

Essential Services Commission Level 8, 570 Bourke St Melbourne VIC 3000

8 May 2025

To Commissioners,

Revoking the Electricity Customer Transfer Code of Practice and the Electricity Customer Metering Code of Practice – Consultation Paper

ENGIE Australia & New Zealand (ENGIE) appreciates the opportunity to respond to the Essential Services Commission (the Commission) on the review of the Electricity Customer Transfer Code of Practice (Transfer Code) and the Electricity Customer Metering Code of Practice (Metering Code).

The ENGIE Group is a global energy operator in the businesses of electricity, natural gas and energy services. In Australia, ENGIE operates an asset fleet which includes renewables, gas-powered generation, diesel peakers, and battery energy storage systems. ENGIE also provides electricity and gas to retail customers across Victoria, South Australia, New South Wales, Queensland, and Western Australia.

ENGIE is comfortable with the Commission's proposal to revoke the Transfer and Metering Codes. ENGIE appreciates the detailed descriptions the Commission provided in the appendixes of the consultation paper that demonstrate that the Transfer and Metering Codes are no longer fit-for-purpose.

ENGIE is supportive of the removal of redundant and ineffective regulations and of closer alignment with the national framework. In that context, ENGIE urges the Commission to work with the Victorian Government to further harmonise and modernise the Victorian regulatory arrangements for customer metering. As will be described in further detail below, the Commission and the government have an opportunity to proactively rollback jurisdictional derogations in this area to reduce Victorian consumers' metering costs before a widespread replacement of the current Victorian smart meter stock commences.

The Victorian Government's 2006 mandate for a smart meter rollout to all households and small businesses was effective in achieving a near-universal uptake in smart meters in Victoria, well ahead of other Australian jurisdictions that will not achieve this level of uptake until at least 2030. As the average life of a

smart meter is around 15 years¹, the current generation of Victorian smart meters will be due for replacement over the next few years. Indeed, CitiPower, Powercor and United Energy currently intend to implement a staged replacement of their smart meter stock commencing in 2027.²

As the end-of-life date for the current Victorian smart meter stock is quickly approaching, it is an appropriate time for a review into whether contestable metering can be introduced in Victoria.³ The experiences from the 'Power of Choice' reforms in the National Energy Customer Framework (NECF) jurisdictions have evidenced the benefits to consumers and retailers from enabling competition for metering and providing retailers with responsibility for installing and maintaining smart meters. The technology in the current generation of Victorian smart meters is now outdated, such as Zigbee, and meter data providers in the NECF are providing a broader range of services at a lower cost than is provided by Victorian distributors.

The smart meter ownership model in Victoria has created barriers for retailers accessing non-core meter data that is available to retailers in the NECF, such as voltage notifications, outage information and access to in-home communications. In the instances where this type of data has been able to be accessed from the Victorian distributors, it has typically been more expensive than in the NECF. The metering framework in the NECF has also enabled new services to emerge, such as programming of controlled load circuits for both network and market benefit, which are facilitated by the meter communication network that retailers can access in the NECF. ENGIE expects that the divide between the services available, and costs of metering services, for Victorian consumers relative to NECF consumers will likely continue to grow over time, especially as the penetration of smart meters accelerates over the next five years in NECF jurisdictions.

As the framework for contestable metering is now well-established, having been in place in the NECF since December 2017, it is an appropriate time for the Victorian Government to consider harmonising its metering framework with other NEM jurisdictions. If the Commission and the Victorian Government do not pursue this reform before the Victorian distributors commence their smart meter replacement programs in the next couple of years, it will be challenging to justify reforms to the current arrangements in the short to medium term. This would be a negative outcome for the market and Victorian consumers, who would likely be locked-into paying higher metering-related costs than other NEM consumers.

¹ Australian Energy Market Commission 2025, Directions paper – Real-time data for consumers, 30 January, p. 15.

² CitiPower, Powercor and United Energy 2025, Submission to Australian Energy Market Commission – Real time data for consumers, 20 February, p. 1, accessed at; https://www.aemc.gov.au/sites/default/files/2025-02/CitiPower%20Powercor%20United%20Energy.pdf

³ Victoria was not subject to the 2017 'Power of Choice' reform implementation due to the introduction of the *AMI (Obligations to Install Meters)*Order 2017 and the Minister's subsequent modifications to the National Electricity Rules in force in Victoria through an Order In Council published in the Victorian Government Gazette on 12 October 2017 (No. S 346).

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Should you have any queries in relation to this submission please do not hesitate to contact me on, telephone,

Yours sincerely,



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