



22 December 2016

Ms Lily Mitchell
Senior Advisor
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

By electronic lodgement

Dear Ms Mitchell

ERC 0196 – Using estimated reads for customer transfers – draft rule determination

Origin Energy (Origin) welcomes this opportunity to comment on the Australian Energy Market Commission's (AEMC) draft rule determination on the use of estimated reads for the transfer of customers. We appreciate the comprehensive consultation process the AEMC has offered stakeholders to this and the related Improving the Accuracy of Customer Transfers rule change.

Origin agrees with the AEMC's conclusion that implementing the rule change would be unlikely to contribute to the achievement of national electricity objective and carries with it material implementation costs and operational complexity.

Evidence of recent improvements in transfer times and the implementation of the metering competition rule change and deployment of advanced meters suggest that the rule change wouldn't noticeably shorten the length of time taken for a customer to transfer. Adding to this any fee levied by distribution businesses that may be set at a similar level to a special read and the cost for industry to implement and manage transfers based on estimated reads, suggests that making the proposed rule will lead to significant costs with no guarantee that this basis for customer transfer would be used.

The preconditions that needed to be met under the proposed rule (in situ transfers only, explicit informed consent provided by the customer, manually read metering installed and the requirement that the meter read immediately prior to the estimate be an actual read), would have limited its application. Given the complexity involved, retailers and customers could (and do) opt for a special read to be taken to accelerate the transfer process.

We believe the ongoing deployment of advanced meters will continue to reduced transfer times for customers across the National Electricity Market and note that such installations have increased in number materially over 2016 outside of Victoria (where a one hundred per cent deployment is essentially completed).

In summary, we support the draft determination made by the Commission and would welcome further discussion with the AEMC on this matter. In the first instance, please contact David Calder on (03) 8665 7712.

Yours sincerely

A handwritten signature in blue ink, appearing to read "K. Robertson".

Keith Robertson
Manager Wholesale and Retail Regulatory Policy
(02) 9503 5674– Keith.Robertson@Originenergy.com.au