



By email: smartmeters@esc.vic.gov.au

31 May 2010

Regulatory Review - Smart Meters
Essential Services Commission
Level 2, 35 Spring Street
MELBOURNE VIC 3000

Dear Sir/Madam

Submission to Regulatory Review - Smart Meters Issues Paper

The Consumer Action Law Centre (**Consumer Action**) welcomes the opportunity to make a submission to the Essential Services Commission (the **Commission**) Regulatory Review - Smart Meters (the **Review**) Issues Paper.

We are very supportive of the Commission undertaking this Review on the basis that we have proactively highlighted to both the Victorian Government and the Commission the inherent risks facing consumers based upon the rollout of smart meters and the subsequent and urgent need for consumer protections to be developed that are appropriate for the new, smart metering, environment.

We consider the timing of this Review to be significant based upon the pace at which smart meters are being rolled out, and the implications of the technology and interval data, which will be followed by changing tariff shapes. Further, we strongly support this Review being followed by subsequent reviews, as the functions of meters, enabled by the changing technology, evolve and when consumer protections may be further impacted. For example, the introduction of supply capacity control or direct load control will have customer impacts, thus will necessitate further review of the consumer protection regime.

Our comments on the Review are set out below in a table that mirrors Appendix A of the Issues Paper, with the inclusion of a column labelled 'Consumer Action Law Centre views'. We have integrated our responses to the questions raised in the Issues Paper into the body of the table and the relevant sections.

About Consumer Action

Consumer Action is an independent, not-for-profit, campaign-focused casework and policy organisation. Consumer Action provides free legal advice and representation to vulnerable and disadvantaged consumers across Victoria, and is the largest specialist consumer legal practice in Australia.

Consumer Action is also a nationally-recognised and influential policy and research body, pursuing a law reform agenda across a range of important consumer issues at a governmental level, in the media, and in the community directly. Consumer Action has been actively involved in energy advocacy work in Victoria and nationally since the 1990s. Over this time we have provided key consumer input into important energy regulatory processes for consumers, including the current Victorian smart meter rollout and initiatives relating to improved energy price and product information disclosure following the deregulation of Victorian retail energy prices.

Since September 2009 we have also operated a new service, MoneyHelp, a not-for-profit financial counselling service funded by the Victorian Government to provide free, confidential and independent financial advice to Victorians with changed financial circumstances due to job loss or reduction in working hours, or experiencing mortgage or rental stress as a result of the current economic climate.

Should you wish to discuss this submission further, please contact Janine Rayner on 9670 5088.

Yours sincerely

CONSUMER ACTION LAW CENTRE



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<p>3.1 Billing cycles</p>	<p>A retailer must issue a bill to customers on a standing contract:</p> <p>(a) in the case of an electricity contract, at least every three months;</p> <p>(b) in the case of a gas contract, at least every two months; and</p> <p>(c) in the case of a dual fuel contract, at least as often as the retailer and the customer have agreed, with the customer's explicit informed consent .</p> <p>Billing cycles can be negotiated in market contracts, with explicit informed consent.</p>	<p>Key issue for review. Consider needs to be considered independently to the network monthly billing issue.</p>	<p>Refer discussion in section 3.2.</p> <p>The current regulations for explicit informed consent may be seen to be acting as a barrier to customers accessing more timely information upon which they could better manage their costs. Views are sought on:</p> <ul style="list-style-type: none"> • Whether an 'opt-out' approach to monthly billing for deemed or standing offer customers is appropriate? • What are the implications for the costs and timing of the current collection cycle if customers move to monthly billing? • How should any changes to the customers' current billing cycles be implemented? 	<p>Consumer Action believes there will be some benefits for consumers to have the option of receiving monthly bills. We understand that the current drafting of the Energy Retail Code enables monthly billing should a retailer be able to offer it, and a consumer choose it.</p> <p>However, we strongly believe that there is no special reason why a change to monthly billing should be exempted from current requirements to obtain customers' explicit informed consent to a change in the contract – in this case, in the billing procedures. In a practical sense, this could be achieved through retailers sending letters to all relevant customers outlining the potential variation of contract terms and providing a direct opportunity for customers to actively respond/accept the change.</p> <p>This must apply to all contract types - deemed, standing offer and market contracts. We understand that some recent contracts may include a clause that purports to allow the</p>
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				<p>retailer to change the customer's billing arrangements without the further consent of the customer. We would strongly question whether at the time of entering into that contract, the customer had specific awareness of that potential change and whether in fact they would have given their explicit informed consent to it and thus to the unilateral change of billing arrangements in the future. It is possible that such a unilateral variation clause could also breach Victoria's unfair contract terms law. In our view, any changes to the billing cycle must require renewed contact with customers, who must clearly be aware of the change and must explicitly agree to it.</p> <p>The introduction of an 'opt out' approach to varying significant terms of a contract would require the Commission to make explicit amendments to current requirements. This would set a dangerous precedent and would open the Commission up to further pressure in the future to make other concessions as different events</p>
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				<p>arose. The point about general protections is that they should be robust and appropriate for most situations - we think that the general regulation allowing for variations with customer consent work adequately currently, including in this instance. An opt-out process would not be consistent with the purpose and principles of this review, which is to ensure customers remain adequately protected in the new smart meter environment – this is not done by removing current general protections that are not impacted by smart meters.</p> <p>We agree that any additional administrative costs incurred by retailers for transitioning and billing customers monthly will be offset by the increased turnover of revenue.</p> <p>With monthly (or more frequent) billing, the collection cycle needs to be further assessed and managed, to ensure that the debt cycle with multiple reminder notices and disconnection warning notices does not become an added and stressful</p>
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				<p>burden for customers already experiencing financial difficulties. Possible solutions might include delaying the collection cycle or integrating the collection cycle with the upcoming billing cycle. We would welcome further discussions and workshops with the Commission on the details of this issue.</p> <p>We support the notion that the relationship between network monthly billing and customer monthly billing be delinked. See also our comments on UoSA Clause 7.4 below.</p>
4.2 Information on a bill	Information which must be on the bill, including' (c) the period covered by the bill;	This clause, including all sub-clauses, is a key issue for the review	Refer discussion in section 3.2	Information that clearly outlines the billing period must continue to be provided on the bill. With the collection of interval data that will be specific to half hourly intervals, the start and end of the period may need to be identified by both date and time.
	(d) the relevant tariff or tariffs			Consumer Action believes this clause may need to be amended to ensure that the details of the different tariff segments are notified on customer

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				<p>bills.</p> <p>Consumer Action believes that the need for using estimations on a customer's bill should be eradicated with the introduction of interval data, and that this is in fact one of the consumer benefits of the interval meters via the benefits experienced by distribution businesses and retailers.</p> <p>We acknowledge, however, that on some rare occasions it may be necessary to use estimations. At such times the customer should be informed that an estimation has been included in their bill, especially because in the new smart metering environment we believe it will be more likely that customers will otherwise assume that their bill is based on actual readings.</p> <p>This may require an amendment to the current subclause to require notification when any estimation has occurred, regardless of the proportion of estimation included in the total bill.</p>
	<p>(e) whether the bill is based on a meter reading or is wholly an estimated bill;</p>		<p>Refer discussion in section 3. 2</p> <p>Comments are sought on when customers should be advised that their bill is estimated.</p> <p>Comments are also sought on whether there should be some default tariff arrangements impacting distributors, retailers and customers when bills are estimated.</p>	

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				<p>We also recommend that, with the introduction of interval data, because data will generally be provided to retailers (from the distributors) by 6am each day for the previous day, the maximum amount of estimations allowed to be used for billing should be significantly reduced – the current requirements recognise difficulties with gaining access in a manual read setting.</p> <p>When an estimation is applied, we believe a default tariff equivalent to the 'off peak' rate must be used for the purpose of the estimation. This would prevent customers being overcharged, for example at the peak rate, at a time when the distribution business or retailer is at fault. Further, any usage estimated should be linked to a set amount of consumption, for example, over 2-3 intervals, a reasonable amount of kilowatts should apply rather than an assumption that a consumer has used maximum load at this time.</p>
	(f) whether the bill is based on any	Paragraph (f) references the metering	Refer discussion in section 3.2	Consumer Action supports the

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	substituted data	code. These matters have been removed from the metering code since the metering code was amended to align it with the national metrology requirements.	<p>The proposal is to retain the current requirement that customers be notified that any part of a bill is based on substituted data.</p> <p>Additionally it is proposed to remove the references to the metering code so that (f) reads; whether the bill is based on any substituted data prepared in accordance with the relevant substitution procedure in the <i>applicable regulatory instruments</i>.</p>	<p>proposal to retain the current requirement that customers be notified that any part of a bill is based on any substituted data.</p> <p>Further, as in the case of an estimated bill, when a substitution has occurred, we believe a default tariff equivalent to the 'off peak' rate must be used for the purpose of the estimation. This would prevent customers being overcharged, for example at the peak rate, at a time when the distribution business or retailer is at fault. Further, any usage substituted should be linked to a set amount of consumption, for example, over 2-3 intervals, a reasonable amount of kilowatts should apply rather than an assumption that a consumer has used maximum load at this time.</p> <p>Consumer Action is satisfied with the removal of references to the metering code and the insertion of "applicable regulatory instruments".</p>
	(g) the total amount of electricity (in kWh) consumed in each period or class of period		Refer discussion in section 3.2	Consumer Action believes that with the introduction of smart meters and

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	in respect of which a relevant tariff applies to the customer and, if a customer's meter measures and records consumption data only on an accumulation basis, the dates and total amounts of the immediately previous and current meter readings, estimates or substitutes;			<p>interval data, consumers have a right to access, on their bill, via the internet or by other means, information that relates to their actual data use, at no additional cost.</p> <p>Consumer Action is unsure as to whether 'each period or class of period' requires the amount of electricity consumed in different <i>tariff</i> periods to be included on bills. We recommend that this clause be amended to explicitly state that it applies to information about consumption in tariff segments.</p>
	(h) if the retailer elects to include meter readings or accumulated energy usage from an interval meter on the bill, the meter readings or accumulated energy usage based on quantities read or collected from the corresponding meter accumulation register(s);		<p>Will the proposed approach to including the consumption by tariff segment, total consumption and tariffs for the billing period ensure customers maintain their ability to confirm the accuracy of the bill?</p> <p>What are the implications for cost, feasibility and information value to customers of the options for the meter's total accumulated consumption on the bill?</p>	<p>The proposed approach for including the consumption by tariff segment, total consumption and tariffs for the billing period, while facilitating the provision of important and useful information that will help customers <i>understand</i> their bills, does not ensure that customers maintain their ability to <i>confirm the accuracy</i> of the bill.</p> <p>While consumers may have access to their consumption data over a certain period, they cannot verify the</p>

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				<p>accuracy of that information against the meter itself, resulting in no way for consumers to know whether the calculations are correct.</p> <p>Recent figures in the EWOV Resolution Bulletin are that complaints regarding billing errors have increased to 44% of all complaints they receive. This level of inaccuracy in current billing systems for accumulation meters is far from reassuring in the lead up to such significant changes to the way meter data is communicated for interval meters.</p> <p>While we do not have a solution to this issue for the ESC, the potential to retain accumulated consumption data and display this on the bill as at the bill date, including current and previous readings, may be suitable. Of continuing concern, however, is the accuracy of these readings and the ability for consumers to access this information on the meter itself.</p> <p>In summary, we reiterate that we perceive this to be a significant and</p>
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				ongoing issue that is far from resolved.
	(i) if the retailer directly passes through a network charge to the customer, the separate amount of the network charge;		Refer discussion in section 3.2 on assistance to customers in shopping around in the competitive market	Consumer Action supports the retention of this clause. However, we believe there is a significant case for strengthening it to state that a retailer must separate the network charge on a bill from any other component of the bill (for example, retailer margin) to ensure it directly and transparently relates to the network charge passed through from a distribution business.
	(n) if the customer is a domestic customer, details of the availability of concessions;		Possibly a confusion of policy aims. The reference to concessions, etc is to assist customers in financial difficulty. SVDP reference to 'relevant consumer information tools' is presumably to address the information gaps for all consumers, and to assist them to access competition (for example, the ESC's YourChoice website).	We support the recommendation by SVDP, to expand the provision of 'relevant consumer information tools'. On the basis that the market is becoming increasingly complex and consumers may increasingly experience difficulty in paying their bills, they will need easy and transparent access to information about how to manage payment of their bills. A single location for these tools (as per the SVDP proposal) will be essential to the success of the

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				smart meter roll out.
Other information			<p>Refer discussion in section 3.2 on assistance to customers in shopping around in the competitive market</p> <p>Comments are sought on these, or alternative, options for ensuring customers are able to compare competing retail offers when time-of-use tariffs and more complex tariffs are introduced.</p>	<p>We have significant concerns regarding the accessibility and comparability of standard and market offers in Victoria, both currently and with the introduction of more complex tariff arrangements. It is currently very difficult for consumers to compare market offers successfully.</p> <p>The inability of consumers to access transparent and comparable information in the marketplace prevents consumers from fully participating in the market and driving competition. This then removes the incentive for retailers to provide better offers to consumers.</p> <p>Easily comparable information must be required on all product and price information, including marketing information that is available to consumers. We strongly support the use of common terminology or definitions on bills and offers. The market is already complex, and</p>

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				<p>without common definitions it will become almost impossible for consumers to navigate offers, particularly with the introduction of time of day tariffs. The telecommunications market in Australia provides a good example of how significant confusion can quickly result from consumers having no way of comparing offers. Use of words like 'cap' and 'unlimited' have become confusing because there is no standard definition.</p> <p>We also support the expedient development of the ESC comparator service that is built to accommodate these variables. It is essential that public awareness of this comparator, including the independence of the ESC, are raised to maximise consumer use of the tool and transparency in the market.</p> <p>Finally, we strongly support the proposal to require retail businesses to develop their market offers with tariff structures that mirror network tariff structures.</p>
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<p>4.3 Bundled charges</p>	<p>The requirement for retailers to provide customers with reasonable information on network charges, retail charges and any other charges relating to the sale or supply of energy comprised in the amount payable under the customer's bill. This information only has to be provided on request.</p>	<p>Key Issue for review</p>	<p>Refer discussion in section 3.2</p> <p>Greater transparency through information to customers is a prerequisite for customers to benefit from the introduction of smart metering and unbundling could be considered to deliver part of this information. However, some key questions are:</p> <ul style="list-style-type: none"> • Would customers gain any information from unbundling of the distribution charges if the retailer does not base its tariff on the distributor's tariff structure? • Would it be helpful or not for customers to have some charges unbundled, but not others? • Does unbundling of network charges and tariff alignment have the potential to reduce retailer flexibility in tariff offerings? • What are the costs, benefits and feasibility of greater unbundling? Should regulation go beyond requiring the unbundling of retailer and distribution cost sub-components of wholesale and metering costs? 	<p>Unbundling of a consumer's bill would be a significant improvement in ensuring transparency of distribution / network costs and generation costs, ensuring consumers have the opportunity to make comparisons across distribution areas and enabling competition by comparison of regulated entities in particular.</p> <p>If a retailer does not mirror the shape of the network tariff the ability for consumers to glean any meaningful information about their energy use is significantly diminished. Further, any ability for distribution businesses to assess true changes in consumer behaviour that may result in deferred network augmentation based upon demand management efficiencies, would be impossible.</p> <p>The level of complexity on a customer's bill will necessarily influence the amount of unbundling that would be useful or not. Each component of the tariff should be limited to no more than two or three separate charges. For example, the</p>
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				<p>network charge may include charges for meters and a supply charge.</p> <p>We strongly support the regulation of unbundling to include a focus on the comparability of like for like. The same segments for one retailer and distribution costs in one distribution area, must be able to be compared with those in another distribution area.</p>
4.4 Graphs	Information to be included on graphs, including consumption information for each billing period for last 12 months and comparison with same period of the current bill.	Key Issue for review	<p>Refer discussion in section 3.2</p> <p>The proposal is to require retailers to provide customers with a graph similar to that used by EnergyAustralia or Ontario Energy Board when time-of-use tariffs are introduced for customers with smart meters.</p> <p>What are the implications for incremental costs or barriers to innovation of this approach?</p> <p>Given the customer feedback from overseas pricing pilots, and the potential move to monthly billing, mandating daily periods may also be</p>	<p>The use of graphs on customer bills is important in helping consumers to understand their consumption and costs more easily. With increased complexity in the way consumption is recorded and charged for, it is increasingly important that meaningful graphical information be provided on bills.</p> <p>The cost of consumers not understanding their bills would be far greater than any marginal cost for including these graphs on customer bills. We do not believe that there are any relevant barriers to innovation in this approach, as regardless of tariff type and shape,</p>

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			beneficial for customers. Comments are invited on this approach.	cost and consumption information should be able to be translated into understandable information for consumers. Any 'innovation' that is not capable of being communicated to consumers in an understandable way would have a negative overall effect on the market, based upon its increased complexity for consumers inhibiting the proper functioning of consumers in the market.
5.1 Bills based on meter readings	Bills must be based on meter readings unless a customer gives explicit informed consent; and, in any event, retailers must use their best endeavours to ensure the customer's meter is read at least once in any 12 months.	The meter reading requirements for all meters are now largely regulated by the national metrology requirements and retailers do not have direct influence over this process except to ensure customers provide access for manual reading. For smart meters physical access, while still will need to be provided, is not an issue to ensure routine meter reading and the expectation is that all bills will be based on data frequently collected from the meter.	Refer discussion in 3.2.2. The Commission also proposes the following amendment to this clause; in any event, use its best endeavours to ensure that the customer's bill is based on a reading of the customer's meter at least once in any 12 months and if the customer's meter is a smart meter use its best endeavours to ensure that every customer's bill is based on a reading of the customer's meter .	Consumer Action supports the Commission's proposed amendments to clause 5.1.

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5.2 Estimations	Methodology for estimated bills	<p>This section is concerned with how the estimation is made not whether the bill is an estimated bill or not and may be impacted by smart meters</p> <p>The requirement for the estimation continues to reflect the previous position whereby the Victorian regulation set out how first tier customer's data was collected and the national electricity market regulation set out the arrangement for second tier customers.</p> <p>The meter reading requirements for first and second tier customers are now covered by the national instruments which set out how all data is to be validated, and where necessary, substituted and estimated. These requirements are set out in the "Metrology Procedure: Part B National Electricity Market", that is available on the AEMO website.</p> <p>The Commission agrees that the current estimation and substitution methodologies, that are AEMO's responsibility in a NEM context, may need to be revised for small customers with smart meters.</p>	<p>Refer to discussion in 3.2. As well, a technical amendment to this clause is proposed;</p> <p>(a) Despite clause 5.1, if a retailer is not able to reasonably or reliably base a bill on a reading of the meter at a customer's supply address, the retailer may provide the customer with an estimated bill prepared in accordance with the relevant estimation procedure in the applicable regulatory instruments.</p> <p>(b) Despite clause 5.1, if in the context of an electricity customer transferring from one retailer to another retailer applicable regulatory instruments permit an estimate of consumption rather than a meter reading, the retailer may provide the customer with an estimated bill prepared in accordance with the relevant estimation procedure in the applicable regulatory instruments.</p>	Consumer Action supports the drafting changes proposed by the Commission to clause 5.2.
5.3 Bill	Methodology for determining bill	Issue for review	Views are sought on whether the	Consumer Action supports the

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Smoothing	smoothing arrangements and for reconciling bills		reconciliation requirements for bill smoothing should be changed to 3 months for those customers with smart meters.	reconciliation of bills, under a bill smoothing arrangement, to be changed to three months for those with smart meters to minimise the likelihood of under or over charging (on the basis of more accurate information, more often).
6.1 Review of the bill	Obligations on retailers and customers when the customer requests a review of the bill.	Should obligations be the same irrespective of smart meters?	Refer discussion in section 3.2 Will the regulation of the provision of billing level data continue to meet the needs of customers to allow them to reconstruct their historical bills in a smart metering environment for ad-hoc or occasional purposes?	We highlight that a customer has no way of knowing if there is a problem with their bill, particularly whether or not the meter is at fault. See comments for clause 4.2 (h) above. On this basis, if a consumer has asked for a review of the bill to be taken, and there is no problem with the meter, because this will be difficult to prove and as consumers have no way of verifying their bills, no fee should apply.
6.2 Undercharging	Obligations on retailers, and monies to be recovered from the customer, if the retailer has undercharged or not charged a customer	Outcomes the same irrespective of smart meters, but drafting may be required to take account of smart meters	The current regulation, which in Victoria which only allows 9 months recovery, is already a substantive intervention in the market. Commission does not consider it necessary to review this regulation at this time.	Consumer Action does not support this decision. If a retailer has not identified that it is undercharging a customer when monthly billing is introduced and when interval data is available, it should be apparent that the retailer's systems and procedures are deficient and they should take

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				responsibility for this. We recommend this be reduced to 3 months recovery only where a smart meter is in place. This would reflect the same number of billing periods as the current rule, where nine months equates to three quarterly billing periods.
7.1-7.5 Payment of bills	Time for customers to pay, unless negotiated differently in a market contract/ Ways in which customers can pay their bills/Payment in advance/Fees and Charges for Credit Card and Dishonoured Cheque payments	Obligations the same irrespective of smart meters	Regulation only needs to be reviewed if the billing cycle is changed to monthly. Refer to discussion in section 3.2	
7.6 Vacating a supply address	Obligations on customers for vacated premises	Review in light of remote disconnection & reconnection functionality	This clause is considered quite fair in relation to customer payment. Stakeholder views are sought as to whether changes are required because of the review of smart meters.	One way to ensure the benefits of smart meter technology flow to consumers is in relation to vacated premises. Given that disconnection can be performed remotely and quickly there is no longer a reason to allow a retailer to continue to charge for an additional three days after notice is given. For smart meters, clause 7.6(b) should be amended to provide that the cut-off is the later of the date of notice or of vacating the premises.
11.1 – 11.4 Assistance to	Obligations on customers and retailers if customers experiencing payment	Obligations the same irrespective of smart meters	No change to the regulation because of smart meters	We have concerns with the frequency with which consumers

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customers with payment difficulties	difficulties. Obligations on retailers to assess capacity to pay and provide information and assistance. Requirements for debt collection	The Wrongful Disconnection Payment (WDP) Review highlighted some ambiguity in drafting clause this clause. This will be reviewed separately.	<p>Commission is undertaking a review of retailers' financial hardship policy implementation and the matter will be reviewed in that context, as well as the WDP Review Refer to discussion in section 3.1.</p> <p>Are there enhancements to the current regulations which are necessary for vulnerable customers arising from the implementation of smart meters?</p>	with payment difficulties may face disconnection in a monthly billing environment. Further enhancements to the regulatory framework will need to consider the impact of the billing and collections cycle as it relates to disconnection.
12.1 – 12.3 Options for customers and review	Setting out when customers may be eligible for instalment plans and requirements for retailers to review and adjust	Obligations the same irrespective of smart meters The Wrongful Disconnection Payment Review highlighted some ambiguity in drafting clause this clause. This will be reviewed separately.	<p>No change to the regulation because of smart meters Commission is undertaking a review of retailers' financial hardship policy implementation and the matter will be reviewed in that context, as well as the WDP Review Refer to discussion in section 3.1.</p> <p>Are there enhancements to the current regulations which are necessary for vulnerable customers arising from the implementation of</p>	

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			smart meters?	
13.1 Non-payment of bill	Procedures prior to retailers disconnecting customers	Key issue for review	No change to the regulations generally, but refer to discussion in section 3.3 regarding further information to customers who are to be disconnected remotely	<p>We support a requirement that additional steps be taken prior to disconnection in the smart meter environment.</p> <p>First, we support a warning that disconnection may be performed remotely.</p> <p>Secondly, we support additional obligations on retailers to make at least two attempts, by phone or in person, in the 24 hour period prior to disconnection, to warn a customer that they are being taken off supply. We believe that additional warnings are appropriate because there will no longer be an in-person visit at the time of disconnection, meaning a customer may not, in fact, realise they are to be disconnected. The current in-person visit, while not strictly for the purpose of customer contact, does operate as a form of customer contact prior to disconnection and gives the customer a chance to deal with the business – we understand that this</p>

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				currently has a positive effect in reducing disconnections in Victoria, particularly for people in financial hardship.
13.2 Customers without sufficient income	Additional obligations on retailers prior to disconnecting customers who are known to have financial difficulties	Key issue for review	Refer to discussion in section 3.3 on whether there should be additional steps for customers prior to remote disconnection	As above, we support additional obligations on retailers to make at least two attempts, by phone or in person, in the 24 hour period prior to disconnection, to warn a customer that they are being taken off supply – particularly for customers with financial difficulties.
13.3 Denying access to meter	Obligations which apply when customer's meter is not accessible for reading	Clause 13.3 could be clarified that this applies to manually read meters and to ensure that it is clear that access does not imply the customer providing or not electronic access to the meter.	Minor drafting amendment proposed: Propose the following amendment; A retailer may disconnect a customer other than a customer with a smart meter if, due to acts or omissions on the part of the customer , the customer's meter is not accessible for the purpose of a reading for three consecutive bills in the customer's billing cycle but only if:	Consumer Action agrees with the Commission's proposed drafting changes.
14 No disconnection	Circumstances and time frames when retailers cannot disconnect	Consider in context of remote disconnections	No change proposed, however we note that the times associated with	

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			disconnection and reconnection could be subject to new prompt disconnection and reconnection services being available that utilise the smart meter. Refer to discussion in section 3.3.	
15.1 – 15.2 Customer's right to reconnection	Circumstances and timing for customer's reconnection	Issue for review	As for 14 above	We do not support the Commission's decision to maintain the status quo. If disconnection occurs within the timeframes outlined in the Energy Retail Code, and a retail business operates outside of those times and a customer can confirm payment for reconnection to avoid the inconvenience of being off supply or over the weekend, we expect, based upon the potential for remote reconnection, that customers would be reconnected as soon as possible, not simply on 'the next business day'. Further, additional information will be necessary specifically in relation to remote connection/reconnection on the basis that consumers will need to be warned that their energy may be reconnected remotely, without anyone attending their premises to alert them. Specifically, there should be a requirement that at least one

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				attempt to contact the customer is made, by phone or in person, to warn the customer to remove any hazards that may prevent a safe process, for example a hair dryer plugged in and turned on, or an electric oven/stove turned on that may have a tea towel left on an element.
20 Variations requiring customer's agreement	How variations to tariff and other terms and conditions can be effected	Key issue for review	<p>Refer to discussion in section 3.2</p> <p>The Commission considers that any changes to the regulation on the notification of tariff variations should wait for the outcomes of the Victorian Government's deliberations, so that there is consistency between customers on market contracts and those on standing contracts.</p> <p>Nevertheless, interested parties may wish to submit their comments in regard to this matter.</p>	We are of the strong view that changes to the code are necessary to oblige retailers to ensure they gain the explicit informed consent for any variation to the tariff and any terms and conditions of their energy contract, including market contracts, prior to that change taking place.
21 Gazette based variations	How variations to standing offers take effect	Key issue for review	<p>Linked with above – refer to discussion in section 3.2</p> <p>SDVP raises an issue of what standing offer tariffs retailers are required to offer. This is a statutory issue and is not addressed in this</p>	Consumer Action reserves the right to provide future comments on this issue, subsequent to decisions made by the government.

ENERGY RETAIL CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

			review.	
22.1 – 24.6 Term, termination and expiry of contracts	Sets out when contracts take effect, how they can be terminated, procedures applying if a customer breaches the contract and termination in a retailer of last resort event	Issue for review	<p>Customer’s termination notification Customers are currently required to give 28 days' notice if they wish to terminate a contract. Under smart meters, customers’ meters can be read more quickly, enabling a quicker transfer if necessary, but there are other processes which impact on the timing of transfers.</p> <p>Comments are sought on whether the notification time should be reduced and why.</p> <p>Cooling-off period It is agreed that attention should be given to marketing conduct in a TOU environment, at least for the first 2-3 years (refer to some discussion in section 3.2). However, the proposal by SDVP is externally-driven and impossible to enforce (eg postage late, customer says didn’t receive, etc). The obligation must be on the retailer to demonstrate that the material was given to a customer within 2 business days, and the cooling-off commences from that date (see clause 3.5 of Marketing</p>	<p>Consumer Action supports a reduction in notification times for customers advising of their wish to terminate a contract. This is reflective of the capacity for monthly reconciliation and billing and reduced risk for retailers. Consumers should have the right to notify of their wish to terminate a contract within a period reduced from 28 days. This would be a competition enhancing change, as it would lower switching costs for consumers.</p> <p>While we strongly believe a consumer must receive core contract information prior to entering into a contract, we understand that in the case of a telephone sale, a copy of the full contract will not be given to the consumer at the time of entering into the contract. Consumer Action supports the obligation for retailers to ensure that a contract is provided within 2 business days, and for them to be able to demonstrate this. We support the retention of the clause that ensures the cooling off period does not commence until the</p>

ENERGY RETAIL CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

			Code). No change to the regulation is proposed.	contract has been received by the customer.
26.2 Charter	Circumstances in which retailer must provide a customer charter and information to be provided	Issue for review	Charter requirements will be reviewed	The requirements for a retailer to provide a copy of their charter must include the time a customer enters into a contract with the retailer. This is increasingly relevant and important with the rollout of smart meters as the charter will include the principles by which a retailer conducts its business, including in relation to smart meters.
26.4 Advice on available tariffs	Information which must be provided to customer on available tariffs and notification of tariff variations	Key issue for review	Refer to discussion in section 3.2	<p>We are of the strong view that the notification obligations on a retailer regarding changes to a customer's tariff must be improved substantially.</p> <p>The current arrangements do not require retailers to notify a customer of a change to the tariff until 'no later than' the customer's next bill.</p> <p>Significantly, by this time, a tariff change would already have taken place, meaning a customer has been paying for increased or varied tariffs for up to three months prior to</p>

ENERGY RETAIL CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

				<p>learning of a change. This is far from conscionable with the introduction of time of use or other tariff shapes, which will significantly impact on the way a consumer interacts with and consumes energy.</p> <p>A consumer must be notified prior to a variation of the tariff taking affect and notification should be accompanied by a usage profile of a customer's consumption to enable them to provide their explicit informed consent to signing on to a new or varied tariff term, particularly if it is a time of use tariff.</p>
	Maintenance of life support register and information from retailer to distributor	Key issue for review, particularly in light of remote disconnection/connection functionality	The Commission considered this matter at length in the Review of Distribution Communications in Widespread Supply Events and made changes to the regulations to provide greater protections to persons with special needs. No further changes to the regulation proposed	
27.2 Historical billing data	Information to be provided to the customer and charges which may be imposed	Key issue for review	Refer to discussion in section 3.2	This clause needs to be expanded to refer also to consumption data. The data provided by the retailer must include all billing and consumption

ENERGY RETAIL CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

				data related to the interval data made available to retailers by distribution businesses. To minimise the potential size of this data file, it could be provided in an aggregated form, such as per tariff band, and certainly in varying forms if it was to be provided over the internet. Consumers have a right to access information relevant to their own consumption without impediment.
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ELECTRICITY DISTRIBUTION CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

2.5 Previous connection	That the distributors must use best endeavours to energise a customer's supply within one business day	Energisation by smart meter may be new service that can be carried out is less than one day.	Refer discussion in section 3.3 Should the regulation require the distributors to disconnect and reconnect premises more quickly if the smart meter functions are available?	We believe that there is potential to include a requirement for a distributor to energise a property within 2 hours of notification from the customer requesting connection, to ensure energisation done remotely occurs safely.
9 Provision of information Clause 9.1.13	When disconnecting supply the distributor must leave information at the site about reconnection including a list of retailers	Under remote deenergisation the site will not be visited hence it is unclear how this information currently provided under clause 9.1.13 would be provided under remote reenergisation.	Refer to discussion in section 3.3. Under remote disconnection should the Commission require that information be provided by a sticker placed in the meter box? What other options are available for ensuring new occupants know how to go about finding a retailer and getting reconnected?	Consumer Action supports the Commission's proposal for distributors to leave a sticker detailing their name and contact details (phone number) in the meter box. We also believe the details of the retailers must also be provided, however we are unclear as to whether the details of all retailers will be included or whether the Commission suggests a call centre number at the Commission itself to manage relevant queries. Other potential options for ensuring new occupants know about how to find a retailer and get connected may include packs developed by the Commission and distributed to real estate agents who deal with all sales and rentals that go through their agency. These could also be provided

ELECTRICITY DISTRIBUTION CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

				to all government housing representatives for all new public housing residents. We recognise that in some instances private sales and rentals do occur.
Clause 9.1.14 9 Provision of information	This clause sets out the advice that the distributor must give the customers when a smart meter is to be installed.	This clause was especially inserted so that customers would know when a smart meter was to be installed under the rollout	Clause 9.1.14 has been operational for a few months and this review is an opportunity in the light of experience to review this clause. The Commission seeks views on the operation of clause 9.1.14.	Consumer Action supports the retention of the obligations under this clause. We recommend, however, that the Code also instruct the distributors about the information necessary when a meter installation does not take place at the original planned time. Further correspondence, in line with the first two contacts, should be provided to customers.
12 Disconnection of Supply	Sets out the conditions under which the distributor may and may not disconnect the customer, including at a retailer's request and at the customer's request	While the issues of disconnection and/or deenergisation by fuse pull or the meter is an issue for smart meters it is likely most of the conditions associated with disconnection will not be impacted.	Refer to discussion in 3.3 What steps could be taken by the distributors and/or the retailers to ensure that the wrong customer is not disconnected with smart meters? Should retailers take additional steps prior to disconnecting all customers, as well as noting on the disconnection warning that the	Consumer Action recognises that the potential for remote disconnection / de-energisation with the introduction of smart meters will make it easier for both retailers and distributors to disconnect consumers. We are concerned that wrongful disconnection and large scale disconnections may take place. Improved procedures that ensure disconnections have been through a

ELECTRICITY DISTRIBUTION CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

			disconnection may be carried out remotely?	<p>rigorous review and sign off process will ensure compliance. These processes will need to be developed further, with appropriate checks particularly in the case of life support customers.</p> <p>A full review of costs payable by consumers must be conducted as the cost of remote disconnection will be insignificant in comparison to manual disconnection. In accordance with the principle of benefits accruing to customers from the rollout of smart meters, it would make sense that no charge is payable by consumers for this service.</p>
13 Reconnection	Sets out the conditions under which the distributor must reconnect a customer	Related to 12 above some clarification or changes may be required	Refer to discussion in 3.3	<p>We have some concerns about the safety implications of remote connection and reconnection, particularly for those customers who have temporarily been disconnected for inability to pay for energy services. Additional notification needs to be provided to customers that details a window in which reconnection / connection will occur.</p> <p>A full review of reconnection costs</p>

ELECTRICITY DISTRIBUTION CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

				must be conducted as the cost of remote connection and reconnection will be insignificant in comparison to manual connection/reconnection. As a principle of benefits accruing to customers from the rollout of smart meters, it would make sense that no charge is payable by consumers for this service.
14, 15, 16, 17, 18 and 19	Compliance with metering code, additional charges Liability, indemnity, force majeure and definitions	No smart meter issues however subject to the resolution of other matters a definition of smart meter based connection and/or disconnection may be required in clause 19.	Subject to the resolution of other matters a definition of smart meter based connection and/or disconnection may be required.	
Other			The Commission considers that there is a need for regulation to require customer access to metering data that will be available on a daily basis through secure communication methods capable of protecting customer privacy. Comments are sought on: <ul style="list-style-type: none"> • whether distributors as well as retailers should be obliged to provide metering data sets to customers • how distributors or retailers can provide interval data from smart meters securely to customers 	Consumer Action believes that the provision of data to customers is a complex topic, in relation to access and interpretation, security, privacy and cost. We believe a full assessment of options and impacts for customers needs to be conducted to address this issue. This issue requires further discussion and we would welcome further workshops on the details.

ELECTRICITY DISTRIBUTION CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

			<ul style="list-style-type: none"> • how would the cost of such a service be assessed? <p>What other information and information sharing issues should be considered by the Commission in reviewing the regulations?</p>	
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CODE OF CONDUCT FOR MARKETING RETAIL ENERGY IN VICTORIA REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

Training	<p>Sets out requirements on retailers to provide initial and ongoing training and testing of marketing representatives, including:</p> <ul style="list-style-type: none"> • Consumer laws • misleading, deceptive or unconscionable conduct • basic contractual rights and the meaning of explicit informed consent to a contract • the ability to clearly explain the arrangements for competition in energy supply, including the right to freely choose a retailer • product knowledge, including tariffs, billing procedures and payment options (and any other areas stipulated by the Commission) 	<p>Customers will want to know about the role of smart meters and how time-of-use tariffs will impact their bills, how they will be able to benefit from time of use pricing, why they have to pay for meters, etc. Retailers will have to adapt their marketing practices.</p>	<p>Comments are sought on whether, and how, they can be consistent training by retailers. How prescriptive should the Commission be in stipulating training areas.</p>	
3.3 Pre-contractual information	<p>A retailer must provide the information to a consumer before entering into a contract, including:</p> <ul style="list-style-type: none"> ▪ details of all applicable prices, charges¹, tariffs and service levels that will apply to the consumer, where the retailer must declare that the price offered is inclusive of all costs, including GST; and 	<p>The tariffs which the retailer must disclose will be dependent on the tariff structure ultimately determined by the Government. There will be implications, but it is difficult to be definitive at this time</p>	<p>Refer discussion in section 3.2</p>	<p>Consumer Action reserves the right to provide future comments on this issue, subsequent to decisions made by the government.</p>

¹ Subject to the retailer being aware of all charges which may apply to that consumer or the consumer's premises.

CODE OF CONDUCT FOR MARKETING RETAIL ENERGY IN VICTORIA REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

	<ul style="list-style-type: none"> ▪ the type, frequency of bills and payment methods the consumer will receive; ▪ cancellation rights and any termination fees that might apply; ▪ all relevant information about any difference between the contract's terms and conditions and the basic terms and conditions under the Energy Retail Code 			
3.4 Cooling off	<p>Sets out the consumer's cooling-off rights:</p> <ul style="list-style-type: none"> ▪ 5 business days from and including the relevant date if the customer requires energisation; and ▪ otherwise, 10 business days from and including the relevant date 	No implications assumed because of smart meters	<p>It is agreed that attention should be given to marketing conduct in a TOU environment, at least for the first 2-3 years (refer some discussion in section 3.2). However, the proposal by SDVP is externally-driven and impossible to enforce (eg postage late, customer says didn't receive, etc). The obligation must be on the retailer to demonstrate that the material was given to a customer within 2 business days, and the cooling-off commences from that date (see clause 3.5 of Marketing Code).</p> <p>No change to the regulation is proposed.</p>	<p>Consumer Action supports the Commission's position and the retention of current protections relating to cooling off periods. We reiterate our comments above however, that the cooling off period should not commence until the contract has been received by the customer.</p>

ELECTRICITY CUSTOMER TRANSFER CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

<p>4.2 and 4.3 Process for customer transfer - Proposed transfer date and meter read method</p>	<p>These sections are concerned with establishing the transfer date and the need for an appropriate meter reading at that time for the purpose of transfer.</p>	<p>A meter read is required for transfer, this traditionally has been from a scheduled read (up to a quarter apart) or a special read which would incur additional costs. Smart meters allow reading daily and daily remote readings may become a “scheduled read” and a transfer the next day could be achieved without a special read being required. The principle that a transfer must take place based on actual meter data should be retained. Smart meters will provide more transfer flexibly as reading will occur more often with daily reads being proposed. With the approach proposed section 4.3 will not require amendment. Clause 4.2(b)(2) allows a retrospective date to be applied (AEMO’s MSATS provides for this date to be up to 10 days earlier than the date a transfer is “requested”) provided that date was a reading date. The Commission considers that with smart meters it is not necessary to have retrospectivity to align to a reading date (see discussion above) and that retrospectivity provisions were not intended to allow arbitrary</p>	<p>The existing arrangements for the manual reading of accumulation meters will need to stay in place for some time. The Commission proposes to add the following clause 4.1A to section 4 to allows for the readings from smart meters;</p> <p>4.1A Smart meters For the purposes of clauses 4.2 and 4.3, if a <i>customer</i> has a <i>smart meter</i> that is remotely read, a reading of the <i>customer’s</i> meter and the processing of the consumption data in accordance with the <i>Electricity Customer Metering Code</i> or <i>Metrology Procedure</i>, as the case may be, is considered to be an actual read and a scheduled meter read. The Commission proposes the following amendment to clause 4.2(b)(2) which would read; “was an actual meter reading date for a <i>relevant customer</i> with other than a <i>smart meter</i> occurring after the <i>retrospectivity start date</i> (CATS code 1010 or 1081); or”</p>	<p>Consumer Action supports the Commission's proposed drafting for this clause.</p>
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ELECTRICITY CUSTOMER TRANSFER CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

		retrospective transfer dates. For customers with smart meters retrospectivity could continue to be used in the case of a move-in (sub paragraph (1)). This allows a single contract to be established from the move-in date.		
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ELECTRICITY CUSTOMER METERING CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

2.4 Impulse Output	Allows the customer to request an “impulse output” from the meter and that the customer must pay for the provision of such facilities.	Prior to smart metering such an impulse output would have been the only way customers, particularly large customers, could obtain detailed metering data to assist in monitoring its consumption. Under smart metering more methods of obtaining detailed data from the meter are possible, these include information passed directly to a display device in the premises or a web based provision of data that is available to the customer each day after the meter is remotely read. The Commission’s understanding is that the Victorian smart metering specification does not include the mandatory provision of pulse outputs.	The Commission proposes that clause 2.4(a) be varied to read; “(a) A <i>customer</i> , other than a <i>customer</i> with <i>smart metering</i> , may request a <i>distributor</i> , a <i>retailer</i> or a <i>responsible person</i> (as the case may be) to provide it with impulse outputs representing the quantities of electricity measured.” Smart meter would be defined as; “A <i>metering installation</i> installed at a <i>customer’s</i> premises where the annual electricity consumption is 160 MWh or less that meets the requirements of Division 6A (“advanced metering infrastructure”) and relevant Orders under Division 6A of the Electricity Industry Act (2000).”	Consumer Action supports the Commission's proposed drafting for this clause.
2.6 Information for Customers	Requires information to be left with the customer showing how the meter can be read by the customer from the accessible display. Currently this clause only applies to type 5 meters (interval meters that are manually read)	Smart meters can display more information than accumulation meters and it is important that customers are able to read the meter display.	The requirement that information about accessing the meter display be provided should be now extended to include smart meters. Due to the major change-over program the Commission considers that this requirement should be extended to include the provision of this information at a customer’s request.	Consumer Action supports the Commission's proposed drafting for this clause.

ELECTRICITY CUSTOMER METERING CODE REGULATION UNDER REVIEW				
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			Proposed drafting: “A distributor, retailer or responsible person must provide sufficient written information to the customer so that the customer can access, at a minimum, the cumulative total energy measured by an interval meter or smart meter at the customer’s premises when; <ul style="list-style-type: none"> the meter is installed at a customer’s premises, and requested by the customer.” 	
3 Changing tariffs	Requires the distributor or retailer who requires a different meter or the meter to be operated differently, or request a new tariff to seek the agreement of the distributor or retailer	It is unlikely that such a new tariff would require a smart meter to be changed or operated differently.	In principle the requirement for such agreement should be retained. No change is proposed.	
6 Installation	The clause is concerned with the cost of installing different meters	Prior to smart metering, the clause has assumed that customers may request only higher cost metering. Under smart metering the clause could be interpreted as allowing customers to request a reversion to basic metering. The clause must continue to operate for >160 MWh customers with type 4 metering who may wish to request higher standard metering. The clause must recognise that smart meters are to become the minimum standard for small customers and that this standard is established currently by	The Commission proposes that a new paragraph (aa) be inserted at the beginning of the clause; “This clause 6.1 is subject to the minimum standard of metering equipment being smart metering following the initial installation of smart metering at a customer’s premises.” Additionally, this clause should apply to all customers, not just first tier customers as it currently sets out.	

ELECTRICITY CUSTOMER METERING CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

		Victorian law rather than the NER or metrology procedures. Currently the NER and metrology procedures do not specifically include smart meters.		
7.1 Access to data	Sets out rights of the customer to access data electronically directly from the meter at the customer's cost	<p>This clause was previously designed to allow large customers with electronic metering direct access to the meter data and did not contemplate smart meters.</p> <p>As noted above smart meters provide more methods of obtaining detailed data from the meter, including information passed directly to a display device in the premises or a web based provision of data that is available to the customer each day after the meter is remotely read.</p> <p>The Commission's understanding is that it is intended customers use these methods rather than direct electronic access to obtain data.</p>	It is proposed that paragraph (a) be varied as follows; <i>"A distributor, a retailer or a responsible person (as the case may be) must, on written request from a customer, other than a customer with a smart meter, provide facilities to enable the customer to electronically access data stored in metering equipment provided by the distributor, the retailer or the responsible person."</i>	Consumer Action supports the Commission's proposed drafting for this clause.
8 Collection of metering data	Sets out that the customer may arrange how the data will be collected.	<p>This clause did not anticipate smart meters. Where smart metering data is collected by remote means there does need to be choice of an alternative method which was intended to be remote collection.</p> <p>Furthermore it needs to be clear that a customer cannot request that data from a smart meter be alternatively</p>	<p>This clause would need to continue to apply to > 160 MWh customers where it is not mandatory that smart meters be installed and where some customers may not have data collected remotely. The Commission proposes a new paragraph 8 (aa) be inserted; <i>"This clause 8 does not apply to customers with smart meters."</i> </p>	Consumer Action supports the Commission's proposed drafting for this clause.

ELECTRICITY CUSTOMER METERING CODE REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

		manually collected.		
9 Definitions		There is currently no definition of a smart meter	A definition of a smart meters should be included	Consumer Action strongly supports the inclusion of a definition for smart meters that reflects the increased capability of the meter (beyond metrology).

USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

6.3 Disconnection at the request of the retailer	Sets out the arrangements for the retailer to notify the distributor of a disconnection, the timing of the disconnection and the distributor's associated conditions. The clause, which is subject to the electricity law, allows the distributor up to 2 business days to effect the disconnection.	Disconnection refers to deenergisation. Smart meters allow deenergisation in shorter time frames and by remote rather than on-site means. Under this clause distributor must disconnect the customer within two business days. The UoSA requirements would necessarily follow any regulatory amendments in providing for retailer requests to distributors and the service that is offered by the distributor taking into account smart meters enabled services.	Refer to discussion in section 3.3. Amendments may be required	We believe that disconnection should be enabled within 2 hours of a customer's request via the retailer. The 'use of system' agreements will need to reflect this.
6.4 Disconnection at the request of a customer	This clause provides for the distributor to disconnect the customer in accordance with the distribution code based on a request by the customer.	For smart meters the issue is what method does the distributor use for the disconnection and is the customer given choice.	Customers should continue to be able to request a disconnection directly with a distributor, the effective operational arrangements for this would be set out in the distribution code. It may not be necessary to amend this clause.	Consumer Action supports the ability for consumers to directly request disconnection with the distributor. The costs would need to be reviewed to reflect the change from manual disconnections to remote disconnections.
6.5 Reconnection of supply	Sets out that the distributor must reconnect supply when required to do so under the electricity law or when a proper request is received from a retailer.	The clause does not indicate times that must apply instead indicating that the reconnection (reenergisation) shall be carried out in accordance with the electricity law. It is the electricity law that will set out any new arrangements for customers with smart meters.	No change is proposed; other codes will set out any changed requirements for reenergisation for customers with smart meters.	
7.4 & 7.5 Invoices	Obligations to parties to meet their	Key issue as the distributors are seeking	Refer discussion at section 3.4	Consumer Action strongly supports this

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and Metering Data	financial obligations	monthly network billing for all customers, whereas it is quarterly currently for most customers	<p>The Use of System Agreements are amended to provide for monthly network billing of customers with smart meters, but in the period until 1 January 2012 (or some other agreed future date) the payment terms for such network bills be extended if the retailer is billing the customer quarterly. UoSAs currently provide that retailers must pay network bills within 14 days. This would be extended to a number of days that produced an equivalent outcome to their current level and pattern of payments.</p> <p>Under this amendment, distributors could implement their new billing systems, generate monthly network bills and all of the distributors' objectives in the AMI Process Model would be attained. For retailers, while data and bills would begin to flow to them more frequently, there would be no acceleration of their payments to distributors, no mismatch between receipts from customers and outgoings to distributors, and therefore no increased working capital required.</p>	approach. Any other approach will see significant increased costs for either retailers or distributors, which will ultimately be passed onto consumers.
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USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
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			Distributors' working capital positions would be unchanged from their present state, rather than being "immaterially" advantaged. Comments are invited on whether such a solution is supported, whether it can be achieved by negotiation, or whether the Commission should amend default UoSAs to bring about this outcome.	
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USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

8.1 & 8.3 Compliance with Privacy Laws	Obligations on parties to comply with applicable Privacy Laws in relation to privacy, disclosure, use or confidentiality of information	There should not be implications because of smart meters, but there are concerns by consumer groups that information will be misused	Comments are sought on whether there is any requirement for further amendment	Consumer Action believes that the current obligations on businesses to comply with Privacy Laws, provided they are sufficiently enforced, will be adequate.
8.2 Provision of Information	Obligations on each party to ensure it provides relevant information at no cost and in a timely manner information that it needs to comply with its obligations	The operations of smart meters should not impact this obligation, but views of relevant parties are required	Comments are sought on whether there is any requirement for further amendment For	Consumer Action supports the retention of these obligations.
8.4 Information Exchange Protocols	Obligations to participate in B2B processes	The operations of smart meters should not impact this obligation, but views of relevant parties are required	Comments are sought on whether there is any requirement for further amendment For	
8.5 & 8.6 Accuracy and changes in information	Obligations to ensure information is accurate and up-to-date	The operations of smart meters should not impact this obligation, but views of relevant parties are required	Comments are sought on whether there is any requirement for further amendment	
9.4 Customer Details	Customer information to be provided by the retailer to the distributor	Obligations appear to be the same irrespective of smart meters, but views of the parties are required	Comments are sought on whether there is any requirement for further amendment	Consumer Action supports the obligation on retailers to provide distribution businesses more accurate and relevant information in relation to customers.
9.8 Changes in Network Tariffs or Distribution Services	Obligations and procedures in relation to changes to network tariffs	Will be critical in the operation of smart meters	Comments are sought on requirements for further amendments to these provisions	Consumer Action has considerable concerns regarding the way the Use of system agreement has worked with the introduction of smart meters, and the reallocation of consumers on off peak and peak rates, to simply a peak rate. This has caused significant issues for a number of consumers and has been

USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

				caused by a failure of distributor/retailer communication.
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USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

19 Statement of charges	Information to be provided to the retailer to enable the retailer to accurately charge the customer	Consultation needs to occur with the retailers as to whether further regulation is required or if it is dealt with sufficiently through the Use of System Agreement	Stakeholder views are sought as to whether any further amendments are required to the Use of System Agreements to effect this obligation on the distributors	
7 Contracts with Customers	Sets out high level requirements on retailers regarding contracts with customers	There will be implications if there are statutory amendments to the standing offer contract conditions, specifically to the requirements on customers regarding TOU tariffs.	Any regulatory changes will be dependent on policy and statutory developments. No changes proposed at this time	
8 Obligation to offer to sell	Sets out statutory obligations on obligation to sell	As above	As above	
9.1. Bill Information	Sets out minimum information which must be included in all customers' bills	The licence provision duplicates information which is included in the ERC and therefore could be deleted. However, the ERC is restricted to all domestic customers, and small business customers consuming <40MWh/pa. Given the implications for TOU tariffs, it may be necessary to retain the obligation	Refer to discussion in section 3.2 Comments are sought on whether the obligation should be retained in the licence as it refers to larger customers.	
9.2 Variations	Sets out obligations to provide information on variations to tariffs	As above	As above	
9.3 Deemed contracts	Sets out requirements on retailers to provide deemed contractual information to customers for whom they become the financially responsible retailer, if the customer moves-in and energises the premises	Information should be expanded to provide information on smart meter operations, including remote energisation and de-energisation	Refer to discussion in section 3.3	Consumer Action supports the approach that requires additional information on smart meter operations, including remote connection and disconnection, to be given to consumers.
9.4 Publication of tariffs	Obligations on retailers to include, in its public advertisement on tariff changes, additional information for customers from non-English speaking backgrounds	Critical concern for the Government in the publication of tariffs	The licence obligations mirror the legislative requirements. This provision will be reviewed once the Government's decisions on time-of-use tariffs are determined	

USE OF SYSTEM AGREEMENTS REGULATION UNDER REVIEW				
Clause	Summary of Obligation	Issue for operation of smart meters	ESC preliminary view	Consumer Action Law Centre view

9.6 Information by retailers	Obligation on retailers to provide information to premises which it leaves energised once it is vacated	Critical issue in the context of remote deenergisation/reenergisation – how will information be provided to customers about their options?	Refer to discussion in section 3.3	
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