



21 June 2011

By email: submissions@ea.govt.nz

SUBMISSION on

Advanced Metering Infrastructure: Nomination of the MEP and access to data

1. Introduction

1.1 Thank you for the opportunity to comment on this paper. This submission is from Consumer NZ, New Zealand's leading consumer organisation. It has an acknowledged and respected reputation for independence and fairness as a provider of impartial, and comprehensive consumer information and advice.

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Q1. Do you agree with the problem definition? If you agree, please explain why, and, if not, please explain why not.

Consumer NZ has difficulty with the problem definition in that it is supplier-retailer-centric whereas a significant part of the problem is lack of access to information by consumers. Better and more informed demand side response to advanced metering data would enable domestic consumers to manage their consumption, and reduce their bills. Better domestic consumer management of power bills could lead to long-term benefits across the board.

Q2. Do you agree with the proposal that consumers should be responsible for nominating whether the retailer or the distributor appoints the MEP with the backstop of retailer nomination of the MEP where the consumer did not wish to appoint the MEP? If you agree, please explain why and, if not, please explain why not.

Consumer NZ agrees that consumers should be responsible for nominating whether the retailer or distributor appoints the MEP. However, we have strong concerns about how the consumer will make that decision. Who will be responsible for providing independent information about AMI to consumers, the potential for their use and any other information they should know? It shouldn't be left to the retailer which will in most instances have a vested interest. It also shouldn't be left to the consumer who unless they follow the industry closely will be utterly confused.

Consumer NZ does not agree that the retailer should be the default or backstop provider. We think it would be better for the lines company to be the default provider. Lines companies have a vested interest in efficient use of electricity, much more so than retailers. However, we still regard this as being confusing for consumers.

We also believe that retailers as default providers of meters might be an inhibitor to customer switching. This would go directly against the Authority's commitment to encourage switching and for consumers to save money by doing so.

We see no correlation between the provision of MEPs and people using more than one mobile phone. More than one meter per ICP would be confusing, wasteful and inefficient.

Q3. Do you agree that the consumer should have the right to obtain access to their own data at no cost for the purposes of verifying their bill? Should consumer access rights be greater encompassing all data and if so should data access fees be levied?

We agree consumers should have access to their own data at no cost **and** they should have access to all data their meter provides at no cost. This would enable them to manage their energy use and also to make use of information like ripple control.

Q4. Do you agree with the proposal that if the consumer is the party responsible for nomination of the party appointing the MEP it is not necessary to specify the terms of access to AMI data? If you agree, please explain why and, if not, please explain why not?

We disagree with this proposal. Terms of access must be specified and known to consumers even if those terms are broad. It would be confusing for consumers who signed up with one MEP to be then inundated with other competitive offers. Terms of access would also allow consumers to sensibly assess offers.

Q5. Do you agree that if the consumer has the role of nominating the party appointing the MEP that a disputes resolution process would not be necessary? If you agree, please explain why and, if not, please explain why not.

Consumer disagrees with this and thinks disputes will still arise which may need to be resolved by a disputes resolution service. Extending the ambit of the Electricity and Gas Complaints Commission is the logical way to deal with them. Domestic consumers cannot be expected to be as knowledgeable as retailers, lines companies, or MEP suppliers, much less understand arguments between them as to who pays what for accessing data.

Q6. Do you agree that if the retailer or the distributor were the party responsible for nomination of the MEP, the terms of access to AMI data should be regulated through the establishment of a compulsory disputes resolution scheme with the characteristics described? If you agree, please explain why and, if not, please explain why not.

We agree with this proposal. Consumers would need to be empowered against retailers, distributors and MEP suppliers. The current system is one-sided. Disputes would logically be handled by the Electricity and Gas Complaints Commission.

Q7. Do you agree with the assessment of the proposal that consumers have the role of nominating the party that appoints the MEP against the Authority's statutory objectives? If you agree, please explain why, and if not, please explain why not.

If you are asking whether consumers nominating their meter supplier meets the Authority's statutory objective of "the long term benefit of consumers", the answer is yes. Consumer NZ agrees with the fundamental principles laid out in 3.1.3. However, we would want the rights in 3.1.3 (a) which allow access to any AMI data to verify their electricity bills at no charge, to be extended to include access to any data that allows consumers to efficiently manage their energy consumption.

Q8. Do you agree with the Authority's preferred option and proposal to facilitate access to AMI data? If you agree, please explain why, if not, please explain why not.

We agree with the preferred option, but believe where the lines company provides AMI in any particular area they, not the retailer, should be the default provider.