where they were unable to find a site required isolation in advance and that would maintain safety for all consumers while still increasing the speed that installations are able to be completed.

Network issue PIN for MC isolation

While Red and Lumo believe that in all instances the network should be responsible for issuing a PIN to all consumers impacted by this situation, we believe that the rule change should provide an opportunity for some instances where the MC can carry out the isolation of sites. Where the MC believes that they can organise an earlier date for this work than the network, then the network should provide the MC with an authority to temporarily isolate the site and install the meter.

Under this scenario, the MC would not be able to issue the PIN to customers nor would they be able to isolate the site “with consent” however the MC would have the ability to isolate with the networks consent and PIN issued to the customer. The network would be obliged to provide this consent where they believe that it is safe to do so and the MC has demonstrated that it is capable of providing a quicker date for isolation than they are able to.

³ Ibid, p16

We believe this proposal would allow for the distributor and the MC to have a flexible approach where they were unable to find a site required isolation in advance and that would maintain safety for consumers while still increasing the speed that installations are able to be completed.

Supporting the smart meter roll out


Red and Lumo believe that the requirement on the network to arrange separate fusing for all consumers at the site provides an ongoing benefit for consumers and the market. We believe that this would not only help facilitate the initial meter exchange but address any future meter exchanges that are required at the property. All sites will eventually have smart meters installed under the metering competition rule change and we believe that the instances above should be used to separately fuse the site to remove any need for further visits from the network during subsequent metering installations.

About Red and Lumo

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

Red and Lumo thank the Commission for the opportunity to respond to its Issues Paper. Should you wish to discuss aspects or have any further enquiries regarding this submission, please call Stephen White, Regulatory Manager on 0404 819 143.

Yours sincerely

A handwritten signature in black ink, appearing to be "Ramy Soussou", with a long horizontal line extending to the right.

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