



2 November 2018

Mr Hugo Harmstorf
Chief Executive Office
IPART
PO Box K35
Haymarket Post Shop NSW 1240

Email: electricity@ipart.nsw.gov.au

Dear Mr Harmstorf

RETAILERS' METERING PRACTICES IN NSW

Origin Energy (Origin) appreciates the opportunity to provide input into IPART's review of retailers' electricity metering practices for residential and small business customers in NSW.

The Minister for Energy and Utilities requested IPART to conduct this review in response to concerns that customers were experiencing delays and poor customer service with respect to the provision of metering services provided by retailers. Origin recognises that since the commencement of the metering and related services rule change in December 2017, the levels of service regarding the installation of new and replacement meters ought to have been better.

Some of the reasons for metering installation delays have been due to market participants adjusting to new service orders and timings, while other issues can be attributable to the new metering rules not providing retailers and customers with flexibility to manage planned interruptions and installation appointments. Historical but more cumbersome meter installation practices have also caused delays (examples include shared fuses, asbestos fuses and no isolation points).

We also believe that the New South Wales specific restrictions on preventing Metering Providers from being able to undertake all works necessary for a meter installation has contributed to these delays. In this regard, we support IPART's recommendation to remove these restrictions from the *Workplace Health and Safety Regulation 2017 (NSW)* and Code.

We also note that the Australian Energy Market Commission's (AEMC) draft rule, if implemented, will provide customers and retailers with greater flexibility to agree a date for the provision of metering services. This will provide customers with greater control over the management of their meter installation which will improve customer outcomes.

We agree that retailers can improve how they communicate with customers and the ease with which customers can access clear and relevant information. To address this, we are currently improving our online information and are developing digital portals which will provide our customers with greater control over their meter installation, including the ability to change appointments and view the status of their installation.

To assist with these improvements, we would prefer to see the relevant NSW network businesses obligated to provide information to retailers and Metering Coordinators to enable the cost-efficient exchange of meters. Origin is keen to work with IPART and the AEMC to address these requirements.

There has been significant improvement in service levels since December 2017. We believe as the transitional issues identified by IPART and the AEMC are addressed this trend will continue.

Origin's responses to specific issues identified by IPART are set out below.

Restrictions on Metering Providers

IPART identify several instances where the *Workplace Health and Safety Regulation 2017 (NSW)* (WHS Regulation) and Code restrict non-Accredited Service Provider (ASP) metering technicians from performing metering-related works necessary to install a customer's meter. Specifically, they prevent MPs from:

- operating any fuse required to de-energise a site to install a meter;
- conducting live isolations in necessary circumstances for the purpose of installing a meter; and
- in the Essential Energy distribution network, installing the ripple control relay devices if appropriate. It should be noted if there is an alternative, cheaper option to the ripple device, then the customer and Meter Providers should not incur additional costs associated with a ripple device. These costs would be recovered from all NSW customers over time.

IPART propose amendments to the WHS Regulation and Code to lift these restrictions on an MP performing these activities subject to training and observation of relevant safety regulations. These amendments would need to be in place before April 2019 to support the AEMC rule change outcomes.

Origin strongly supports the removal of these impediments. This will reduce installation times and cost by removing coordination of multiple parties around many site visits. Further reduction in installation times and cost could also be achieved if the NSW networks could provide Metering Providers relevant connection information such as which NMI's are connected to which fuses and the location of Plug In meter types for example.

This issue however also has its own current limitations that require a response from those parties responsible for collecting and recording metering information. Origin has received confirmation from two NSW networks that they cannot identify Plug In meters in MSATS or their own systems making the first visit to a site potentially inefficient to install such a meter.

The lack of information available to a Meter Provider as to what is installed and managed by the network prior means that such additional time is incurred, and the costs associated will flow through to customers. Origin believes customers should not incur costs for this restriction in the market. Networks need to continue to make all information associated with the metering and site available, to contribute to a more efficient meter exchange.

Planned Interruption Notifications

IPART note that the AEMC's draft rule to allow a customer to agree a date for a planned interruption will not apply where a customer is on a shared fuse as the rule does not apply to sites with multiple occupants.

IPART propose that notification restrictions could be simplified by allowing the metering technician to perform the interruption notification. For example, IPART suggest that the metering technician could leave written notices advising of the interruption to affected customers at the relevant addresses, and the MP could advise the distributor through the B2B e-hub. IPART suggest that this would reduce some of the coordination inefficiency if the distributor was requested to undertake this role.

In addition, IPART suggest that to provide incentives to parties to coordinate efficiently on this issue, the AEMC could consider including a binding timeframe in its rule change proposal for multi-occupancy situations, which may be slightly longer than the 15 days for simple meter exchanges.

As part of IPART's proposals, Origin wishes to highlight that all potential rule changes still need to adhere to the National Energy Retail Rules. For example, under Rule 124(1)(f) the retailer must give a customer with life support requirements a 4 business day written notice period for a planned interruption to supply at the premises. This responsibility must also be respected by parties that are involved in a meter exchange or installation.

Networks also have the information available to allow for coordination of multiple properties off the same fuse. Origin believes the networks should be obligated to provide the retail information on all its shared fuse sites so that a single coordinated visit could have multiple exchanges occur (rather than charge for each coordinated but isolated exchange).

Improving Coordination

IPART note that the creation of new roles and responsibilities under the metering competition reforms has created greater coordination requirements and that these were contributing to delays in meter installations. For example, when a metering technician is not able to complete site works because of issues such as the work is outside of scope, a site defect, or lack of access, the Metering Coordinator (MC) would then ask the retailer to ask the customer to address the site before rescheduling the works.

IPART consider that retailers could take measures to better educate the customer about the process and expectations. These include incorporating standard questions in the application process to determine the condition of, and access to, a meter board and explaining to the customer upfront about what their obligations are to prepare the meter board for installation. This continued education could assist the customer in the reduction of any costs that may be associated with a potential meter replacement.

Origin understands that the communication with the customer can assist in resolving access issues before the technician arrives at site. We believe the suggestions raised by IPART are constructive and we will be reviewing the content of our communications with our customers to better capture these issues.

However, in the case of a locked meter board, IPART note that the distributor will not unlock or remove locks that the customer may have purchased from the distributor, because they are the property of the customer. This puts the onus on the customer to provide access or to coordinate access. We consider that an alternative would be for distributors to propose an acceptable process from their perspective for either transferring custodianship of the master key to MCs or for the removal of these keys from meter enclosures. This could be articulated in an industry master lock scheme.

Communication of the Metering Process

IPART note that many customers and stakeholders are confused and dissatisfied with the communication they have received from retailers and that retailers can do more to make the process smoother for customers.

We accept that more can be done to improve communication with the customer. Origin is actively taking steps to address this. We have a dedicated new connections phone line for customers and industry participants and are currently developing digital portals which will provide our customers with greater control over making requests, changing appointments and viewing the progress of their meter installation.

We are also currently reviewing the communication provided to customers through the application process with the view of addressing the issues raised in IPART's draft report.

Closing

Origin acknowledges that the initial stages of the introduction of contestability in metering services have not delivered the levels of service expected by customers. To address this, we have put in place initiatives to provide customers greater information and control over their metering installation. We also believe that as the transitional issues identified by IPART and the AEMC are addressed, customers can expect continuous improvement in installation timeframes and service delivery.

If you have any questions regarding this submission, please contact me on (07) 3867 0620.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sean Greenup', with a large loop at the end of the name.

Sean Greenup
Group Manager Regulatory Policy
(07) 3867 0620 sean.greenup@originenergy.com.au