



22 December 2016

Mr John Pierce
Chairman
Australian Energy Market Commission
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Electronic Lodgement – ERC0195

Dear Mr Pierce

RE: Draft Rule Determination National Electricity Amendment (Improving the accuracy of customer transfers) Rule 2016, National Energy Retail Amendment (Improving the accuracy of customer transfers) Rule 2016 National Gas Amendment (Improving the accuracy of customer transfers) Rule 2016

United Energy (UE) appreciates the opportunity to respond to the Draft Determination, Improving the accuracy of customer transfers.

AEMC has decided not to make a Draft Rule on introducing an address standard as the proposed rule is not likely to materially reduce customer transfer delays and errors.

AEMO also questioned whether an address standard would deliver benefits to the customer transfer process. AEMO considered that the benefits case would be larger if the data cleanse was a full data cleanse and was applied retrospectively to existing data.

AEMO acknowledged that the implementation costs of applying an address standard retrospectively was likely to be high and unlikely to be offset by the benefits. AEMO recognise that an incremental approach would drive costs into participant systems with no discernible benefit in the short to medium term.

AEMC stated that there is no clear evidence that the implementation of an address standard will materially reduce transfer errors or delays compared to current processes.

Despite this, AEMO will consider progressing the address standard via a comprehensive, centrally coordinated update and population of existing DPID field in MSATS which will assist retailers and registered participants in finding the correct NMI with reference to the Australian postal delivery address. AEMO also suggest mandatory updating of the DPID field for any new or amended address data in MSATS, these obligations would be provided for in the MSATS Procedures.

The AEMC Information Sheet suggests that AEMO will consider progressing a centrally coordinated data cleanse of the addresses in the electricity market database.

Address cleansing could take many forms and is a different exercise than the roll out of DPID's. Even with the approaches proposed above, these are not insignificant changes and have the potential to impact internal systems. The supply address is key for the distributor to meet its obligations and UE consider that there are implications of changing the central system without replicating the change across industry. This also confuses the potential mandatory nature of the next new address or address update as to which registered participants are responsible for the update/addition of a DPID.



UE recommend that this analysis work not proceed until metering competition is implemented and any process issues across industry are rectified.

UE consider that AEMO/industry analysis work must define the address problem and ensure the proposed solution will be of benefit to customers before proceeding with the change. It is important that the implications on our systems and industry processes are well understood before proceeding with the change in the electricity market. Although COAG requested this action of AEMO, we suggest that if the analysis is consistent with both the AEMO and AEMC statements that there is no cost benefit, this change should not proceed at customer's expense.

Should you have any comments in relation to this response please do not hesitate to contact me on (03) 8846 9856.

Yours sincerely

Verity Watson
Manager Regulatory Strategy