



10 December 2010

Mr Chris Pattas  
General Manager  
Network Regulation South Branch  
Australian Energy Regulator

By email: [aer inquiry@aer.gov.au](mailto:aer inquiry@aer.gov.au)

Dear Mr Pattas

**RE: AMI bring forward service fee proposed by Citipower and Powercor**

Origin appreciates the opportunity to provide comment to the Australian Energy Regulator (AER) on the proposed Advanced Metering Infrastructure (AMI) bring forward service fee proposed by Citipower and Powercor.

Origin understands that this fee will substitute for the truck visit fee that is currently charged when a customer installs solar panels and requires their basic meter to be replaced with an interval meter. If the fee was to be additional to the truck visit fee this would clearly be unacceptable, given that both fees relate to the cost to the distributor of replacing a meter.

Origin proposes that Citipower and Powercor collect this fee directly from the customer. The fees and costs associated with AMI have already been factored into retailers' prices. This is an additional fee, and will relate to only a small and diminishing group of customers who require their smart meter to be installed ahead of schedule. Origin does not anticipate a growing number of these applications and would be reticent to make costly system changes to accommodate this fee.

Citipower and Powercor already make direct guaranteed service level payments directly to residential customers. They also have a model where they charge non-residential customers directly for connections when the capital cost exceeds the net present value of the connection. The direct charge model is appropriate for this additional charge.

If you have any questions regarding this submission, please contact me on (03) 8665 7155.

Yours sincerely

[SIGNED]

Steven Macmillan  
Regulatory Pricing and Policy Manager