

Question on Notice #1

Criticism levelled at Australian Energy Council members about the speed of transition to digital meters.

Relevant Extract of Transcript

The Hon. BEN FRANKLIN: Thanks for appearing before us today. I want to talk first about the transition to digital metering. There is some substantial criticism levelled at your constituent members about their customer service and the speed with which they are responding to customers when they want to transition in this area. What are you doing to improve that and to support customers when they want to move to smart meters?

Mr WARREN: It is difficult for us at the industry association level. We do not tend to get into customer service complaints. That is handled by the individual retailers. We note, though, that we certainly support the rollout of digital meters and we think they are a crucial enabling technology. It is a competitive market for those services in New South Wales. But I can take that on notice because we do not really have visibility of that specific aspect of our member businesses.

The Hon. BEN FRANKLIN: Please do take it on notice. If you could reinforce what I suspect is the unanimity of this Committee in saying that, frankly, it has not been good enough and we need a greater focus from your members to ensure that people receive the service and the meters in a timely manner, an answer as to what actions they are actually performing to speed it up and do that would be great.

Response

We thank the Committee for its interest in the transition to digital meters. As noted by Mr Warren at the hearing, we support their rollout as a crucial enabling technology. We have approached our “Competitive Metering Working Group” for further background.

We believe the concerns have emerged in relation to the end of the Solar Bonus Scheme in NSW, which, over a 6 month period, resulted in the need to perform an additional 130,000 metering replacements on top of the normal metering work. New metering (gross metering replacing net metering) was required to access the only available feed in tariffs.

During that time the industry struggled to secure enough qualified metering installers to respond to metering replacement requests. Furthermore, many installations proved more complex than expected due to the quality of existing electrical installations, as defects on the boards and meter panels had to be made safe.

We understand that the challenging period is now behind us. Nevertheless we will raise the matter in the next Working Group meeting and draw members’ attention to the Committee’s interest.

As a related matter, we would like to draw the Committee’s attention to the introduction of competitive metering for small NSW customers on 1 December 2017 as a result of a national rule change. The Council strongly supports the competitive framework which should encourage metering providers to compete on service delivery. Industry readiness for competition in metering services is being closely monitored by AEMO, and the industry is confident that it can meet the initial demand for metering services.

Question on Notice #2

Barriers to the transparency of electricity contracts through the republication of the Australian Financial Markets Association (AFMA) electricity contracts turnover survey.

Relevant Extract of Transcript

The Hon. JOHN GRAHAM: Are there any barriers to that happening that would be useful for us to be aware of?

Mr SKINNER: I will take that question on notice. Our expert on that matter is not here at the moment. We might be able to feed something back to you. There might be something useful. There is likely to be something in Federal financial law that will be relevant to that.

Response

We thank the Select Committee for its interest and support in this useful transparency measure. We have made enquires on its progress and are pleased to advise it is well progressed. AFMA electricity members have agreed in principle to voluntarily re-start the survey process and back-fill the two missing years. The project's deadlines are not yet agreed, but the AFMA secretariat is proposing a completion date of the end of January 2018.

Whilst the Committee's support is most welcome, the project is progressing well and we are not aware of any barriers to its success.