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25 November 2021

Mr Warwick Anderson
General Manager – Network Pricing
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Submitted electronically: AERPricing@aer.gov.au

Dear Mr Anderson,

Re: AER Standardised Models for Metering Services

Red Energy and Lumo Energy (Red and Lumo) welcome the opportunity to make a submission to the 'AER Standardised Models for Metering Services' consultation paper (the consultation paper) developed by the Australian Energy Regulator (AER) that discusses a proposal to standardise the metering services models it will use in future electricity distribution determinations.

In general, we support the AER's efforts to standardise the models that distributors will use when they are submitting their metering charges for approval. In short, the development of standardised models will both simplify and standardise the presentation of the metering expenditure proposal submitted by the distributors improving both the efficiency and transparency of the approval process.

Importantly, the improved process should give both consumers and retailers a better opportunity to understand how the metering services revenues and prices are determined. At the same time, the use of a single standardised metering model by the AER will ensure that the definitions of the input costs that are used are consistent across all distributors making the task of comparing them easier. This will in turn allow both consumers and retailers to have a better opportunity to review and engage on the costs of metering services.

While these developments are all positive, we would encourage the AER to make the necessary changes required to ensure that the distributors provide more granular cost breakdowns for their metering services. At this stage, the AER has already developed preliminary standardised metering models which are based on the building block approach to determine distributors' metering revenue. If required, we would support further changes to these models so that they



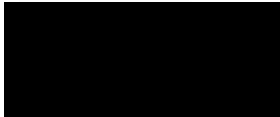
provide the necessary information for us to compare distributor metering charges on a line by line basis. Only then, will consumers and retailers be truly able to engage with the AER on these metering costs.

About Red and Lumo

We are 100% Australian owned subsidiaries of Snowy Hydro Limited. Collectively, we retail gas and electricity in South Australia, Victoria, New South Wales, Queensland and the ACT to over 1.1 million customers.

Red and Lumo thank the AER for the opportunity to comment on the consultation paper. Should you wish to discuss aspects or have any further enquiries regarding this submission, please call Con Noutso, Regulatory Manager on [REDACTED].

Yours sincerely



Stefanie Monaco
Manager Regulatory Affairs
Red Energy Pty Ltd
Lumo Energy (Australia) Pty Ltd