

2 July 2020

Essential Services Commission
Level 37, 2 Lonsdale St
MELBOURNE VIC 3000



EnergyAustralia
LIGHT THE WAY

Submitted electronically: <https://engage.vic.gov.au/electricity-distribution-code-review>

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Dear Commissioners

Electricity Distribution Code review – Customer Service Standards

EnergyAustralia is one of Australia's largest energy companies with around 2.5 million electricity and gas accounts across eastern Australia. We also own, operate and contract an energy generation portfolio across Australia, including coal, gas, battery storage, demand response, wind and solar assets, with control of over 4,500MW of generation capacity.

EnergyAustralia welcomes the opportunity to make this submission to the ESC's Electricity Distribution Code Customer Service Standards review. We appreciate the ESC's consideration for improving distributors' communication with customers, and adjustments to compensation where service is not satisfactory. Ultimately, we are supportive of the changes proposed in the Draft Decision and will therefore only comment on the specific sections that we believe require further consideration.

Require retailers to collect customer information, including electronic contact details, and provide it to distributors in a timely way

The requirement for retailers to collect customer information, including electronic details, and provide it to distributors in a timely way, is an existing AEMO requirement and is achieved through B2B communication of the Customer Details Notification (CDN). The CDN is provided by the retailer to the distributor whenever a customer's details are updated. EnergyAustralia does not support providing this information to distributors within 60 business days of the new rules coming into effect; as the information has already been provided, it would risk 'flooding the market' with transactions, and if there are any gaps the distributor can request an update via a Customer Details Request (CDR).

Require distributors to retain records of a customer's explicit informed consent allowing the use of electronic only notifications

At the workshop held by the ESC to discuss the Draft Determination, it was suggested that distributors held the belief that Explicit Informed Consent (EIC) should be obtained by retailers. EnergyAustralia does not support imposing requirements on retailers to obtain EIC from customers to enable distributors to provide communication as any requirement for retailers to obtain EIC would:

- increase operating costs of retailers, to obtain, record, and administer EIC. This would ultimately result in increased prices for servicing customers;
- increase confusion for customers on the responsible party for network outages;
- and, an create an inappropriate allocation of risk to retailers for work conducted by distributors, as any failing of notification requirements could be passed to retailers.

We acknowledge that there will be a cost incurred by distributors to obtain the EIC from customers; however, it is likely that this will be offset by the reduction in postal delivery costs.

Ensuring customers receive guaranteed service level payments in a timely manner

EnergyAustralia acknowledges the current GSL application is lengthy and not inline with customer's expectations. As such, we believe that increasing the assessment to quarterly and frequency of payments by distributors for GSLs to within 60 business days is an appropriate amendment; however, we are not supportive of requiring retailers to apply the GSL within two business days.

It is unclear how there will be significant customer benefit by imposing a two business day timeframe on the application of a GSL, as customer's billing is predominantly issued on a quarterly basis - even on a monthly billing cycle - any GSL credit received is likely to appear on the forthcoming bill, irrespective of the two business day timeframe.

The application of GSLs is not an automated process, it requires manual application, and due to the frequency of the payments (currently annually) there is no dedicated resource that can achieve the proposed two business day timeframe. Additional resources could be put in place to achieve the requirement; however, this will not be an efficient cost for retailers.

EnergyAustralia suggests that the retailer's timeframe for applying the GSL should be 20 business days. This timeframe will ensure customers receive it on their next, or following, bill (from the point in which the retailer receives the GSL credit from the distributor). The 20 business day timeframe will also provide flexibility to retailers and reduce the likelihood for additional resources required to apply the GSLs.

If you would like to discuss this submission, please contact me on [REDACTED] or [REDACTED].

Regards

Travis Worsteling

Senior Industry Regulation Advisor