

8 October 2015

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



Dear Mr Pierce

**Directions Paper: National Electricity Amendment (Meter Replacement Processes) Rule 2015 (ERC0182)**

Energex Limited (Energex) welcomes the opportunity to comment on the Australian Energy Market Commission's (AEMC's) directions paper on the proposed rule change by ERM Power to amend the National Electricity Rules (NER) to clarify the rights and obligations of certain parties involved when the meter is to be replaced.

Energex notes that the AEMC's preliminary conclusion is that while the current process could lead to additional costs for customers and retailers and a delay of up to twenty-six business days before the customer's meter is replaced, the introduction of prospective roles would be "overly complex and disproportionate to the problem identified"<sup>1</sup>. Energex agrees with the AEMC's assessment as it does not believe that the proposed rule change will promote the efficient operation of electricity services but rather will introduce a level of complexity and uncertainty in the new prospective roles and responsibilities for meter replacement that is not in the long-term interests of electricity consumers.

Energex supports the AEMC's alternative solution which is to amend the NER to:

- Clarify that metering installations cannot be replaced by an incoming retailer until the retail transfer is complete;
- Provide that the Metering Provider and Metering Data Provider can be nominated by the incoming retailer to undertake certain roles at the connection point prior to completion of the retail transfer but that those parties cannot commence those roles until the retail transfer is completed; and
- Clarify that commercial arrangements can be entered into between incoming and incumbent parties to churn the meter during the retail transfer period.

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<sup>1</sup> AEMC, Directions Paper: National Electricity Amendment (Meter Replacement Processes) Rule 2015, 10 September 2015, p. ii.

Energex is also supportive of the AEMC's proposal that the meter replacement processes rule change should be implemented in line with the expanding competition in metering and related services and embedded networks rule changes and the introduction of the shared market protocol. However, given the complexity and extent of the changes required to market and participant systems and processes, Energex is concerned that the timelines proposed for implementation of these projects will be difficult to achieve.

Energex is a member of the Energy Networks Association (ENA) and is also supportive of the views and recommendations contained in the ENA's submission on the directions paper.

Should you have any queries regarding this submission, please do not hesitate to contact Ms Leigh Henderson, Acting Network Regulation Manager, on (07) 3664 4118.

Yours sincerely

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

Rachel Leaver  
Acting Group Manager Regulation & Pricing