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Khayen Prentice  
Regulatory Review – Smart Meters  
Essential Services Commission  
Level 2, 35 Spring Street  
MELBOURNE

### **Smart Meter Regulatory Review – Capacity Control and Verifying Bills Issues Paper**

TRUenergy welcomes the opportunity to provide the following comments in relation to the Smart Meter Regulatory Review – Capacity Control and Verifying Bills.

#### **Supply capacity and load control**

TRUenergy strongly supports the steps taken by the Victorian Government to create a competitive retail market. The deregulation of retail and small business pricing in 2008 and 2009 has had a significant effect on the development of new products and price competition which has resulted in high customer switching, helping Victoria remain the most competitive retail market in the world.

Given the strong level of competition in Victoria, TRUenergy believes it is important that the Commission carefully considers any move to restrict the use of capacity and load controls in the market. While TRUenergy understands that there may be a need to look at restricting the use of such technologies in the case of hardship customers, the ability to market and offer capacity control products to customers who value these should not be restricted.

TRUenergy is of the view in a highly competitive market, the customer will ultimately decide if there is a market for supply capacity and load control products. While products incorporating capacity controls may have a niche market, TRUenergy believes the best way to determine whether there is, is to enable retailers the ability to offer products incorporating capacity and load controls and to let the market decide. TRUenergy believes such products will have a demand in short term accommodation situations and as a budgeting tool. As has shown to be the case in pay-as-you-go metering, some customers prefer receiving their electricity this way as it allows them to better manage their usage against their household expenditure.

A large number of the issues raised by the Commission in the issues paper will be determined by the functionality as detailed in the Advanced Metering Infrastructure Minimum AMI Functionality Specification (VIC). Based on the functionality available to them, Retailers will differentiate themselves through their product offerings. TRUenergy support the use of supply capacity and load control by Distributors only in circumstances of emergency management and to ensure system security of supply

In all circumstances the use of supply capacity and load control products should not be applied to sensitive load customers, for example Life Support Customers.

In circumstances where there is energy flowing into a vacant property TRUenergy sees a role for utilizing supply capacity control technology to ensure that enough energy flows into the property to maintain basic services such as lighting. Furthermore, in the case of an unknown consumer moving into a previously vacant property, the customer's capacity to pay is unknown and so supply capacity control would be used to limit their exposure to potentially high cost. In this situation TRUenergy does not consider this to be used for the purposes of credit management rather a tool for the protection of the consumer.

### **Readings at meter changeover**

TRUenergy supports the Commissions statement suggesting a reminder for customers to take note of the current reading on their basic meter could be included in existing pre meter exchange communications. If there is driver for the final read to be left at the premises at the time of the meter change over, there is a possibility that this could be recorded on the existing meter exchange card that is left at the premise.

TRUenergy does not support these proposed requirements if they are on the basis that they provide a starting point for verifying future bills from the smart meter. The final read from the basic meter has no relevance to the future bills of the smart meter.

### **"START" readings on smart meter bills**

The deployment of smart meters in Victoria is a large scale move towards new generation technology that provides a greater granularity of information. Therefore TRUenergy questions the necessity to maintain the existing information as enjoyed by customers with basic accumulation meters.

Provision of the start reading on smart meter bills together with the end reading will provide customers with misleading information as to the basis of which the bill was calculated. In all likely hood customers will subtract the start read from the end read reasonably expect that this value will be the basis for the calculation of their bill. However smart meter bills are not calculated on this basis, they are calculated on the sum of the half hourly readings of the meter. The sum of these half hourly readings will not necessarily always match the end index read minus the start index read as index reads do not include estimates or substitutes which may be included in the half hourly data

Thankyou for the opportunity to comment of the issues paper

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