

2 November 2018

The Tribunal members
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop
NSW 1240

Submission via online submission form:

http://www.ipart.nsw.gov.au/Home/Consumer_Information/Lodge_a_submission

Dear Sir/Madam,

Consultation on Retailers' metering practices in NSW – Draft Report October 2018

Simply Energy welcomes the opportunity to provide feedback as a part of Independent Pricing and Regulatory Tribunal's (IPART's) review of performance in the NSW retail electricity markets regarding retailers' metering practices.

Simply Energy is a leading second-tier energy retailer with over 660,000 customer accounts across Victoria, New South Wales, South Australia, Queensland and Western Australia.

Simply Energy agrees with the key findings of the draft report as well as the majority of the proposed recommendations. Simply Energy has provided its feedback to the Australian Energy Market Commission (AEMC), as a part of 'Metering Installation Timeframe' changes, that some of the retailer obligations need to be made clearer. In reviewing the requirements of AEMC's draft rules (National Electricity Rules (NER) and National Energy Retail Rules (NERR) collectively), Simply Energy is of the view that IPART's draft report findings resonates with the AEMC's proposal.

Simply Energy strongly agrees with the draft report's recommendation to introduce a lower-level accreditation for the ASPs (Authorised Service Providers) in order for them to undertake all tasks associated with installing a meter. The Workplace Health and Safety Regulation 2017 and Code restricts non-ASP technicians from performing all metering related work. The current restrictions on ASP accreditations has led to inefficiencies and potential delays with metering installations. Simply Energy is also of the view that the co-ordination of works is best placed with the distributor, as also proposed in the AEMC draft rules.

Simply Energy also agrees with the recommendation to streamline communication through the B2B e-hub and have reiterated this message in its submission to the AEMC. As mentioned in the draft report, NSW distributors do not support all of the communications with retailers relating to metering going through the B2B e-hub.

Requirements to communicate outside the B2B e-hub may cause issues, due to the existence of the service provisions under the ASP scheme, as outlined in the table below. Simply Energy acknowledges that distributors in New South Wales do not offer connection services. Nevertheless, Simply Energy considers that operational efficiency will be enhanced from the adoption of these transactions as a communication mechanism facilitated by New South Wales distributors.

Service types not supported in NSW

Supply Service Works – Tariff Change
Supply Service Works – Supply Alteration
Supply Service Works – Supply Abolishment
Supply Service Works – Establish Temporary Supply
Supply Service Works – Establish Temporary in Permanent
Supply Service Works – Establish Permanent Supply
Supply Service Works – Temporary Isolation

The above B2B transactions are automatically rejected by distributors in NSW, as in NSW these services are not offered by distributors, but by ASPs. However, since ASPs are not subject to B2B rules, the lack of B2B transactions results in another gap in the procedural requirements, as retailers are unaware of the end-to-end lifecycle of the metering installation process.

Simply Energy believes that its customer service systems and processes for metering customers, including online information and application capabilities, customer service resources and training, and information and complaint recording, are well developed. As a competitive market, each retailer has its unique way to manage market changes and hence a generalised view of retailer systems and processes, as set out in the draft report, cannot accurately reflect the situation.

In addition to this, Simply Energy supports provision of, and already provides, detailed information about the process for applying for a meter, and the roles and responsibilities of the new parties on its website and is willing to provide information that can be made available on the Department of Planning and Environment's website.

However, the AEMC's draft rules have included similar obligations on Retailers to include additional information on their websites, including but not limited to the timeframes and obligations for installing electricity meters:

- Maximum timeframe to provide meter installation where the installation has been requested by the small customer.
- If the customer agrees with retailer (and DB for complex exchange) to an alternative date for the meter to be installed, the installation timeframe is agreed.
- That the timeframes will not apply in certain circumstances.

Simply Energy has suggestions to improve the plan interruption notice requirements under the draft rules and has recommended amendments be made to rule 59C(8) of the NERR to exclude the application of the rule to large customers. Simply Energy has also requested the AEMC to provide further clarity in the draft rules in relation to the ASP-led services as these are not clearly defined in the draft NER; however, it has been noted in the draft determination. Simply Energy is, therefore, seeking further clarity in the NER to ensure the initial trigger of metering installation timeframe in NSW is clearly understood and measured.

Proposed next steps

Simply Energy considers that there is a strong need for industry-wide collaboration and cooperation. In closing, Simply Energy would welcome the opportunity to engage with IPART, as well as other key stakeholders such as AEMC, AEMO, Distributors and IEC to further explore any gaps in the current process that can be identified and hence worked on.

Simply Energy looks forward to engaging with you on these matters. If you have any questions or would like to engage in discussions with Simply Energy, please contact Aakash Sembey, Industry Regulations Manager, on [REDACTED].

Yours sincerely

[REDACTED]

James Barton
General Manager, Regulation