

2 November 2015

Australian Energy Market Commission  
PO Box A2449  
Sydney South NSW 1235

Ref: ERC0179

Thank you for the opportunity to comment on the AEMC's *Draft National Electricity Amendment (Embedded Networks) Rule 2015*.

The Energy & Water Ombudsman NSW investigates and resolves complaints from customers of electricity and gas providers in NSW, and some water providers.

As discussed in the AEMC's *Draft Rule Determination* for this consultation, some embedded network customers (particularly customers in retrofitted brown sites such as shopping centres and strata complexes) currently face a number of barriers in accessing the competitive retail market. These barriers include the lack of:

- requirement that meter reading, testing and inspection of child meters meet the standards required under the National Energy Market
- National Metering Identifiers (NMI) allocated to child connection points within an embedded network to facilitate on-market transfers between customers and their preferred retailer
- business to business rules, systems and procedures governing transfers between child connection points within an embedded network and the retail market.

EWON welcomes and supports the draft rule change as the proposed changes support the removal of these barriers and facilitates the structural changes needed to provide embedded network customers with access to retail competition.

EWON notes that the opening up of embedded networks to the retail market may result in costs associated with re-wiring and change of child meters. It is current industry practice for these costs to be passed onto customers. This may present as a barrier to competition and deter embedded network customers from opting into the retail market. While in theory a competitive market will incentivise businesses to offer innovative products to customers at minimal cost,



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which may perhaps include meter conversion at no charge to the customer, it is important that any costs borne by customers are clearly communicated to them. This will help customers to understand the costs involved in accessing retail energy offers and make informed decisions about the value of offers from retailers and embedded network providers.

If you would like to discuss this matter further, please contact me or Jane Leung, Policy Officer, on 02 8218 5250.

Yours sincerely

A handwritten signature in black ink that reads "Janine Young". The signature is written in a cursive, flowing style.

**Janine Young**  
**Ombudsman**  
**Energy & Water Ombudsman NSW**