



24 February 2010

By email: khayen.prentice@esc.vic.gov.au

Dr Ron Ben-David
Chairperson
Essential Services Commission
2nd Floor, 35 Spring Street
Melbourne VIC 3000

Dear Dr Ben-David,

Regulatory Review – Smart Meters

The Financial and Consumer Rights Council (**FCRC**) thanks the Essential Services Commission (**ESC**) for the opportunity to provide input to the areas which may be covered in the ESC's review of energy regulations to accommodate the operation of smart meters.

There are a few areas within the Energy Retail Code (the Code) that we would like to see addressed in the regulatory review with regard to customer protections, specifically Parts 2-9 of the Code.

Our main concern is that with the introduction of smart meters - and their perceived technological benefits - there will be a great deal of confusion and misunderstanding experienced by customers when the meter is installed and they receive their first smart metered bill. With this concern in mind, we strongly suggest that there be an onus on the retailer to provide information to the customer regarding the operation of the smart meter, its data capturing process, and changes to the billing cycle and usage information recorded on the bill, and that the information be provided in various languages.

We also have strong reservations with the use of Direct Load Control, particularly during times of peak demand, or when there are credit or debt issues with the customer's account. As such, we strongly support the recommendation concerning load control made by St Vincent de Paul in their report *Customer Protections and Smart Meters – Issues for Victoria*.¹

¹ Mauseth Johnston, M., *Customer Protections and Smart Meters – Issues for Victoria*, St Vincent de Paul Society, August 2009, pg. 23, Recommendation 6.

Thank you again for the opportunity to provide suggestions on the areas to be examined in the review. We look forward to the review's outcome.

Should you have any questions regarding this submission, please contact Kristen Gobbo at the FCRC on (03) 9663 2000.

Yours sincerely

A handwritten signature in black ink, appearing to be 'R. Foster', with a long horizontal line extending to the right.

Richard Foster
Chief Executive Officer

A handwritten signature in black ink, appearing to be 'Kristen Gobbo', written in a cursive style.

Kristen Gobbo
Policy Officer