

8 November 2018

Mr John Pierce Chairman Australian Energy Market Commission PO Box A2449 Sydney South NSW 1235

Lodged electronically: www.aemc.gov.au

Dear Mr Pierce,

Advanced Meter Communications Draft Rule

Origin Energy (Origin) appreciates the opportunity to provide a submission in response to the AEMC's consultation paper (ERC0246) with respect to advanced meter communications.

The National Electricity Rules (NER) currently exempt a metering coordinator from the requirement to install a type 4 meter for any new or replacement small customer meter installation when the customer refuses. This provision only applies at the point of installation.

The Australian Energy Council (AEC) has proposed to expand this exemption by enabling the metering coordinator to deactivate the communications on an existing type 4 meter if a customer does not wish to retain the communications function.

The widespread penetration of smart meters is pivotal to achieving the intended benefits of the Power of Choice reforms. Among other things, metering reform is an enabler of greater demand side participation, innovative products and services, efficient meter reading, and billing.

For these reasons, Origin believes that all meters should be equipped with a consistent minimum service specification. Otherwise, this creates a two-tier metering system that increases costs and erodes the ability of the market to fully capture the benefits of advanced meters.

We recognise that a customer may object to having a meter with a remote communications function for a number of legitimate reasons. However, to create certainty around these circumstances, and to avoid long-term unintended consequences, we believe that the AEMC ought to consider defining applicable reasons for a customer converting to a Type 4A meter. Without this clarity, there does not appear a limit on when and whether a customer can elect to switch meters, which we feel is not consistent with the intent of the metering reforms.

In circumstances where there is a legitimate reason, we agree with the AEC that the current requirement to exchange a type 4 meter with a type 4A is costly and administratively burdensome; especially when a planned interruption is required. For this reason, we support the proposed rule change that a cost effective and practicable alternative is to enable the metering coordinator to deactivate the communications to convert the type 4 meter to a type 4A meter.

If you have any questions regarding this submission, please contact me on (07) 3867 0620.

Yours sincerely

Sean Greenup

Group Manager Regulatory Policy

(07) 3867 0620 sean.greenup@originenergy.com.au