

3 September 2020

Conrad Guimaraes
Adviser
Australian Energy Market Commission

Dear Mr Guimaraes,

RE: Maintaining life support customer registration when switching rule (RRC0038)

Australian Gas Infrastructure Group (AGIG)¹ welcomes the opportunity to provide feedback on the Australian Energy Market Commission's (the Commission) Consultation Paper in response to the life support rule change request from the Energy and Water Ombudsman of New South Wales (EWON)².

AGIG supports any amendments to the current life support requirements that will improved the safety and efficiency of current arrangements.

In summary, the rule proposal seeks to enable the transfer of medical information between outgoing and incoming life support registration process owners following a customer change of premises or retailer. AGIG supports the Commission statement "*Medical confirmation is a critical component of Part 7 of the NERR*"³.

We have the same concerns as the Commission expressed in their 2017 decision and support that the rules should always prioritise "*the accuracy of life support registers as a way of protecting life support customers*". We therefore consider that the AEMC should carefully consider the additional risks and complexities associated with increased data flows between parties.

Presently, there are no automated processes or systems in place to manage the transfer of the required gas life support information between retailers and gas distributors in any states. The processes that are in place in both South Australia and Queensland are manual⁴ and are not able to effectively manage the increasing volumes of life support customer registrations. The Australian Energy Market Operator (AEMO) has announced that it will introduce the Life Support Notification and Life Support Request transactions to gas retail market systems. The target date for these changes is December 2021.

¹ AGIG is one of the Australian leading gas infrastructure company which consists of three gas businesses including two gas distribution companies Multinet Gas Networks and Australian Gas Networks (AGN) as well as a gas transmission company Dampier Bunbury Pipeline (DBP).

² AEMC, Maintaining life support customer registration when switching, Consultation paper, 6 August 2020

³ Ibid, page 5.

⁴ The current email based manual gas life support process is prone to errors due to inconsistent CSV file formats requiring manual system upload. There are potential privacy issues when dealing via email with the current process. Both Retailer and distributor must ensure all communication is password protected.

Unlike electricity fueled life support equipment (for example an oxygen concentrator or kidney dialysis machine), gas fueled life support equipment (for example a heater or hot water service) may be fueled by electricity or gas depending on the fuel usage of appliances at the premise. A customer may be using a gas heater for life support at their current premise but they move to a new premise and the heater they will use for life support may be fueled by electricity only rather than gas. In this case, the life support register will be inaccurate and the customer may not be receiving protection if the status of their life support is not reassessed when the customer moves premises.

We request that the Commission considers amending the rules to adopt the registration approach in Victoria whereby the registering owner is required to clarify whether a customer's life support equipment is fueled by electricity or gas or both fuel types. Currently, process owners with dual fuel customers are expected to automatically register any customer who requires life support equipment as requiring it for both electricity and gas. This creates inefficiencies and additional cost to both retailers and for distribution networks, which are ultimately born by customers.

We have received a number of enquiries from customers who have been registered as requiring life support when their equipment is not fueled by gas. One example was a customer with a person residing at the premise requiring a continuous positive airway pressure (CPAP) machine. A CPAP machine is fueled by electricity only not gas but they were registered for gas and electricity.

The customer contacted us to inform us that the CPAP machine does not use gas and to de-register them. As we were not the process owner we had to instruct the customer to contact the retailer directly. This understandably frustrated the customer. We forwarded the customer's email to the retailer, although they were unable to enact the de-registration process based on the information we provided under the NERR. We believe the Victorian requirements provide clear guidance to the market to ensure that customers are correctly registered for the supply of the specific required energy source.

We currently have more than 1,045 customers registered for gas life support in our South Australian and Queensland gas networks. Of the 1,045 customers, only 132 customers (12%) have provided Medical Confirmation. The number of gas life support customers has increased by more than 290% since September 2019. Our experience is that, as the number of registrations is increasing, we are finding more customers that are experiencing issues due to erroneous life support registrations.

An example of this was a property developer that purchased a property to demolish. They contacted us directly to have the gas meter removed to enable the safe removal of the structures. We were unable to remove the gas meter, as the premise was registered as requiring life support. Upon investigation it was identified that the life support registration was maintained for the premise when the new owner contacted the retailer. The customer was required to contact the retailer and request that the life support registration be removed. The de-registration process takes a minimum of 21 business days and we were unable to remove the gas meter until the de-registration process was completed. This resulted in substantial delays and costs to the customer.

We request that the Commission considers amending the rules to adopt the de-registration rules used in Victoria regarding change of circumstances. In Victoria, in relation to de-registering a customer's premises because of a change of circumstances the rules permit a customer or their authorised representative to give their explicit informed consent for de-registration to occur on a specified date. The rules require records of explicit informed consent to be kept for two years.

The Essential Service Commission considered that there was merit in allowing customers to provide their explicit informed consent to de-register a premises as requiring life support equipment because of a change of circumstances. They stated it would appear to provide:

- *a more sensitive way of treating relatives of a loved one who has died, particularly where the person who has died is the account holder and will have correspondence issued in their name that also enquires if they still need life support protections;*
- *less opportunity to inadvertently de-register a life support customer when the customer is seeking registration with a new retailer at the same premises; and*
- *less delay when a premises is to be demolished or a meter is to be abolished yet the premises is still 'flagged' as a residence where a customer requires life support equipment.⁵*

Currently, if the customer fails to provide medical confirmation to the registration process owner, there is not a requirement to deregister the premises⁶. We request the Commission consider amending the rules to ensure that the registration process owner must follow the rules-based deregistration process if medical confirmation is not provided⁷. The provision of life support services to premises where these services are not required unnecessarily increases distributor's resource requirements, such as managing and scoping planned outages and reviewing connections, which are avoidable costs that are ultimately paid for by all customers.

Life support registers with up-to-date information that more accurately reflect the needs of customers will enable distributors to prioritise genuine life support customers when managing network interruptions. This will also promote greater consistency across jurisdictions.

Should you have any queries about the information provided please contact Vicky Knighton, Head of Compliance (0417 133 361, vicky.knighton@agig.com.au).

Yours sincerely,



Craig de Laine
General Manager People and Strategy

⁵ Essential Services Commission 2019, Strengthening protections for life support customers: Final Decision, 5 December

⁶ NERR, 124(1)(b)(ii), 124(4)(b)(ii), and 124A(2)(d)(iii).

⁷ NERR, 125.