



## Meter read and billing frequency

### Stakeholder submissions invited on new rule change request

**The AEMC has commenced consultation on a rule change request received from Ergon Energy Queensland (Ergon) relating to the requirements on retailers to issue a bill to small customers at least once every three months.**

#### Summary of the rule change request

The National Energy Retail Rules (NERR) requires retailers to issue bills at least once every three months to small customers on standing offers. However, under the Australian Energy Market Operator's (AEMO) *Service Level Procedure: Metering Data Provider Services*, Metering Data Providers are only required to use best endeavours to collect meter data at least once every three months.

Ergon notes that the firm obligations on retailers under the NERR and the best endeavours obligations on Metering Data Provider under AEMO's Procedure are inconsistent. It considers that this impacts on the ability of retailers to provide a bill based on actual consumption to small customers on a standing offer at least once every three months, resulting in a greater number of estimated bills.

To address this issue, Ergon seeks to amend the NERR to enable a retailer to delay issuing a bill to a small customer supplied under a standing offer until a meter read is provided by the relevant Metering Data Provider in accordance with AEMO's Procedure.

Ergon considers that its rule change request will enhance consumer experience and confidence in retail markets, by providing for bills to be based on actual consumption and reducing the number of estimated bills issued.

#### Issues for consultation

The AEMC has published a consultation paper that focuses on three potential solutions to the issue identified by Ergon:

- allowing retailers to delay issuing a bill to a small customer supplied under a standing offer until a meter read has been provided by the Metering Data Provider, subject to a maximum time limit (Ergon's proposed solution);
- recommending to AEMO that it amend its *Service Level Procedure: Metering Data Provider Services* to require a Metering Data Providers to read meters more frequently so that bills are more likely to be issued on the basis of actual consumption at least once every three months; or
- maintaining the current arrangements in which some small customers may receive estimated bills.

All three of these solutions involve some degree of trade-off between the frequency of bills, the accuracy of bills and the costs of billing. The AEMC is interested in stakeholder feedback, particularly from consumers, on the appropriate balance between these trade-offs. The AEMC is also interested in stakeholder feedback on how it should best engage with consumers on their preferences with respect to these trade-offs.

#### Consultation process

The consultation paper and Ergon's rule change request are both available on the AEMC's website. Stakeholders are invited to make written submissions in response to issues raised in the consultation paper and the rule change request by no later than **28 January 2015**.

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