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Jessica Robinson
Director, Pricing
Independent Pricing and Regulatory Tribunal
Level 15, 2-24 Rawson Place
SYDNEY NSW 2000

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Submission via email

Dear Ms Robinson,

Retailers' meter installation practices in NSW

AGL Energy welcomes the opportunity to comment on the Independent Pricing and Regulatory Tribunal (IPART)'s review of NSW electricity retailers' metering practices.

AGL started its digital metering business, Active Stream, in May 2015 and since that time has installed more than 230,000 digital meters across New South Wales, Queensland and South Australia. In December 2017, Active Stream was sold to Ausgrid. AGL's decision to divest Active Stream reflects the evolution of AGL's strategy to become technology agnostic in the development of innovative, data-enabled energy products and services that are accessible to all customers, regardless of meter provider. Active Stream continues to provide digital metering services to AGL on a non-exclusive basis.

Metering issues

The commencement of Power of Choice, from 1 December 2017, has been accompanied with new market rules, market participants and associated new business and communication processes. The requirement for a planned interruption communication to be provided to the customer with at least 4 business days' notice, advising them of a specific day their meter installation will occur (Rule 59C (2) of NERR) has had the most significant operational impact to AGL and its metering partners. These impacts to the overall timeliness of new meter installations has included:

1. **Introduced longer planning times.** AGL and its metering partners have focused on ensuring that customers receive a planned interruption communication with a specified day for attendance in advance of the metering work. Since this level of planning requires a longer lead time, with more coordination between AGL and metering coordinators, significant delays have been added to meter installations.
2. **Reduced meter installer productivity.** Meter installations requiring a specific appointment day advised ahead of time has reduced installer productivity. Whilst the activity of replacing a meter has not changed, metering installers can no longer take advantage of any flexibility in their schedule. There are various examples of this inefficiency, including but not limited to:
 - a. Installers are unable to undertake additional work when sites scheduled for the day have been completed, even when the installers have the capacity and meter stock to continue working;



- b. Installers are unable to complete work that is geographically located near each other if the initial scheduling for the sites does not occur at the same time; and
 - c. Installers are unable to reschedule work to the following day or bring scheduled work forward, even at the request of the customer.
3. **Conservative planning.** As the productivity of installers has dropped, so too has the number of planned installations per day. Metering coordinators must be conservative in their appointment scheduling as the meter installation can only occur on the advised date and are advising dates further and further into the future to ensure the appointment is met.
4. **Increased rescheduling effort.** Any missed appointments must be rescheduled for a minimum of a week later, as it must again factor in the four business-day notification of the planned interruption. Any disruption to the schedule from weather, access to the site or change of schedule time at the request of the customer requires a full rescheduling and re-notification to the customer.

Accordingly, there has been a significant reduction in the number of new meter installations.

Proposed solution

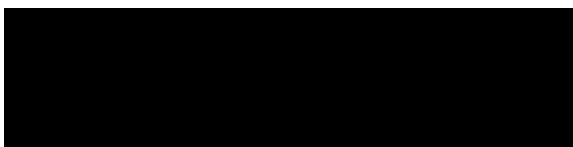
In AGL's experience, customers generally prefer their meter installation to be as prompt as possible. While some customers desire a specific installation timeframe for a variety of reasons, including access issues and security, the overwhelming customer feedback has been that this is a secondary concern to being able to commit to a prompt installation timeframe.

The proposed solution is to allow customers to waive their right to the planned interruption communication and advanced notice of a specific installation date. This allows customers to ask to have their meter installed as soon as an installer can attend their property without the lengthy scheduling and notification periods. It would also allow customers to have more say over the level of service they require. They can request for the meter to be installed as soon as possible and waive their rights to a specific installation date, or they can choose to be informed of a specific installation date via the existing planned interruption communication process, acknowledging that in most cases this will be a longer process to fulfil.

The AEMC is currently evaluating a proposed rule change to improve the meter installation process for customers. AGL supports the changes proposed by the Australian Energy Council including allowing retailers and customers to agree to a planned interruption within the 4-day notification period.

Should you have any questions in relation to this submission, please contact Meng Goh, Senior Manager Regulatory Strategy, [REDACTED]

Yours sincerely,



Elizabeth Molyneux
General Manager, Energy Market Regulation