

16 December 2016

Ms Lily Mitchell  
Senior Adviser  
Australian Energy Market Commission  
PO Box A2449  
SYDNEY SOUTH NSW 1235



ABN 11 089 791 604  
GPO Box 2947  
Adelaide SA 5001

Free call 1800 665 565  
Free fax 1800 665 165  
contact@ewosa.com.au  
www.ewosa.com.au

Dear Ms Mitchell

**Submission on the Draft Determination:  
Using Estimated Reads for Customer Transfers**

The Energy and Water Ombudsman (SA) Limited ("EWOSA") welcomes the opportunity to comment on the Australian Energy Market Commission's Draft Determination on *Using Estimated Reads for Customer Transfers*.

In this submission, the EWOSA primarily addresses matters that are specifically of interest to the EWOSA Scheme.

EWOSA is an independent Energy and Water Ombudsman Scheme in South Australia. It receives, investigates and facilitates the resolution of complaints by customers with regard to (*inter alia*) the connection, supply or sale of electricity, gas or water.

While using estimated reads to facilitate customer transfers might reduce the average time it takes to transfer customers between retailers, we believe the draft determination not to make a rule on using estimated reads for customer transfers is appropriate. This is due to a number of reasons.

First, the number of complaints received by EWOSA regarding 'Delay in Transfer' fell again in 2015-16, from 257 to 209. There were 450 'Delay in Transfer' complaints received in 2013-14. It should also be noted that total transfer-related complaints dropped by 22 per cent in 2015-16, following a fall of 56 per cent in 2014-15.

Second, the updated data provided in the Draft Determination on customer transfers indicates that the average time taken to transfer customers between retailers is falling (from 37 days to 30 days) and that the proportion of customers experiencing long delays is also falling.

Third, further reductions in the average time taken to transfer customers between retailers can be expected as advanced meters become more prevalent following the implementation of the expanding competition in metering rule and retailers continue to improve their processes.

Fourth, as indicated in the Draft Determination, the costs to retailers and distributors to upgrade their systems – to comply with the rule change requested by the COAG Energy Council – appear to be considerable and would ultimately be passed on to customers.

Finally, the high likelihood that charges for estimated reads would be about the same as those for special meter reads, as indicated by distributors via the Draft Determination, means that many small customers with the option to choose an estimated read would not do so, particularly given that such reads would be less accurate. This, combined with the general distrust customers have of estimated reads, would make any rule to allow the use of estimated reads for customer transfers less effective.

Should you require further information or have any enquiries in relation to this submission, please email me at [antony.clarke@ewosa.com.au](mailto:antony.clarke@ewosa.com.au) or telephone me on (08) 8216 1851.

Yours faithfully



Antony Clarke  
Policy and Research Officer  
Energy and Water Ombudsman SA