



2 November 2018

Jessica Robinson
Energy Retail Market Monitoring
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
NSW 1240

Dear Ms Robinson

Essential Energy's submission on the Draft Report on Retailers' metering practices in New South Wales

Thank you for the opportunity to provide a submission to the Independent Pricing and Regulatory Tribunal's (IPART) draft report published on 2 October as part of the Review of Retailers' metering practices in New South Wales (the review).

Essential Energy welcomes the work IPART is doing to improve customer experience and outcomes with respect to the installation and replacement of residential customers' meters. It is in all parties in the electricity industry's interests to make sure that customers do not experience unnecessary delays or costs in the process of obtaining a new or replacement meter. The IPART report and the associated recommendations will address some issues that have arisen in the transition to competitive metering provision.

The draft report makes two recommendations, these are:

- That a Level 2 Accredited Service Provider (ASP) accreditation may be an excessive requirement for certain metering works and, subject to safety regulations, a lower level of accreditation should be available, so that Meter Providers can deploy the resources necessary to undertake all tasks associated with installing a meter, including:
 - operate any service fuse carriers required to de-energise a site for a meter installation
 - conduct live isolation work, where necessary
 - install ripple control relay devices, where required, and
 - provide planned interruption notices to affected customers on the spot
- That retailers and the Department of Planning and Environment should include more detailed information about the process for applying for a meter, and the roles and responsibilities of the new parties on their websites.

Essential Energy supports these recommendations. There is scope to streamline the process for customers and remove unnecessary costs and delays. We also support the provision of information to customers so that they are aware of the roles and responsibilities of the parties involved in the process and can form reasonable expectations of the time it will take to have their meter installed or replaced.

Our submission will focus on the recommendation that Metering Providers should be able to install ripple control relay devices in the Essential Energy distribution region.

Currently, Essential Energy has a large number of controlled load customers on our network. There are approximately 487,000 of these customers and around 1600MW of controlled load. This is far larger than the scale of controlled load on the other distribution networks in New South Wales. There are a number of reasons for this large amount of controlled load on Essential Energy's network, for example, many of our customers have historically not had access to reticulated gas infrastructure for domestic water heating.

Essential Energy has developed a platform that allows us to accurately control this significant amount of load and provides flexibility in how we manage our network. It is important that this level of control is maintained so that the current platform can continued to be used therefore avoiding any unnecessary expenditure to the electrical network.

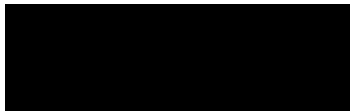
Essential Energy supports any changes that will reduce the costs and improve the timeliness of meter and related infrastructure installation for customers. We support the recommendation as it may reduce unnecessary duplication and multiple visits to customer sites for works that could be completed by one party in one visit.

As long as the party installing these devices is appropriately qualified, trained and subject to appropriate safety standards we are indifferent as to whether this party is an ASP or a Metering Provider. We note that the recommendation is subject to the appropriate training and observance of safety standards for Metering Providers performing this work. This training and safety standards will be important to ensure that the recommendation will not result in any reduction in the safety of installation and operation of ripple control relay devices.

There would need to be some changes to processes to facilitate a move from ASPs carrying out this work to Metering Providers installing these devices. Currently, Essential Energy provides the controlled load devices to ASPs and we are confident that this process could be extended to include provision of these devices to Metering Providers, where necessary.

Thank you for your time and please don't hesitate to contact Therese Grace, Regulatory Strategy Manager on (02) 9249 3121 should you wish to discuss this submission in more detail.

Yours sincerely



Chantelle Bramley
General Manager Strategy, Regulation and Transformation