

22 December 2016

Mr John Pierce
Chairman
Australian Energy Market Commission
PO Box A2449
SYDNEY SOUTH NSW 1235



Dear Mr Pierce

Draft Determination: Using estimated reads for customer transfers (ERC0196)

Energex Limited (Energex) appreciates the opportunity to provide a submission to the Australian Energy Market Commission (AEMC) on its draft determination on a rule change request received from the Council of Australian Governments (COAG) Energy Council seeking to allow customers the option of transferring on an estimated read in order to reduce the time it takes to change to a new electricity retailer.

Energex agrees with the AEMC's conclusion that, due to changes that have occurred since the review of electricity customer switching arrangements was concluded in 2014 and the likely costs and complexity involved in implementing estimated reads as an additional transfer option, the rule change is not likely to be in the long-term interests of electricity consumers or promote the National Electricity Objective. Energex therefore supports the AEMC's determination not to make a draft rule on this rule change request.

Energex remains of the view that it is not possible to implement estimated meter reads using existing systems and processes and that enhancements will be required to both market systems and participants' back-office systems and processes to facilitate estimated reads. Increased administrative burden and costs will also be incurred by participants as a result of the additional effort involved in processing estimates and resolving transfer-related issues. The burdens and costs involved in implementing estimated reads would therefore be likely to outweigh the benefits that would accrue to the small number of customers who may seek to switch retailers using this option.

As the AEMC has noted in its draft determination, the rollout of advanced meters, which has already begun ahead of the commencement of the competition in metering rule change, will continue to improve average transfer timeframes for customers. This industry-led rollout is expected to accelerate as more and more customers seek to access the range of services (including remote meter reading) provided by advanced meters. Until such time as advanced meters have been fully rolled out, special meter reads will continue to be available to customers with Types 5 and 6 meters who may benefit from expediting the transfer process.

Enquiries
Nicola Roscoe
Telephone
(07) 3664 5891
Facsimile
(07) 3664 9818
Email
nicolaroscoe
@energex.com.au

Corporate Office
26 Reddacliff Street
Newstead Qld 4006
GPO Box 1461
Brisbane Qld 4001
Telephone (07) 3664 4000
Facsimile (07) 3025 8301
www.energex.com.au

Energex Limited
ABN 40 078 849 055

Should you have any queries regarding this submission, please contact Nicola Roscoe, on (07) 3664 5891.

Yours sincerely

A handwritten signature in black ink that reads "Rhoaver". The signature is written in a cursive style with a large, looping initial 'R'.

Rachel Leaver
Acting Group Manager Regulation and Pricing