

Allan Driver & Associates

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Ms Khayen Prentice
Essential Services Commission
Level 2, 35 Spring Street,
Melbourne Vic 3000

Sent by email: khayen.prentice@esc.vic.gov.au

Dear Ms Prentice

Essential Services Commission (ESC) Open Letter Regulatory Review-Smart Meters

Reference is made to the Open Letter Regulatory Review (the Review) and the following brief comments are provided for consideration.

Existing Customers

It appears that by the time this review is completed and changes, if any, are introduced, there will be a significant number of customers who will have had a smart meter installed while all residential and some small business customers have had to pay additional charges from 1 January 2010.

As such, any change to the regulations should be made so that customers who have had a smart meter installed are identified and any changes made applicable to them, including any benefits that arise as a result of the changes the Review.

Bill Content and Format

To enable all customers to understand their bill and the various separate charges that now apply, consideration should be given to separating out all relevant charges; namely:

- Supply charge (with a dollar amount per month-if monthly billing is introduced-or quarter) with a consistent approach made by all retailers;
- Metering charge per month or quarter (as determined by the Australian Energy Regulator-AER in dollar terms for each electricity distribution business);
- Network charge; and
- Electricity usage per kwh.

Consideration should also be given to ensuring that any current information available to customers on the bill is maintained and enhanced, together with a customer billing facility available on the internet.

Any changes to the billing frequency should be clearly communicated to the customer in a form and language that they are able to understand together with the reasons why the change has occurred. The customer should be able to provide a satisfactory response and consent in an appropriate timeframe to retailers based on the information communicated to them.

Access to metering data is critical for customers to understand their electricity usage patterns on a 30-minute basis for daily/weekly/monthly periods.

As such, consideration should be given to recommending the use of In-Home Devices (IHDs) as forecast by the Department of Primary Industries (DPI) in a publication titled: "ADVANCED METERING INFRASTRUCTURE: Home Area Network (HAN) Functionality Guideline dated 20 November 2008" as soon as practicable.

Consideration should also be given to clarifying the use of metering data and the means by which that data can be provided to the customer in real-time, whether by direct connection to the metering or using wireless facilities prior to the customer receiving a bill.

Consideration should be given to enable customers to be able to be provided with simple IHDs at a minimal cost to the customer, particularly, if their use will contribute to the benefits that have been widely advertised as available to customers with the installation of a smart meter at their premises.

Together with the use of IHDs, the introduction of an adequate education process should be considered.

Safety concerns

Consideration needs to be given to the potentially serious safety issues surrounding the remote disconnection and connection, including any re-connection, of customers' premises.

While Consumer Groups have expressed their concerns about this matter for some time, the form of notification to customers should be such that customers are notified with sufficient warning and with clear information, in a language that they can understand, as to what action they need to take once they have been disconnected (for example: non-payment and unsafe electrical installations).

Further, customers need to be able to understand what actions they need to take to ensure, when remotely re-connected, that the connection to electricity supply can be done safely.

Tariff re-assignment

Where a customer has had a distribution tariff re-assignment undertaken, retailers should be actively encouraged to transfer the benefits to customers within a minimal period.

Customer Protection

Consideration should be given to reviewing all current concessions and customer protection facilities so that customers are not disadvantaged with the introduction of monthly billing and increased charges due to any tariff re-assignments.

Thanks for the opportunity to provide comments.

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