

11 December 2014

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

Submitted to the AEMC website

Dear Mr Pierce

Reference ERC0169: Expanding Competition in Metering and Related Services, consultation on implementation timetable

Simply Energy welcomes the opportunity to provide input to the Australian Energy Market Commission's (AEMC) consultation on the implementation timetable for the Expanding Competition in Metering and Related Services implementation timetable. Simply Energy is a member of the Energy Retailers' Association of Australia and supports the Association's submission.

Simply Energy strongly supports the proposed metering reforms and seeks to assist the AEMC in developing an efficient and effective implementation program to ensure timely commencement of these reforms, while ensuring the regulatory framework is robust.

An industry view

The IEC, AEMO, and interested stakeholders have worked together to develop an industry view of the required changes for the Power of Choice reforms as a whole, including the Metering Competition rule change. This industry view was discussed at an IEC-facilitated workshop on 10 November 2014, where the IEC and AEMO invited the AEMC, the Australian Energy Regulator, governments, and any interested stakeholders to attend a session discussing the Power of Choice reforms and their impacts on the retail market procedures, systems and processes.

The workshop led to a project plan being developed as a draft implementation plan, based on industry experience of similar implementations and releases.

It is our view that the draft implementation plan provided with the ERAA submission (as a Gantt chart) provides the industry with certainty about the implementation, to ensure that resource requirements are considered.

Key matters

One consistent concern raised at the IEC-facilitated workshop was the need for a coordinated approach to implementation that is managed by a dedicated, independent project management team to ensure readiness of all existing and new market participants.

Metering and meter data is integral to the market. It is fundamental to the settlement of the NEM, operation of the wholesale and retail markets and provides the platform for network and customer billing, and innovative pricing and products being offered to the market.

We note that the implementation of the Power of Choice work program must take account of any potential customer impacts. The draft implementation plan has been developed to ensure that all considerations are made to provide a seamless customer experience in particular for customer transfers, meter data and customer billing.

Supporting Gantt chart

Simply Energy endorses the Gantt chart as representing the overall industry view, outlining an estimate of the time periods required to complete the following:

- Rule change consultation processes based on information provided by the AEMC
- Procedure consultation timings, based on the consultation timing in the National Electricity Rules and previous experience of working on multiple rule changes and similar releases
- Estimates of time periods related to the COAG Energy Council's amendments to the National Energy Retail Rules relating to Smart Meter Consumer Protection
- Assumptions and dependencies made in the development of the Gantt chart that represents the draft implementation plan

The Gantt chart sets out some base interdependencies, sequencing and timeframes, which we expect to require further revision as more information is made available.

Most importantly, the Gantt chart groups rule changes into an efficient release schedule where rule changes with similar impacts on procedures, processes and systems are addressed together to ensure that the implementation of the Power of Choice reforms is delivered in a way that drives an effective outcome in the long term interests of consumers.

Similarly, we believe that a coordinated approach to implementation that is managed by a dedicated, independent project management team is required to ensure readiness of all existing and new market participants.

While it is important that development of Rules and procedures is completed in a robust and thorough manner, we believe a balance can be achieved to ensure that the consumer benefits of the proposed reforms are not unnecessarily delayed. We are hopeful that further assessment of the required tasks may identify further opportunities to reduce the overall timeline without compromising the quality of the regulatory framework.

If you have any questions concerning this submission, please contact James Barton, Regulatory Policy Manager on (03) 8807 1171.

Dianne Shields
Senior Regulatory Manager