
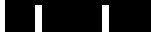


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18 March 2022

Rebecca Knights
Department for Energy and Mining
Energy and Technical Regulation Division
GPO Box 320
ADELAIDE SA 5001

Dear Ms Knights

Re: SA smart meters - Consultation

Thank you for the opportunity to comment on the South Australian Government's consultation paper '*Accelerating the roll out of smart meters in South Australia*'.

The AER considers the effective and timely deployment of smart meters will empower consumers with the means to engage proactively in the national electricity market (NEM).

Because smart meters provide more granular consumption information, they can facilitate better price signals and tailored tariffs. With clear price signals and more dynamic and targeted tariffs enabled through smart meters, consumers may benefit from more choice in how and when they use electricity, such as the opportunity to shift their electricity consumption to times of the day when it is cheaper.

By enabling effective signals to incentivise rooftop solar self-consumption, the uptake of battery storage, and the efficient integration of electric vehicles into the power system, smart meters should also contribute to reducing peak demand growth and help to defer costly network investment, thus benefiting all consumers.

Smart meters should also help facilitate new energy services from retailers and aggregators that enable customers and owners of DER to sell their energy into wholesale markets, system services markets and to provide network services. They represent a key technology that combined with new energy services and tailored tariffs can help unlock the benefits of integrating DER within the NEM, which the Energy Security Board has estimated are at around \$6.3 billion over the next 20 years.

As the AER Chair has indicated publicly: "Smart meters benefit competition by providing retailers with increased opportunities to develop innovative energy services such as time of use pricing, and also offer consumers more ways to manage and control their energy

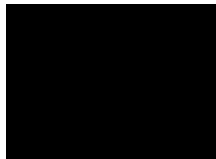
consumption. The longer customers have to wait for their smart meters because of delays by retailers, the longer customers are denied the benefits of this technology.”¹

The AEMC is currently reviewing the regulatory framework for metering services and we encourage the SA Government to collaborate with the AEMC on this review so that a national and consistent approach may be taken to accelerating the roll out, in a way that reduces investment costs for retailers, enables consumers to receive clear and consistent information and delivers efficient roll outs in the interest of consumers. In this context we note that the AEMC will make key decisions on issues including the cost allocation of meter installation and the governance and structure of data frameworks which would benefit from national approaches.

We also note the importance of ensuring social licence in driving the roll out smart meters. Effective community and consumer engagement is a key element to the success of smart meter roll outs, and an absence of community acceptance may delay the realisation of benefits to electricity consumers.

If you have any questions or wish to discuss any further aspect, please contact [REDACTED] Assistant director, Policy development team at [REDACTED] or on [REDACTED]

Yours sincerely



Mark Feather
General Manager
Strategy, Policy and Energy Systems Innovation

Sent by email on: 18.03.2022