

Australian Energy Markets Commission
PO Box A2449
Sydney South, NSW, 1235

Project Reference RRC0009

08 November 2017

Lodged online: <http://www.aemc.gov.au/Contact-Us/Lodge-a-submission.aspx>

Re: Draft Rule Determination, National Energy Retail Amendment (Strengthening protections for customers requiring life support equipment) Rule 2017

The Australian Energy Council (the Energy Council) welcomes the opportunity to make a submission to the Australian Energy Market Commission (AEMC) on the Draft Rule Determination – Strengthening protections for customers requiring life support.

The Energy Council is an industry body representing 21 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia, and sell gas and electricity to over 10 million homes and businesses.

The Energy Council supports improvements to processes and practices in the national electricity markets relating to the management of individuals with life support requirements. The existing mechanisms to protect life support customers can and should be strengthened. Providing mechanisms to check registers to increase their accuracy will provide better outcomes for businesses and customers.

Industry Consultation and Implementation Time Frames

The Energy Council is concerned that the six month implementation period may be too short. To the extent that changes to the B2B Procedures will be required to accommodate the rule change, adequate time will be required to undertake consultation on the B2B Procedures and then make necessary system and process changes to be compliant with the draft rule. Given the parallel notification requirements, all industry participants will need to be operationally ready. The Energy Council believes six months would be the absolute minimum requirement for changes to be implemented. Businesses may need longer to accommodate the systems changes required in the context of other systems changes which are required as a result of the Power of Choice reforms and other existing reforms, which particularly impact the beginning of the time period.

Registration Process Owner

The Energy Council agrees with the concept that the first point of customer contact become the 'registration process owner'. This should assist customers to have clarity over who to contact regarding life support needs.

The Energy Council supports the more favourable rule in which either the retailer or the distributor can deregister the customer once informed the customer no longer requires life support status. This adds flexibility over the AER's proposed rule where only the 'registration process owner' could

deregister the customer. Enabling deregistration by either the retailer or the distributor should result in fewer inaccurate registrations. Either business may contact customers to confirm their life support registration and deregister if the customer no longer requires life support status. This will enable retail or distribution businesses to check the accuracy of their registers.

Emergency Contact

Under draft rule 124(1)(vi), an emergency contact number must be provided for both the distributor and retailer. The Energy Council questions whether an emergency contact for a retailer is appropriate. In an emergency situation where the customer may be disconnected through unscheduled outages, the distributor would be best placed to deal with the emergency promptly and accordingly we propose that the contact number for the distributor only be provided.

Transitional arrangements

The Energy Council agrees that applying protections to all life support customers will reduce confusion and ensure all customers are entitled to the same protections. However, there is concern regarding medical confirmation for existing life support customers. Businesses may have large numbers of customers who have not provided medical confirmation to date. The rules will need to clearly indicate whether existing customers are required to provide medical confirmation as per the new rule or are exempt from this requirement as some customers may have been on the life support register for long periods. We are concerned that introducing a requirement to provide medical confirmation at this point may be confusing to existing life support customers.

Conclusions

While the Energy Council supports the development of more efficient and robust protections for life support customers, there are some concerns with the details of implementation. Attention should be paid to transition timelines and businesses should be consulted in an open forum so as to avoid any unintended consequences from the changes. There is material risk if processes are not able to be implemented appropriately.

Should you have any questions in relation to this rule change request please contact Isobel Graham, telephone (03) 9205 3107 or isobel.graham@energycouncil.com.au.

Yours sincerely,



Sarah McNamara
General Manager Corporate Affairs