

10 October 2019

Ms Anne Pearson
Chief Executive
Australian Energy Market Commission
PO Box A2449
Sydney South NSW 1235

Dear Anne

AEMC Reference ERC0275 – Introduction of metering coordinator planned interruptions

Thank you for the opportunity to comment on this consultation paper.

The Energy & Water Ombudsman NSW (EWON) investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers. EWON receives and responds to complaints from customers on metering work and electricity supply interruption issues relating to retailer and distributor activities. Our comments are informed by our investigations into these complaints, and through our community outreach and stakeholder engagement activities.

We have only responded to those questions in the consultation paper that align with issues customers raise with EWON, or with our organisation's operations as they relate to this rule change.

Question 1.2. What is the magnitude of the issue that the rule change request is attempting to resolve? For example, how many meter installations are delayed due to inability to interrupt the supply of the retailer's customer without interrupting the supply of one or more other customers?

EWON does not receive many complaints relating to the issue the rule change seeks to address. In the attachment to this submission, we have provided two case studies about the issues associated with shared fusing in multi-occupancy arrangements when a meter is being installed. A low level of EWON complaints does not mean that the magnitude of the issue is low, or that the impact on consumers is negligible, i.e. the length of the delay is also critical.

In both the cases detailed, customers' new meter installations were delayed by over five months.

Question 3.3. Should customers have any access to dispute resolution or another form of recourse if a metering coordinator breaches any of the rules in relation to metering coordinator planned interruptions?

Customers should have access to independent dispute resolution if they have a complaint in relation to planned interruption. Given the inconvenience of supply interruptions for most customers — particularly if they are vulnerable customers, such as those on life support — it is important that customers have recourse to a dispute resolution service. Not having a service subject to independent dispute resolution may reduce industry standards in the provision of that service.

However, EWON believes that it is possible for customers to have access to dispute resolution without requiring metering coordinators (MC) to join ombudsman schemes.

Dispute resolution if metering coordinators are not ombudsman scheme members

EWON's current approach to metering related and retailer planned interruption complaints is to treat the complaint as against the customer's retailer. Even though the incident that led to the customer complaint may have been carried out by the MC, the MC is always acting as an agent for a retailer. EWON's charter states:

"a Member [of EWON] is responsible for the conduct of its employees, contractors and agents as if the Member carried out that conduct itself"²

More generally, this treatment of agents and contractors is not confined to metering. For example, distributors often employ contractors to perform tree trimming near power lines and EWON registers any complaints arising from that activity against the distributor who contracted the work. Other energy ombudsman schemes handle such complaints in a similar manner.

Visibility of the retailer provider as a counterparty

A complication that may arise if MCs are not members of ombudsman schemes is that a small business customer or resident affected by the planned outage whose residence or business is not the subject of that work, may have no knowledge of which retailer employed the MC. In that case, the customer may make a complaint against their own retailer, their distributor or the MC. The ombudsman scheme would then have to determine which retailer engaged the MC.

This could be addressed by inclusion on interruption notices to consumers having their supply interrupted under the provisions of a new rule, of which retailer ordered the work. A straight-forward way to reinforce this could be to have a retailer's branding on the notice, even if it is issued by a metering coordinator. They should also inform the consumer of their recourse to an energy ombudsman scheme.

Despite this, a customer may not keep or receive an interruption notice and there would have to be a mechanism where an ombudsman scheme can identify the responsible retailer in the absence of a notice. This could be achieved by the responsible retailer using MSATS to identify the retailers of affected customers and informing those retailers of forthcoming activity.

Dispute resolution where metering coordinators are ombudsman scheme members

Metering coordinator membership of an ombudsman scheme is feasible. Implementation would involve a means to require membership of new and existing metering coordinators. This could be done, for example, through the metering coordinator registration process managed by AEMO.

EWON has the ability and experience to onboard new classes of members. EWON recently began onboarding exempt entities following commencement of revised Australian Energy Regulator Guidelines requiring exempt entities servicing residential customers to become members of jurisdictional ombudsman schemes.

Metering coordinator membership of a jurisdictional energy ombudsman scheme would bring with it costs. There are costs imposed to new members in terms of their business and complaints handling processes. However, while these costs are a necessary part of doing business, the quantum of costs

² <https://www.ewon.com.au/content/Document/About%20us/EWON-Charter.pdf>, p4

associated with complaints arising from “doing business” are within the control of the business, i.e. good customer service prevents complaints especially those raised with ombudsman schemes.

Metering coordinators may not always be visible to the ombudsman via the customer. Customers making a complaint directly to an ombudsman may not recall the metering coordinator issuing the notice, and may not have kept the interruption notice. Customers may also incorrectly not receive an interruption notice. An ombudsman should therefore have additional recourse to identify a metering coordinator as a party to a complaint. As suggested above, this could be achieved through MSATS and the responsible retailer informing affected customers’ retailers of an upcoming outage.

If you would like to discuss this matter further, please contact me or Rory Campbell, Manager Policy and Research, on (02) 8218 5266.

Yours sincerely



Janine Young
Ombudsman
Energy & Water Ombudsman NSW

Attachment — Case Studies

Meter installation delays due to need to install an isolation switch to enable meter replacement without interrupting neighbour's supply

A customer contacted EWON in August 2018 advising his meter stopped working and that he had been receiving estimated bills which he considered were too high. The retailer confirmed with EWON that an estimated read was the basis of the customer's bill for the period 24 January 2018 to 25 April 2018.

The retailer issued a meter replacement installation notification on 14 May 2018. The metering provider made a first visit to the customer's site on 25 May 2018. It found an isolation switch was required due to the shared fusing between the customer's unit and a neighbouring unit. Meter replacement was delayed substantially due to the need to install an isolation switch to allow a separate isolation of the customer's supply when replacing the meter, to prevent interruption to the neighbour's supply.

An isolation switch was installed to the customer's premise between 24 and 27 October 2018 at the customer's expense. The replacement meter installation was arranged by the retailer and installed on 27 November 2018, over five months after the initial meter replacement notification.

Inability to separately isolate supply due to a shared meter board led to net meter installation delays

A customer advised EWON she had solar panels installed at her free-standing villa. She had been waiting over five months for the installation of a new digital meter.

After a technician attended the site to install a meter, her retailer advised that action would need to be taken as the customer's supply was not isolated from her neighbour's due to a shared meter board configuration. She considered she has been misled by her retailer and that incorrect information had been given regarding responsibility for actions to allow a meter to be installed had contributed to further delays.

EWON advised the customer that changes to meter boxes or boards are the responsibility of the customer.

The customer agreed to have the complaint referred to the retailer at a higher level, knowing she could return to EWON if an agreed outcome could not be negotiated.