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6 November 2018

Ms Jessica Robinson
Director, Pricing
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Submitted via email

Dear Ms Robinson,

Re: Retailers' metering practices in NSW

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to provide this submission to the Independent Pricing and Regulatory Tribunal (IPART) on their draft report on retailers metering practices in NSW (the draft report). IPART's report provides a series of recommendations before providing a final report to the Minister for Energy and Utilities.

Red and Lumo are focused on delivering our customers a positive experience in the installation and maintenance of smart meters. Noting that IPART found that installation delays have improved dramatically from 60-72 business days to an average of 16-19 business days. We consider that this will continue to improve, not only with the introduction of timing obligations into the national regulatory framework, but also as retailers and their metering service providers (collectively, the metering coordinator, metering data provider and metering provider) continue to find efficiencies in the installation of smart meters.

Recommendations: removing restrictions and improving coordination

IPART has made draft recommendations to change the requirements on metering service providers to enable them to:

- operate a service fuse carriers required to deenergise a site for a meter installation
- conduct live isolation work, where necessary
- install ripple control relay devices, where required
- provide planned interruption notices to affected customers on the spot.

Red and Lumo supports removing regulatory barriers to enable metering service providers to provide a better customer outcome. However, we are concerned with any change that allows a metering service provider to interrupt the supply of electricity to a customer's premise without authorisation from that customer's existing retailer.

As per existing obligations both retailers and distributors have obligations to share information about customer life support requirements reliant on the use of electricity. There are no equivalent obligations on metering service providers. We are concerned, given the lack of information available

to metering service providers, that they may interrupt electricity supply to a life support customer. This is particularly likely to be the case in a shared fuse situation. As a result, we do not support IPART's recommendation to allow metering service providers to be able to interrupt supply without authorisation from that customer's existing retailer. Red and Lumo are working with retailers, networks and metering service providers to ensure that a safe, efficient and effective solution for interrupting supply for shared fuses.

The draft report notes that retailers and metering service providers are unaware where there are multiple customers behind a single fuse until a site visit occurs, which usually occurs where a metering service provider is engaged to install a meter. IPART suggests that this leads to poor customer experiences. It must be noted that there is an information asymmetry in the sharing of information by distributors as to the location of shared fuses. There would be immense customer service and efficiency gains, should distributors publish locational information of shared fuses. However, to date, there has been no moves for this information to be made available to retailers or their metering service providers until a meter exchange has been attempted and failed. This creates inefficient costs and extenuates consumer discontent with what is a seemingly simple meter exchange process.

We note that the draft report recommends that retailers could improve customer experience outcomes by asking customers a series of questions to ascertain the quality and standard of their meter board. While this is a prudent suggestion, many customers do not know where their meter board is, let alone what to advise their retailer (no matter how detailed the questioning may be) whether the meter board is safe. Red and Lumo recommend that one mechanism to improve the customer experience in this regard is for the distributors to provide information. The distributors, through their meter readers, visit each and every non-contestable site at least once every three months and have the ability to record whether a particular meter is of single or shared use. This information can either be shared through industry mechanisms such as MSATS or through a distributor's portal should they have one.

IPART has suggested that it is appropriate for distributors to restrict access to the industry locks as they do not have a contractual arrangement with customers and/or metering service providers to provide this key. Even though retailers question their customers regarding whether there is safe and unhindered access to their meter, it is difficult to assess whether there will be issues for metering service providers needing access. Currently, there is an option for distributors (while not mandatory) to provide information in MSATS regarding the location and access details for the property and/or the meter. We consider that the distributors could publish information regarding the requirement for keys, alternatively, they could establish contractual arrangements with metering service providers in order to provide keys.

Recommendations: improving communication of the metering process

IPART in their draft report have noted that there is confusion in the provision of information to customers regarding the metering process. Red and Lumo appreciate these concerns and are working to improve their communications to the customer. IPART however needs to be aware that



as it currently stands there are inconsistent approaches in distributor processes (as example) on how to connect a new connection to the network. These variances in connection processes creates unnecessary confusion. A new connection in the Ausgrid area varies to how a new connection process occurs in the Essential area. This creates confusion not only to customers, but also to the multitude of ASPs and metering service providers that operate in the market. We strongly urge IPART that as part of this review these establish a uniform and consistent approach across all of NSW as to the new connection metering installation process.

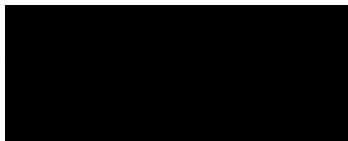
IPART have noted that processes and timings have improved from the introduction of metering contestability on 1 December 2017 and 30 June 2018. Red and Lumo consistently improve our processes, including the provision of information to customers. We have changed the information we originally published on our website regarding smart meters and smart meter provision to make it easier for our customers and their electricians. Further, we have also streamlined processes internally, with changes made to our operational team to improve our customer's meter installation process. IPART have recommended that the Department of Planning and Environment publish information on their website regarding smart meter installation processes that can be expected by customers. We support this proposal and would welcome the opportunity to work with the Department of Planning and Environment, should they take up this recommendation.

About Red and Lumo

Red and Lumo are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in New South Wales, Victoria, South Australia, and Queensland to approximately 1 million customers.

Should IPART have any enquiries regarding this submission, please call Stefanie Macri, Manager - Regulatory Affairs on [REDACTED].

Yours sincerely



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