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05 December 2022

Response to the Statutory Review of the *Gas and Electricity (Consumer Safety) Act 2017*

AGL Energy (**AGL**) welcomes the opportunity to provide feedback on the Department of Customer Service's Discussion Paper on the Statutory Review of the *Gas and Electricity (Consumer Safety) Act 2017 (the Act)*.

AGL has been a strong and vocal supporter of the roll out of competitive digital metering services. Around 30% of all customers in NSW have a smart meter. The penetration of smart meters in NSW is only set to increase with the delivery of final recommendations the Australian Energy Market Commission's (**AEMC**) Review of the regulatory framework for metering services.¹ The AEMC is currently developing a pathway to achieve 100% uptake of smart meters by 2030. A key benefit of pursuing this uptake of smart meters are the associated services and cost savings they can provide for customers.

The purpose of the Act is to protect consumers by providing for the safe use of gas and electricity as well as prescribing and enforcing minimum safety standards for gas and electrical equipment and installations. We do not believe the NSW Government has established a regulatory framework for remote services that has struck the correct balance in promoting positive customer experience, protecting consumer safety and establishing efficient operational requirements.

The hardware component which enables remote disconnections and reconnections in smart meter devices (and which forms part of the mandated standard)² is one of the most expensive parts of a smart meter. The delayed adoption of onerous remote service regulations by NSW four years into Power of Choice reforms has meant that customers pay more for a service that could be delivered today in a faster and cheaper way. A reduction in regulatory barriers will incentivise retailers to unlock the benefits of remote services, providing efficiencies for customers when moving home and saving costs on the labour required for physical site attendance. There is an opportunity for the Department to re-examine how they enforce safety requirements and look to other jurisdictions in Australia and overseas as examples of how high levels of safety can be achieved with reduced regulatory burdens for customers and industry.

Our operational involvement over the last two years within the NSW regulatory framework for remote services has demonstrated how an onerous and unique process has created frustrations for customers and led to a poor customer experience. The very strict guidelines and regulation impacts the customer experience, especially around the requirement of being on site when answering the prescribed questions, while also creating additional handling time for our call centre agents, increasing costs for all customers. The current process leads to poor customer experience with multiple phone calls often being required due to customers not being on site, customers not knowing if new appliances were installed, or electrical work undertaken post the disconnection. This often leads to customers needing to talk to real estate agents, involving multiple calls, which may include privacy implications for the customer. This creates excessive delays for customers in getting connected.

¹ See further at <https://www.aemc.gov.au/market-reviews-advice/review-regulatory-framework-metering-services>

² National Electricity Rules 7.8.3(b) sets out the metering requirements for small customer installations.



AGL recommends the Department amend the following requirements in order to improve the customer experience and allow for a faster adoption of remote services in NSW:

- Remove the requirement for customers to be on site during a remote re-energisation
- Reduce the prescriptive nature of the required script
- Raise the safety certificate requirement for sites remotely disconnected for over 12 months, rather than 6 months³
- Revise the requirement to send communications to the customer post the completion of a remote de-energisation⁴

AGL's approved safety management plan will be expiring and required to be re-submitted in early 2023. We recommend the Department does not delay work to simplify the regulations which will result in improved customer experiences and reduced costs. We also recommend that the Department work with jurisdictional colleagues to harmonise conditions across the National Electricity Market.

Yours sincerely,

Chris Streets
General Manager (a/g), Policy, Markets Regulations and Sustainability

³ 38D(2) of the Gas & Electricity (Consumer Safety) Amendment (Remote De-energisation and Re-energisation) Regulation 2020

⁴ 10F of the Electricity Supply (General) Amendment (Remote De-energisation and Re-energisation) Regulation 2020