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Australian Energy Market Commission
PO Box A2449
South Sydney NSW

5 May 2016

Submission to Australian Energy Market Commission (AEMC)

Draft Rule Determination

National Electricity Amendment (Meter Read and Bill Frequency) Rule 2016

31 March 2016

EEQ is a Queensland Government-owned non-competing retailer operating in regional Queensland that provides electricity to more than 700,000 homes and businesses and helps regional Queenslanders manage their energy consumption. It has a team of people servicing regional Queensland customers from contact centres and offices located in Townsville, Rockhampton, Maryborough and Brisbane.

Ergon Energy Queensland Pty Ltd (EEQ) welcomes the opportunity to provide comment on the Australian Energy Market Commission's (AEMC's) Draft National Energy Retail Amendment (Meter read and billing frequency) Rule 2016 No.1 ('Draft Rule').

EEQ supports the Draft Rule as it allows additional time for a retailer to receive actual metering data without requiring market participants to increase the frequency on meter reading (that would most likely have resulted in additional costs being passed through to all small customers).

EEQ as the initial proponent of a rule change relating to meter reading and billing frequency sought alignment for the range of market participant obligations and the issuing of a bill to a small customer based on an actual read.

The alignment of these obligations would then facilitate an improved customer experience and confidence in retail markets by ensuring that more bills were issued based on actual meter data rather than estimated metering data.

It is EEQ's experience that where a customer receives an unexpected estimated bill it is more likely to result in a negative customer experience which drives an increase in complaints and requests for 're-bills' using (actual) metering data.

In its rule change EEQ considered a safeguard option of a maximum of 120 days between bills to align with metrology procedures. Whilst the Draft Rule provides a shorter bill frequency period than that proposed by EEQ - the 100 days proposed will ensure that a greater number of bills can be issued based on an actual metering data.

EEQ believes that it is in the interest of both retailers and customers that bills be issued for predictable periods, and where possible, comparable amounts. The proposed approach to allow more bills to be based on an actual meter read is expected to provide sufficient benefits and protections for a customer. The restriction by the draft rule to impose a bill frequency of 100 days will ensure frequency of bills is maintained and customers are not adversely impacted by potential bill shock from receiving high bills caused by longer billing periods.

These benefits are anticipated to manage the likelihood of 'bill shock' for customers and provide greater certainty for customers where the current Rules may require retailers to issue more estimated bills, potentially followed by a replacement bill a short time later using actual meter data.

If you require additional information on these matters, please do not hesitate to contact John Sculli, Acting Manager Retail Regulatory Affairs on (07) 3851 6771 or john.sculli@ergon.com.au.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Ben Verdon', with a stylized, scribbled appearance.

Ben Verdon

Acting General Manager Wholesale Markets