



1 November 2018

Dr Peter J Boxall AO
Chair
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop, NSW 1240

Dear Peter

Retailers' metering practices in NSW

Thank you for the opportunity to comment on IPART's Draft Report *Retailers' metering practices in NSW*.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. Our comments are informed by our investigations into these complaints, and also from our community outreach and stakeholder engagement activities.

EWON actively participated in the discussions associated with the Australian Energy Market Commission's (AEMC) Power of Choice project. EWON also participated in the discussions and provided submissions to the rule changes enabling competition in metering. While welcoming competition and innovation, we emphasised that new metering arrangements should benefit consumers, or at least ensure that consumer detriment does not emanate from new metering arrangements as compared to the prior arrangements.

In our initial submission¹ to IPART, we detailed a trend, over a six-month period, of an increase in complaints from customers concerning the installation of digital meters by retailers.

The following table provides a breakdown of digital meter complaints overall and those relating to delays in installation with new connection delays shown separately.

Digital Meter (DM) Delay Complaints July – September 2018

	All Digital Meter Complaints	Installation Delay Complaints		New Connection Delay Complaints	
July	226	110	48.7%	32	14.2%
August	235	114	48.5%	31	13.2%
September	202	107	53.0%	32	15.8%

This data demonstrates that the number of customers complaining about meter installation delays remains steady both in number and as a percentage. The overall number of customers complaining about new connections, while decreasing slightly, remains high, and we are of the view that it is too early in the rollout to express a view that digital meter complaints are decreasing.

¹ [EWON Submission IPART's Review of electricity retailers' meter practices in NSW](#).

Our overarching view that is retailers are not yet taking ownership of their metering responsibilities.

EWON strongly supports the AEMC rule change on metering installation timeframes, currently underway, intended to introduce fixed timeframes into the rules and look forward to this rule change significantly reducing meter installation delay complaints.

The IPART Draft Report

EWON welcomes IPART's conclusion that retailers are not delivering an acceptable level of customer service to customers requesting a meter. The issues identified by IPART are consistent with the complaints received by EWON. Our customer complaints show delays that have financial impacts as well as causing significant inconvenience. They also identify poor communication both about the process and about the actual installation as a source of consumer frustration. This frustration is added to by problems and delays in direct communication with retailers.

IPART's focus on simplification of current NSW processes is a positive addition to the AEMC's rule change.

IPART's conclusion, that Metering Providers should be trained, accredited and authorised to undertake all works necessary for meter installations, complements the introduction of regulated timeframes for meter installation. Such an expansion of the work undertaken by Metering Providers will require careful consideration in the context of current NSW regulations, especially concerning safety. Improved training and skills for Metering Providers should have the additional benefit of reducing complaints about faulty installations.

EWON strongly endorses IPART's recommendation that retailers and the Department of Planning and Environment should provide more detailed information about the process for applying for a meter, and the roles and responsibilities of the new parties.

Guaranteed Service Level Payment

It is worth noting that in NSW, the Electricity Supply (General) Regulation 2014, Part 2 – Division 2, Clause 6 imposes penalties on distributors who fail to provide a small customer connection service on or before the date agreed between the distributor and a small customer. The distributor must pay to the customer, as compensation for the delay, not less than \$60 for each day that elapses between the agreed date and the date on which the service is actually provided (up to a maximum total of \$300).

IPART might like to consider if a similar guaranteed service level payment should apply to retailers, now that they have responsibility for metering installation.

If you would like to discuss this matter further, please contact Rory Campbell, Manager Policy & Research, on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW