

22nd November 2019

Australian Energy Market Operator
GPO Box 2008
Melbourne VIC 3001

By email: NEM.retailprocedureconsultations@aemo.com.au

RE: Customer switching in the NEM, First Stage consultation

Powermetric welcomes the opportunity to respond to the Australian Energy Market Operator's (AEMO) first stage Rules consultation process regarding proposed amendments to the Market Settlement and Transfer Solution (MSATS) Procedures to facilitate the proposed changes to customer switching times.

About Powermetric

Powermetric Metering Pty Ltd (Powermetric) is an Australian Electricity Market Operator accredited Metering Provider and Metering Data Provider and registered Metering Coordinator operating in Australia's National Electricity Market. Powermetric, which is wholly-owned by ERM Power Limited, offers a range of products and services including installation, testing, maintaining and reading meters for corporate, government and industrial electricity customers. Powermetric's systems are specifically designed to help large electricity users manage their complex electricity needs.

General comments

Powermetric is largely ambivalent about the scope of the rule changes. We do not consider that there are major problems with what has been proposed, while we also believe the scale of any benefits is likely to be very limited. There will however be significant costs incurred across the industry to implement these reforms, yet there has been no assessment of whether the benefits justify these costs. We consider that determining whether there is a net benefit should be a necessary part of any reform to the energy market.

Powermetric, like many other metering businesses, is already heavily engaged in preparing for other major reforms such as Five Minute Settlement. Changes like this one divert resources and time away from more pressing issues, for no clear benefit. We also consider that the proposed timeframe for implementation – by the end of the first quarter of 2020, after a final report released in February – is far too short given the range of other activities in the market that require IT changes.

For these reasons we do not consider that these procedure changes are needed at this stage. We consider that AEMO should first test whether there would be a clear net benefit to consumer that outweighs the costs before proceeding to implementation. Further, any implementation timeframes should recognise the substantial other work ongoing in the industry and provide a meaningful period within which to complete the necessary IT work.

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If you have any questions in relation to this submission, please contact me.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ian Wolhuter', written in a cursive style.

Ian Wolhuter
General Manager, Powermetric
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