

2 November 2018

Ms Jessica Robinson
Independent Pricing and Regulatory Tribunal (IPART)
PO Box K35
Haymarket Post Shop NSW 1240

Dear Ms Robinson,

RE: IPART Draft Report – *Retailers' metering practices in NSW*

Endeavour Energy welcomes the opportunity to respond to IPART's draft report on retailers' metering practices in NSW. Recognising the recent metering experience for many customers has been poor, the draft report complements the Australian Energy Market Commission's (AEMC) metering installation timeframes draft rule by making recommendations to further simplify the process for meter installations.

We support changes that promote the take up of smart meters. With capabilities that facilitate efficient cost-reflective tariffs and allow customers to better control their electricity costs, it is important that customers not be discouraged from transitioning to a smart meter.

The draft report recognises the AEMC's draft rule has the potential to reduce meter installation delays by encouraging retailers to coordinate meter installation on a date agreed by the customer. However, it suggests the exemption provisions potentially limit the effectiveness of the draft rule. To reduce the incidence of exempted cases, the draft report recommends allowing Metering Providers (MP) to deploy the resources necessary to undertake all tasks associated with installing a meter.

We believe the installation process could be made more efficient by permitting MPs to perform additional metering activities. Specifically, removing the current restrictions on MPs operating service fuses and conducting live isolations for the purposes of installing a meter could be a workable and pragmatic solution that may avoid multiple site visits which create delays that contribute to current customer dissatisfaction.

It is imperative that any new arrangements seeking to improve metering practices do not compromise the safety of workers or the electrical integrity of the metering installation. To preserve safe work practices, it would be appropriate for MPs to attain safety and technical qualifications and authorisations commensurate with their metering work as a condition of their accreditation. This may require a level of training to demonstrate a level of competency equivalent to a Level 2 Authorised Service Provider (ASP).

Furthermore, expanding the scope of work MPs are able to perform should be coupled with increased levels of accountability. Clear boundaries of responsibility may need to be established to ensure parties other than the MP do not bear undue risk or are held liable in the event of an MP failing to properly fulfil their metering obligations.

The AEMC's draft rule also allows retailers to issue a planned interruption notice (PIN) within the standard four day notice period where the affected customer consents. This flexibility does not apply for shared fuse and multi-occupancy premises where customers are with different retailers. In these cases, responsibility for PINs remains with the Distribution Network Service Provider (DNSP). However, the draft report suggests coordination inefficiency could be reduced if MPs are allowed to issue the PIN instead of the DNSP.

The current notification procedures have been developed to provide all affected customers advanced warning of a supply interruption to enable them to prepare or make alternative arrangements to reduce inconvenience caused by a loss of power. Overall, we consider the procedures achieve this objective but recognise there may be opportunities to streamline the notification process which will require retailers (and parties acting on their behalf) to work more collaboratively with each other.

For instance, the need for DNSPs to issue PINs in shared fuse situations arises because the MP performing the metering work is not able to identify competing retailers who service other affected customers. Delays from requiring a DNSP to issue a PIN could be avoided if MPs had access to the requisite information to obtain approval from another retailer's customer to disconnect supply to facilitate a meter installation. We understand that updates to Market Settlement and Transfer Solutions (MSATS) planned for May 2019 will allow MPs via their Metering Coordinator (MC) to discover the retailer of affected customers, thus providing them with the visibility required to initiate contact and coordinate a meter installation. Leveraging from this system enhancement and cooperation from retailers could reduce installation timeframes.

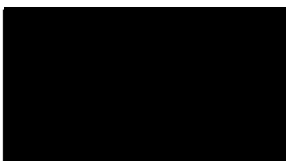
A concern we have about the proposal for MPs to issue PINs on behalf of the DNSP for shared fuse situations is that DNSPs, from a regulatory perspective, remain accountable for the actions of MPs - especially where the MP fails to notify or incorrectly notifies an affected customer. As previously stated, changes to current arrangements may require realigning MP accountabilities with their new responsibilities. We expect that the retailer (or a party acting on their behalf) should be accountable for issuing PINs for metering work initiated by the retailer.

Furthermore, if MPs were permitted to leave written notices of supply interruptions at all affected premises, we suspect that customers in many instances would be likely to disregard any PIN issued by a party from whom they have no existing relationship as possibly a form of marketing material. This has the potential to have a particularly adverse impact on vulnerable and life support customers.

Whilst we believe there is merit in allowing retailers to issue all PINs, until it is demonstrated they have the systems and processes in place to effectively coordinate metering installations, it may be preferable for DNSPs to retain responsibility and accountability for issuing PINs where more than one customer is impacted.

If you have any queries or wish to discuss this matter further please contact Joe Romiti, Regulatory Analyst at Endeavour Energy on (02) 9853 6232 or via email joseph.romiti@endeavourenergy.com.au.

Yours sincerely,



Jon Hocking
Manager Network Regulation
Endeavour Energy