

Australian Energy Market Commission  
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Lodged online: [www.aemc.gov.au](http://www.aemc.gov.au)

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### **ERC0246 – Draft rule meter installation – advanced meter communications**

The Australian Energy Council welcomes the opportunity to make a submission to the AEMC Draft Rule consultation on changes to the rules governing meter installation in conjunction with customer refusal of advanced meter communications.

The Australian Energy Council (AEC) is the industry body representing 21 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC supports the direction of the AEMC's preferred Rule, which includes clarification of the original policy intent of clauses 7.8.4(d)-(i) of the National Electricity Rules and upholds the intent of the original Competition in Metering Rule.

#### **Conversion of T4 to T4A metering**

Consistent with the rule change request made by the AEC, the current draft rule determination allows metering coordinators to deactivate the remote communications capability of an installed type 4 meter when a small customer objects to the use of metering communications. The deactivation of the meter's communications creates a type 4A meter.

The draft rule also imposes an information provision obligation on metering coordinators as a precondition to acceptance of a customer refusal of a type 4A meter. The purpose of this is to inform the customer of the differences between a type 4 and a type 4A meter, and the upfront costs and indicative ongoing expenses associated with a type 4A meter. The AEC believes that this information provision obligation should rest with the retailer.

#### **Methods of re-activation**

The AEC is concerned that the obligations placed upon the Metering Coordinator with regard to reactivating communications once a refusing customer leaves a premises place the obligation on a

party that cannot give proper effect to it. The acceptance of the customer request more correctly resides with the Retailer. If the retailer accepts the request, they will then subsequently issue directions to their Metering Coordinator (MC), and the retailer is then charged by the MC for the requested services.

This aligns with industry practices and over-arching industry framework whereby the retailer has the direct one-to-one relationship with the customer. It seems unlikely that any small customer would understand that they had to seek acceptance from the MC to arrange for communications to be de-activated. Nor would they be able to easily identify and contact them. To our knowledge, MCs do not have the necessary customer service structures for small customer contact.

### **Information provision**

The AEC believes that this information provision obligation should rest with the retailer. The retailer is responsible for billing the customer and determining the metering charges. When a customer changes retailer the metering charges may change, and it would be the responsibility of the incoming retailer to provide that advice. Meter Coordinators are not set up to deal with customer enquiry in the same way as retailers, and the cost of developing and operating that capability for the relatively small cohort of customers involved would clearly in our view outweigh the benefits, adding costs to all customers in effect.

### **Reactivating communications**

The AEC agrees with the Commissions view that retailers and meter coordinators are sufficiently incentivised to reactivate meter communications whenever possible. We also agree that the retention of arrangements allowing metering coordinators to reactivate meter communications at any time with the customer's consent are required. Unfortunately, based on interstate experience and even international experience<sup>1</sup> we cannot share completely either PIAC or the EWON optimism that the provision of information addressing fears or public misconceptions regarding the health or privacy impacts of communications enabled smart-metering would lead to a change in the views of this small cohort of customers. There was no quantified experience of that approach working in Victoria, where considerable work was done by both DPI and the ENA to alleviate concerns on health effects<sup>2</sup>.

Bearing this experience in mind, we do not believe that the draft rule will provide an avenue for a more widespread deactivation of the communications functions of smart-meters than that experienced in Victoria or anywhere else. Those customers who would seek to deactivate communications would likely be steadfast in their view that what is often described as a precautionary principle should be applied to electromagnetic fields.

Any questions about our submission should be addressed to David Markham by email to [david.markham@energycouncil.com.au](mailto:david.markham@energycouncil.com.au) or by telephone on (03) 9205 3107.

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<sup>1</sup> Getting Smart Grid customers plugged in Motivating change through mobile and social technology, Deloitte Center for Energy Solutions, p.2 <https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Energy-and-Resources/dttl-er-gettingsmartgrid-08082013.pdf>

<sup>2</sup> [https://www.energynetworks.com.au/sites/default/files/ena-emf-smart-meter-brochure-final-jan-2014\\_1.pdf](https://www.energynetworks.com.au/sites/default/files/ena-emf-smart-meter-brochure-final-jan-2014_1.pdf)

Yours sincerely,

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