

AMI Review
Essential Services Commission
Level 2, 35 Spring St
MELBOURNE VIC 3000



By email to amireview@esc.vic.gov.au

20th June 2008

Dear Mr Madden and ESC Commissioners,

The Alternative Technology Association (ATA) welcomes the opportunity to provide comment on the Essential Services Commission's *Interval Meter Reassignment Requirements Consultation Paper* (the Consultation Paper), released in May 2008.

ATA is a not-for-profit organisation established in 1980 to empower our community to develop and share sustainable solutions for the way we live and to promote the uptake of sustainable technologies in order to protect our environment. The organisation provides service to over 4500 members, who are actively promoting sustainability in their own homes by using good building design and implementing water conservation and renewable energy technologies.

ATA advocates in both the government and industry arena for ease of access and continual improvement of these technologies, as well as the production and promotion of information and products needed to change the way we live. As Australia's peak member-based organisation representing early-adopters of renewable energy systems, ATA is in a unique position to highlight the needs and concerns of small-scale renewable energy system owners and their interaction with the retail energy market.

ATA would like to support the views and concerns expressed in the joint submission by the St Vincent de Paul Society St Victoria and the Consumer Utilities Advocacy Centre, dated 16th June 2008. Of particular concern is the lack of clarity surrounding the definition of Time of Use pricing (ToU), the notification period for tariff reassignment and the proposed provision of information regarding tariff reassignment.

ATA calls for greater clarification of the definition of ToU tariffs, whether Critical Peak Pricing is included under this definition, and the ability of networks to introduce demand tariffs under this regime. This is unclear in the documentation to date.

ATA has strong objections to the Commission's view that "it is considered excessive to require a distributor to provide 90 calendar days' notice to customers of a tariff change"¹ and that a 30 business day customer notification period presents sufficient opportunity for "...customers to prepare for the new tariff"². Sufficient time needs to be given for retail customers to examine and compare alternative retail tariffs.

¹ Essential Services Commission (2008) *Interval Meter Reassignment Requirements, Consultation Paper*, May, p 8

² *ibid*, p. 8

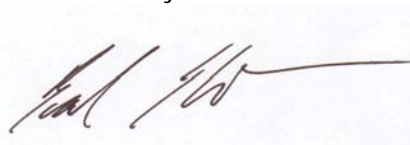
This is heightened for customers with small-scale grid-connected generation units, where the existence of recent legislation on feed-in tariffs has complicated the offers available for such customers. For example, a number of customers presently with gross metering arrangements will have to assess whether it is financially viable for them to switch to the proposed 'premium' feed-in tariff offer of 60c/kWh, but in doing so forgo the gross metering connection in place of an import-export arrangement. Such a decision is impacted greatly not only by the level of retail electricity price, but also the *times* in which those prices apply. Alteration of these prices and times will greatly impact on the profitability or otherwise of the range of offers available.

It is essential that a grid-connected microgeneration owner be given sufficient time to assess the offers available and to undertake the sometimes lengthy process of changing retail offers, which may even include the need to alter metering arrangements and the installation of different metering configuration. We feel that the present 90 day period is appropriate to allow sufficient time for such decision to be made.

Finally, the ATA also concurs with the St Vincent de Paul Society St Victoria / Consumer Utilities Advocacy Centre submission in that the proposed level of information provision outlined within the Consultation Paper is insufficient. Tariff reassignment has the potential to have dramatic impacts on consumers' electricity bills, and on grid-connected generators in particular. We echo the call for further clarification on definitions of ToU tariffs, the timeframes within which reassignments can take place, any requirements surrounding retailers' communication with customers before we are in a position to provide further comment on what levels of information should be provided.

Feel free to contact ATA Energy Policy Manager, Brad Shone, directly on 9631 5406 or at: Brad.Shone@yahoo.com.au if you have any questions regarding the content of this letter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Brad Shone', with a long horizontal line extending to the right.

Brad Shone
Energy Policy Manager
ATA