



8 November 2017

Mr Owen Pascoe
Director
Australian Energy Market Commission
Level 6, 201 Elizabeth Street
Sydney NSW 2000

By email: submissions@aemc.gov.au

Dear Mr Pascoe,

Strengthening protections for customers requiring life support equipment – RRC0009

CitiPower, Powercor and United Energy welcome the opportunity to respond to the Australian Energy Market Commission's (AEMC) consultation on the proposal to strengthen protections for customers requiring life support equipment.

The draft rule determination applies to jurisdictions which have adopted the National Electricity Retail Law and Rules (NERR) and therefore does not apply directly to Victoria. If the rule changes proposed are accepted this will however likely require B2B Procedure amendments, these amendments which will apply in Victoria.

The protection of life support customers is an important matter for all energy stakeholders and we continue to take a keen interest in any policy and legislative developments in this space.

While we strongly support the intent of the proposed rule change, we provide the following comments:

- we continue to support the establishment of a central registry for life support customers (LSC);
- we support enhancements to the Australian Energy Market Operator (AEMO) B2B Procedures to allow distributors to notify retailers of necessary information on LSC. Adequate consultation time must be provided in the Rules to allow a considered approach to be taken to implementation of the amendments;
- consideration that the wording for "at least" one extension for a minimum of 25 days be limited to one extension only (draft rule 124A);

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- the retailer or distributor upon de-registration or notice of vacated premises, must *promptly* notify the other provider, rather than within 5 business days (draft rule 125(7), (8), (9) and (10));
- we recommend the removal of draft rule 125(11) and (12) as multiple verification requests is inefficient and undermines confidence in the initial registration process;
- clarification is required as to whether non registration process owners can de-register LSC when it has been confirmed that the customer no longer requires life support; and
- there is complexity surrounding “intending to reside” customers with existing market arrangements.

We expand on these points below.

Central registry

There is currently no national life support register. In Victoria retailers are the custodians of, and hold all customer information, including LSC information and customer contact information. Retailers register LSCs when contacted by the customer. Should a customer contact their distributor directly, then the distributor would refer the customer to their retailer for life support registration.

The AEMCs’ current draft specifies that the customer can initiate registration with either the retailer or distributor, and that the registration initiating party needs to notify the other party of certain details. This will lead to confusion for customers and the market and continue to result in inaccurate life support register data. We believe this could be remedied by the establishment of a central registry administered by AEMO.

Should no central registry be established, as a secondary option, we support enhancements to the B2B procedures which at a minimum include facilitating a bi-directional exchange of customer information between distributors and retailers. At the current time, market systems are limited to retailers providing customer information to distributors (noting that email and telephone numbers are not mandatory fields); distributors are not in a position to notify customer information to retailers. If systems are not reciprocal the distributor notification process would be via email and the retailer notification process would be via B2B. A reciprocal transactional requirement is more efficient and a matter which extends beyond B2B procedural matters. We therefore recommend that such enhancements be addressed in the Rules.

We are however cognisant of other industry initiatives which are the current focus of B2B working groups including the Power of Choice amendments. Commencement of any changes for bi-directional notifications on life support or any other consequential changes is unlikely to occur before February 2018 which renders a May 2019 implementation date challenging. We would propose that implementation be set for August 2019 which is achievable and allows for the

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development of changes to the B2B procedures, consultation on the changes and implementation by industry.

Extension limits to provide medical confirmation forms

Draft Rule 124A allows the customer a minimum of 50 business days to provide a medical confirmation form, with at least two notices to remind the customer of the need to complete and return the confirmation form. On request from the customer, the customer can have at least one extension of a minimum of 25 business days to return the form. This amounts to three notifications to the customer and almost 4 months to provide the medical confirmation form. We support the proposed registration process, with a recommendation to amend the requirement to one extension.

Prompt timing for notification of deregistration and vacated premises

Where a customer advises a retailer or distributor that life support equipment is required at premises, the retailer or distributor must *promptly* notify the other. If a customer does not provide a medical confirmation notice, the retailer or distributor may de-register the customer. If the retailer or distributor choose to deregister they need only notify the other of the deregistration notice within *5 business days*. Furthermore when a customer advises a retailer or distributor that they have vacated the premises and no longer require life support equipment, a retailer or distributor is required to inform the other of the advice received within *5 business days*. We propose that draft Rules 125 (7), (8) and (9) and (10) respectively, should be amended to reflect the same timeliness of the initial registration; i.e. *prompt notice* not five business days.

Validating customer circumstances

We recommend that draft Rules 125 (11) and (12) be removed because if the retailer or distributor has taken reasonable steps to ensure a valid request, the other notified party should not need to attempt to contact the customer a second time to verify the advice. This is inefficient and undermines the initial validation process. More significantly, in circumstances where family has lost a loved one or a family member has moved to palliative care or a nursing home, constant requests to verify the same advice may be upsetting.

Ability to de-register life support premises

Draft Rule 125 (13) enables a distributor or retailer at any time to request a customer who has been registered under draft Rule 124, to confirm whether life support equipment is still required at the premises. What the Rule does not make clear is whether a non-registering party, upon verification of being advised by the customer that a premise does not require life support equipment, can deregister that premises. We recommend that the Rule be amended to enable a non-registering

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party to deregister premises if they have confirmed that a customer does not require life support equipment.

“Intending to reside” customers

Draft Rules 124(1) and (3) require retailers and distributors to register life support equipment of a customer “intending to reside” at a premises requiring life support.

The intention concept is problematic for existing market arrangements which have been developed on the basis that there is no relationship of the premises, customer, distributor and retailer until the commencement of a retailer sale and distributor supply contract.

Furthermore for the purposes of data accuracy and integrity, market systems will only enable update of customer details by a party that has a current relationship with the customer. This is particularly important because a customer may switch retailers before moving into the intended premises having received a more competitive sale offer. For distributors who have requirements to immediately provide information to life support customers, this means that the emergency customer contact information may not be correct.

We therefore propose that these draft rules are amended to better reflect that notifications are only required when the tripartite relationship between customers, retailers and distributors has been formally established by contract and is active at the premises and in the market systems.

We would be pleased to discuss any aspect of this response with the AEMC. Please contact Joanne Parry on 03 9683 4088 or jparry@powercor.com.au.

Yours Sincerely

Brent Cleeve
Head of Regulation

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