

Guidance to retailers: Update to Retail Rules – Notice to small customers on smart meter installation

May 2025

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Contents

Guidance to retailers: Update to Retail Rules – Notice to small customers on smart meter installation.....	i
1 Introduction	1
2 Importance of effective customer engagement.....	3
3 Customer notice for smart meter installation	5
3.1 Notice contents	5
3.2 Making the Notice easy to understand.....	15
4 Tariff changes	17
5 Customer-initiated meter replacements.....	19
6 Ensuring a smooth customer experience	20
6.1 Responsibility for resolving customer issues	20
6.2 Customer contact	20
6.3 Retailer website.....	21
6.4 Other forms of customer engagement	22
7 Compliance.....	23
7.1 Reporting obligations.....	23
Glossary	25

1 Introduction

In November 2024 the Australian Energy Market Commission (**AEMC**) published a final determination and final rules for the *Accelerating smart meter deployment* rule change project which commence progressively between 5 December 2024 and 1 July 2026. The final rules will promote a fast, efficient and effective deployment of smart meters under an improved metering framework in the National Energy Retail Rules (**Retail Rules**) and the National Electricity Rules (**Electricity Rules**).¹

Building and maintaining social licence is crucial for the success and realisation of the benefits of the universal deployment of smart meters. In recognition of this, the Retail Rules will be amended from 1 June 2025 to enhance communications, provide comprehensive information and better facilitate *customer-initiated smart meter replacements*. These amendments will support a positive customer experience for both residential and small business customers throughout the deployment program, and ensure that customers can access the benefits that smart meters provide in an informed manner.²

The purpose of this document is to provide guidance to retailers on their obligations and responsibilities to customers when deploying or replacing smart meters. This Guidance is not binding and serves only as an informative tool. Definitive interpretation of the relevant legislation is reserved for the Courts.

In this Guidance, the term ‘smart meter installation’ should be taken to collectively refer to *new meter deployments*, *maintenance replacements* and *customer-initiated smart meter replacements*.

This Guidance covers several key areas, including:

- **Effective customer engagement**, highlighting its importance for promoting customer awareness, trust and understanding, supporting a smooth customer experience and empowering informed decision making.
- **Notice to customers ahead of smart meter installation**, providing clarification and outlining our expectations regarding the requirements, and encouraging the inclusion of additional information to benefit customer understanding.
- **Tariff changes**, encouraging retailers to take a considered approach to tariffs following smart meter installation with the customer experience front of mind, particularly prior to additional consumer safeguard rules coming into effect on 1 December 2025.
- **Customer-initiated smart meter replacements**, outlining our expectations regarding the requirements, including installation timeframes.
- **Holistic consideration of the customer experience**, outlining our expectations that retailers have appropriate policies and processes in place with metering service

¹ AEMC, [Accelerating smart meter deployment rule change](#), completed on 28 November 2024.

² [National Energy Retail Amendment \(Accelerating smart meter deployment\) Rule 2024 No.6](#), Schedule 1 (**Retail Amendment Rule**).

providers, well informed contact centre staff, informative website content and other engagement tools in addition to the notice to customers prior to smart meter installation.

- **Compliance**, including roles and responsibilities of relevant parties in meeting their obligations under the relevant energy laws and rules and breach-reporting requirements.

The AER welcomes ongoing engagement and feedback from retailers, consumer groups, ombudsman schemes and other stakeholders on the contents of this document.³ The AER may amend this document from time to time to provide additional guidance to retailers.

³ Any queries and/or feedback regarding this Guidance can be directed to AERretailcompliance@aer.gov.au.

2 Importance of effective customer engagement

Retailers' engagement with their customers will be crucial to ensuring a safe and smooth customer experience with the accelerated smart meter deployment. The AER strongly encourages retailers to take a holistic approach to customer engagement, encompassing not only the required notice to customers prior to smart meter installations (the **Notice**) but also their website, contact centre and any other avenues used to engage with customers. This engagement is important for various reasons, as summarised below.

Customer awareness, trust and understanding

- Many customers do not regularly engage with energy services, unless they have a problem, and the retailer's Notice will likely be the first direct information they receive about smart meters.
- Poor early customer experiences and negative media coverage regarding smart meters (e.g. automatic retail tariff changes following smart meter installation) have contributed to some customer apprehension and concern around receiving a smart meter.
- Where a customer was previously issued retailer communications about receiving a smart meter and chose to opt out, they may not understand or appreciate why their right to opt out is no longer available.
- It is crucial for building trust and alleviating concerns that customers:
 - receive informative, simple, and easy-to-understand information upfront, and are aware of how to access additional details if needed
 - have access to various channels to obtain information from their retailer, allowing customers to review the information over time, revisit it and seek answers to their questions or concerns. This will support customers to better digest and comprehend the information, its meaning and implications.

Smooth customer experience

- Providing customers with additional information sources alongside the Notice will help ensure customers receive the information and support they need. This may assist with alleviating apprehension and promote a smooth smart meter installation.
- As with any large-scale program, unforeseen issues may emerge as part of the accelerated smart meter deployment which could result in customer issues or concerns. It is important that a retailer's staff are well informed and able to provide effective support and resolve customer concerns and issues. Timely support is essential for minimising customer stress and ensuring customer and installer safety.

Empowering informed decision making

- Providing clear and simple information about smart meters and any associated implications and opportunities is crucial for ensuring customers are equipped to make well-informed decisions.

- It is also important that customers do not feel pressured to make decisions, especially decisions about remediating *site defects* or requesting remote capabilities to be disabled.
- Upfront and ongoing information is important to enable customers to consider and make decisions regarding their electricity usage and plans before and after their smart meter installation.

3 Customer notice for smart meter installation

Rule summary

Notice to customers ahead of smart meter installation (deployment or replacement)

If a retailer proposes to undertake a new meter deployment, or if a small customer's meter is to be replaced with a type 4 or 4A meter (smart meter with remote communications enabled or disabled)⁴, a retailer must either:

- give notice to the customer between 4 and 60 business days prior to the installation, or
- obtain the customer's explicit informed consent (**EIC**) to the smart meter installation.⁵

Where EIC is obtained, the notice must be provided to the customer within 5 business days after the smart meter installation.⁶

The Notice must be issued by a retailer for all types of small customer smart meter installations, except new connections. This includes *new meter deployments*, *maintenance replacements* and *customer-initiated smart meter replacements*.

Sections 3.1 and 3.2 set out retailers' obligations and the AER's guidance on the contents and design of the Notice.

3.1 Notice contents

Rule summary

Notice contents

Retailers must include the following information in the Notice to customers:⁷

- The reasons for the smart meter installation
- A date range of five business days during which the customer's meter will be replaced
- A summary of the services available to the customer as a result of obtaining a smart meter and information regarding the benefits of a smart meter
- Any upfront charges the customer will incur under their retail contract as a result of the smart meter installation
- The retailer's contact details
- Contact details of interpreter services in community languages

⁴ Even where the replacement type 4 or type 4A meter is not a new meter deployment.

⁵ Retail Rules, rule 59A(2), pursuant to Schedule 1 [Retail Amendment Rule](#).

⁶ Retail Rules, rule 59A(4), pursuant to Schedule 1 [Retail Amendment Rule](#).

⁷ Retail Rules, rule 59A(3), pursuant to Schedule 1 [Retail Amendment Rule](#).

- The party the customer should contact to resolve issues and details of dispute resolution options
- How the customer can access data from the meter
- The customer's rights and responsibilities regarding the new meter
- Any changes to the customer's contract as a result of the smart meter installation, including any tariff changes.

Where the retailer obtains the small customer's EIC to install the smart meter, there is no requirement to include the following information in the Notice:⁸

- A date range of five business days during which the customer's meter will be replaced
- The customer's rights and responsibilities regarding the new meter.

A customer's electricity supply will be temporarily interrupted to allow for the smart meter installation, which constitutes a *retailer planned interruption*.⁹

Where a retailer has not obtained the small customer's consent to a *retailer planned interruption*, it must notify customers pursuant to rule 59C(2). This notice must include the information prescribed in rule 59C(4), for example, the expected duration of the interruption to supply and 24-hour phone number for enquiries. A retailer may give this notice in the Notice for the smart meter installation (i.e. issue a single notice that covers the notice content requirements for notices pursuant to both rule 59A(2)¹⁰ and rule 59C(2)).¹¹

3.1.1 AER guidance

Retailers are required to include specific information in the Notice. Incorporating additional information that aids a smooth customer experience and informed decision-making is encouraged, however it must not detract from the Notice's required contents.

The following sections provide detailed guidance on the requirements of the Notice, to assist retailers to understand their obligations and responsibilities when communicating with customers about smart meter installations. It also sets out additional information that the AER encourages retailers to include.

3.1.1.1 The reasons for the smart meter installation

Retailers are required to include in the Notice the reason for the smart meter installation.¹² The reason should be specific to the customer's circumstances. Common reasons a retailer might state in the Notice include:

- new meter deployment
- meter failure or maintenance replacement
- customer request.

⁸ Retail Rules, rule 59A(4), pursuant to Schedule 1 [Retail Amendment Rule](#).

⁹ Retail Rules, rule 59B.

¹⁰ Retail Rules, rule 59A(2), pursuant to Schedule 1 [Retail Amendment Rule](#).

¹¹ Retail Rules, rule 59C(3).

¹² Retail Rules, rule 59A(3)(a), pursuant to Schedule 1 [Retail Amendment Rule](#).

For *new meter deployments*, the AER encourages retailers to provide useful contextual information about the accelerated smart meter deployment program and its objectives. This will help customers to better understand the purpose and necessity of the meter change, and may support them to accept and adapt to the change. This may be particularly beneficial for customers that have previously opted out of a smart meter deployment.

3.1.1.2 A data range of 5 business days during which the customer's meter will be replaced

Retailers are required to include in the Notice a date range of five business days during which the customer's meter will be replaced.¹³

It must be clear that the work will be conducted on one day but this may occur on any of the five days specified. The AER encourages retailers to also include clear information on whether and under what circumstances the customer needs to be in attendance at the premises for the works.

As noted above, this information is not required where a retailer has obtained a customer's EIC for the smart meter installation.¹⁴

3.1.1.3 A summary of the services available to the customer as a result of obtaining a smart meter and information regarding the benefits of a smart meter

Retailers are required to include in the Notice a summary of the services available to the customer as a result of obtaining a smart meter and the benefits of a smart meter.¹⁵

The information should be specific to what the customer will be able to realistically access. Customer dissatisfaction may arise if there is a mismatch between expectations of services and benefits and the reality experienced. Unmet expectations may lead to broader negative consumer sentiment and damage social licence for the accelerated smart meter deployment.

In determining what information and details to include on services and benefits in the Notice, the AER encourages retailers to consider:

- what services and benefits would be most useful for customers to hear about upfront
- the diversity of their customers who likely have:
 - varying values and levels of engagement
 - differing interest or abilities to engage with or access enabling technologies (e.g. apps)
- whether there are any costs or additional requirements that must be met for customers to access the services or benefits. The AER expects retailers to be transparent about any costs or additional requirements

¹³ Retail Rules, rule 59A(3)(b), pursuant to Schedule 1 [Retail Amendment Rule](#).

¹⁴ Retail Rules, rule 59A(4), pursuant to Schedule 1 [Retail Amendment Rule](#).

¹⁵ Retail Rules, rule 59A(3)(c), pursuant to Schedule 1 [Retail Amendment Rule](#).

- how customers will access the services and benefits, for example via the retailer's website or app. Retailers should include practical information to ensure the customer knows what they need to do (if anything) to access the services or benefits
- that it may also be useful to explain the broader advantages and how all customers will benefit from a smart energy system.

The incorporation of visual aids may be particularly helpful in presenting this information to customers in a clear and concise manner.

3.1.1.4 Any upfront charges the customer will incur under their retail contract as a result of the smart meter installation

Retailers are required to state in the Notice any upfront charges resulting from the smart meter installation.¹⁶

Retailers are prohibited from charging upfront costs and exit fees for small customers in relation to a *legacy meter* replacement pursuant to a Legacy Meter Replacement Plan (LMRP).¹⁷ However, this prohibition does not apply to new connections or customer-initiated meter replacements.

Cost clarity is crucial for customers. The AER considers that retailers should include in the Notice information regarding any upfront charges in all instances, with the inclusion of either:

- the value of any upfront charges (when applicable), or
- a clear statement that there are no upfront charges associated with the smart meter installation.

3.1.1.5 Retailer's contact details

Retailers are required to include their contact details in the Notice.¹⁸ This should include the retailer's 24-hour phone number,¹⁹ email address and website.

3.1.1.6 Contact details of interpreter services in community languages

Retailers are required to include in the Notice the contact details for interpreter services in community languages.²⁰

The AER encourages retailers to also consider providing additional support for linguistically diverse customers. For example, as most of the information in the Notice applies to a retailer's broad customer base and is not customer-specific, the AER encourages retailers to publish translated versions of the information on their website and to provide customers with the option to request a hard copy by post. This could be communicated to customers by including in the Notice a website link, along with a statement indicating that customers may

¹⁶ Retail Rules, rule 59A(3)(d).

¹⁷ Electricity Rules, clause 11.177.9. LMRPs outline when legacy meters in different areas are due to be replaced with smart meters from 1 December 2025 to 30 November 2030.

¹⁸ Retail Rules, rule 59A(3)(e).

¹⁹ Retail Rules, rule 59C(4)(b).

²⁰ Retail Rules, rule 59A(3)(f).

contact the retailer to request a hard copy by post. The AER encourages retailers to offer this at no cost to the customer.

3.1.1.7 The party the customer should contact to resolve issues and details of dispute resolution options

Retailers are required to state in the Notice the party the customer should contact to resolve issues and details of dispute resolution options.²¹

The smart meter installation process involves multiple parties, which may lead to customer confusion regarding who to contact when issues or concerns arise. The AER expects retailers to be the primary point of contact for customer queries or issues. This is further discussed in section 6.1.

The AER encourages retailers to clearly outline in the Notice the responsibilities of each party involved and specify the appropriate contact for various issues or concerns. For instance, customers should be informed about who to contact for:

- concerns regarding the smart meter installation, which may arise before, during or after the installation
- safety concerns, including the safety of the smart meter itself or the condition of the site following attendance by the installer (particularly in cases where the installation was not successfully completed)
- external dispute resolution.

Retailers should include up-to-date contact details (phone number and website, if applicable) for each of the parties, specific to the relevant jurisdiction.

Additionally, retailers should outline in the Notice how the customer can submit a complaint to them and options for the customer to escalate the issue to the relevant ombudsman for dispute resolution. It could be useful to supplement this with a link to the retailer's relevant webpage where they can find further information about making complaints.

3.1.1.8 How the customer can access data from the meter

Retailers are required to include in the Notice how the customer can access data from the meter.²² The AER expects this to include the practical steps the customer needs to take to access data from the meter.

Retail customers or their authorised representatives can request summary or detailed metering data from their retailer or distribution network service provider (**DNSP**).²³ Retailers and DNSPs must use reasonable endeavours to provide the data to the customer within 10 business days of receiving the required verification information.

²¹ Retail Rules, rule 59A(3)(g), pursuant to Schedule 1 [Retail Amendment Rule](#).

²² Retail Rules, rule 59A(3)(h), pursuant to Schedule 1 [Retail Amendment Rule](#).

²³ Electricity Rules, clause 7.14 and [AEMO metering data provision procedures](#).

In the Notice, retailers should include information on:

- the ability for customers to request data from the meter, including summary and/or detailed metering data (as defined in the Electricity Rules)²⁴
- the method/s customers can use to request the data, for example via phone, email, specific web-form and/or post
- how the data will be provided to the customer and the indicative timeframe for the data to be provided
- it being free of charge, for up to four requests in a 12-month period (unless an exemption applies).²⁵ Retailers should also specify whether they apply any charges for subsequent requests.

Retailers may choose to also include in the Notice a link to the retailer's relevant webpage where customers can find further information.²⁶

The AER understands that there are additional ways in which customers can access their data on an ongoing basis, without needing to make a specific request to their retailer or DNSP. For example, we are aware that:

- some retailers offer online services or apps that allow customers to access and track their smart meter data. The AER encourages retailers (where applicable) to mention the availability of these services, the data that is available and how to access it
- SA Power Networks offers an online portal where customers can access and download their meter data. The AER encourages retailers to mention this and provide high level guidance on accessing this information, in the Notice for South Australian customers.

Potential upcoming changes to accessing metering data

The AEMC is currently progressing a rule change to create a framework for giving all customers access to real-time data from their smart meter.²⁷ Following completion of this rule change, the AER expects each retailer to review and, if applicable, update its Notice to reflect any relevant changes to how customers can access data from their smart meter.

3.1.1.9 Customer's rights and responsibilities regarding the new meter

Retailers are required to include in the Notice the customer's rights and responsibilities regarding the new meter.²⁸ The rule change does not define or provide guidance as to the specifics of what must be included.

Relevant customer rights and responsibilities may include, but are not limited to:

- right to refuse a *type 4 meter* (and instead receive a *type 4A meter*)

²⁴ Electricity Rules, clause 7.14 and [AEMO metering data provision procedures](#).

²⁵ Retail Rules, rule 56A.

²⁶ The webpage required by clause 2.1 of [AEMO's metering data provision procedures](#).

²⁷ The AEMC [real-time data for consumers rule change](#) draft determination is currently anticipated to be published in August 2025.

²⁸ Retail Rules, rule 59A(3)(i), pursuant to Schedule 1 [Retail Amendment Rule](#).

- right to request remote access capabilities be disabled after installation
- right to restoration of electricity as soon as possible after installation of the new meter
- responsibility for remediation of *site defects* and right to refuse to remediate defects
- responsibility to provide safe access for installation of the new meter.

The AER encourages retailers to consider this requirement broadly within the context and purpose of the rule change and intentions expressed by the AEMC in its final determination.²⁹

As noted above, this information is not required where a retailer has obtained a customer's EIC for the smart meter installation.³⁰

Right to refuse type 4 meters and right to request remote access capabilities be disabled after installation

Customers retain the right to refuse a smart meter with remote access capabilities and functions enabled (*type 4 meter*) and instead receive a smart meter with remote access disabled (*type 4A meter*).³¹ Customers who have a *type 4 meter* installed also retain the right to request remote access capabilities and functions be disabled at any time following the smart meter installation.³²

As part of informing customers of these rights in the Notice, the AER encourages retailers to explain how customers can exercise these rights.

To assist customers in making informed decisions, the AER also encourages retailers to ensure customers are aware of any implications of having the remote access capabilities or functions disabled. For example, any ongoing costs for manual meter reads and any impacts on the services that will be available to them. Retailers may choose to include this information in the Notice or provide further explanation to the customer upon their request to exercise the right.

Right to restoration of electricity as soon as possible after meter installation

A customer's electricity supply will be temporarily interrupted to allow for the smart meter installation, which constitutes a *retailer planned interruption*.³³ The customer has the right to have their electricity restored as soon as possible after the installation is completed.³⁴

Retailers should consider when they schedule installations to ensure that any issues that arise can be resolved in a timely manner so that customers are not without supply for a protracted period. For example, timely resolution may be challenging for issues that arise late on a Friday afternoon.

²⁹ AEMC, [Final Determination](#), 28 November 2024.

³⁰ Retail Rules, rule 59A(4), pursuant to Schedule 1 [Retail Amendment Rule](#).

³¹ Electricity Rules, clause 7.8.4.

³² Electricity Rules, clause 7.8.4.

³³ Retail Rules, rule 59B.

³⁴ Retail Rules, rule 59C.

Retailers are required to specify in the Notice the expected duration of the interruption to supply.³⁵

Responsibility for remediation of site defects and right to refuse to remediate

Some smart meter installations may be unsuccessful due to *site defects*. Such defects may include an inability to operate the supply isolation, insufficient space on the meter board, poor or damaged wiring, or asbestos in the meter board.

Remediation of a *site defect*, including covering any associated costs, is the responsibility of the customer. It is open to a customer to decide whether or not they remediate *site defects*, and they cannot be compelled to do so.³⁶

It is important that customers are informed of their right to refuse to remediate *site defects*, to ensure they are not unintentionally pressured into addressing any *site defects* and consequently incur related costs.

Responsibility to provide safe access for installation of the new meter

The rule change removes a customer's right to opt out of having their meter replaced as part of the *new meter deployment*.³⁷ This means customers must provide safe access to their premises for the installation of the new meter.³⁸ The AER encourages retailers to consider including additional information on what providing safe access means. For example, that the customer needs to ensure that the area is free of rubbish and hazards, that pets are secured and unable to access the area the meter is located in, and that the customer should notify the installer of any potential safety issues. Retailers should also explain any action required by a customer where the meter may be behind a gate or lock (i.e. whether the customer is required to be present and/or alternative options for providing access).

3.1.1.10 Any changes to the customer's contract resulting from the smart meter installation, including any tariff changes

Retailers are required to include in the Notice any changes to the customer's contract resulting from the smart meter installation, including regarding any tariff changes.³⁹

Following the smart meter installation, the relevant DNSP may apply a new cost-reflective network tariff to the customer's connection point in line with the DNSP's approved tariff structure statement. The new network tariff may be applied immediately or there may be a delay after the smart meter installation before the new network tariff is applied. Retailers have discretion in how they structure the electricity plans they offer to their customers and are not required to align a customer's retail tariff structure with the underlying network tariff. However, from 1 December 2025, retailers will only be able to vary a customer's retail tariff

³⁵ Retail Rules, rule 59C(4)(a).

³⁶ AEMC, [Final Determination](#), 28 November 2024, p 38.

³⁷ AEMC, [Final Determination](#), 28 November 2024, p 38.

³⁸ Under Retail Rules, rule 113(2)(c) a retailer may arrange for de-energisation of a small customer's premises if the customer does not provide the retailer or its representatives with safe access for the purposes of replacing meters. The AER expects this to only be exercised where de-energisation is required to address safety concerns or where there are extreme extenuating circumstances.

³⁹ Retail Rules, rule 59A(3)(j), pursuant to Schedule 1 [Retail Amendment Rule](#).

structure, due to a smart meter installation, if EIC is obtained.⁴⁰ The EIC requirement applies for two years following the customer's smart meter installation,⁴¹ where a customer remains with the installing retailer.⁴² After two years, the retailer may vary the customer's retail tariff structure without the customer's EIC, however the retailer must provide notice ahead of this change taking effect. This is further discussed in section 4.

The AER considers retailers should explicitly state in the Notice whether or not there will be any changes to the customer's retail tariff structure resulting from the smart meter installation. This should include a statement that the customer can contact the retailer for further information regarding the implications for their retail tariff. Transparency and certainty around changes to customer contracts—including the way customers will be charged for electricity and the availability of different electricity plans following the smart meter installation—is crucial. This is particularly important given ongoing cost-of-living concerns and uncertainty and confusion among some customers. Further guidance is provided below, relating to before and after the new rules, commencing on 1 December 2025, to establish EIC obligations for retail tariff structure changes due to a smart meter installation.

Retailers should also consider including in the Notice a simple explanation of how the customer's network tariff will change following the meter installation and how this may impact the electricity plans available to the customer. This information should be specific to the relevant jurisdiction and DNSP. To support customer understanding, this could include:

- that when comparing electricity plans, the customer will need to check a plan's eligibility criteria to confirm whether it is available to them as smart meter customer
- an explanation of different tariff types available to smart meter customers (e.g. time-of-use and demand tariffs, and flat rate tariff if applicable) and how customers can adjust their behaviour to suit the different tariff types to save money. It could be useful to supplement this with a link to the retailer's relevant webpage where the customer can find further detailed information.

Prior to 1 December 2025

The table below sets out the AER's guidance based on whether, following the smart meter installation, a retailer intends to vary the customer's retail tariff structure or keep the customer on their existing retail tariff structure.

⁴⁰ AEMC, [Final Determination](#), 28 November 2024, p 27. However, a retailer is not required to comply with Division 4 (excluding rule 4) if an exemption in rule 5 applies. See Retail Rules, clause 5 of Schedule 3, pursuant to the [Retail Amendment Rule](#).

⁴¹ See the definition of 'Explicit Informed Consent Period' in rule 1 of Schedule 3 to the Retail Rules, pursuant to of the [Retail Amendment Rule](#).

⁴² Retail Rules, rule 5 of Schedule 3, pursuant to the [Retail Amendment Rule](#).

Retailer tariff structure intention	AER guidance
Vary the customer's retail tariff structure e.g. to align with the new network tariff	<p>The AER expects retailers to include in the Notice clear and specific information regarding the changes it intends to make to the customer's retail tariff. At a minimum this should include:</p> <ul style="list-style-type: none"> • the nature of the change, • the timing of the change, and • what further communication the customer will receive regarding the change and when. <p>The AER strongly encourages retailers to also explain the availability of flat rate tariffs, where applicable.⁴³</p> <p>The AER expects retailers to be transparent in all communications about any resultant impacts of network tariffs on a customer's retail tariffs. It should be clear that any changes to the customer's retail tariffs are based on a business decision by the retailer to align its retail tariffs with the network tariffs assigned to customers.</p>
Keep the customer on their existing retail tariff structure (likely a flat rate tariff)	<p>The AER strongly encourages retailers to include in the Notice a statement that the customer's current retail tariff will not be changed due to the smart meter installation. This will help alleviate any concerns or uncertainty the customer may have.</p>

1 December 2025 onwards

To provide customers with certainty, the AER strongly encourages retailers to explain in the Notice that:

- the structure of the customer's retail tariff will not be changed without their EIC for two years after the smart meter installation whilst they remain with the retailer
- the retailer may contact the customer to seek their EIC to change the structure of their retail tariff and at that time the retailer will provide detailed information to support the customer to make an informed decision
- some customers may find that an alternative electricity plan better suits their needs and should contact their retailer to discuss available options. Some customers may benefit from an alternative electricity plan without changing their behaviour, however others might need to adjust their consumption habits to realise these benefits
- where the retailer identifies the customer could be better off on another of its electricity plans (including flat rate and time-of-use plans) based on the customer's electricity usage, a message will appear on the customer's bill and the customer is encouraged to

⁴³ Queensland made regulations (effective 20 September 2024) requiring retailers to make a standing offer with a flat tariff structure available to customers with a smart meter. At the time of publication of this guidance, no other jurisdictions have implemented relevant local regulations. Retailers may choose to continue to offer their smart meter customers a flat rate tariff.

contact the retailer to switch plans. This is consistent with a retailer's better offer message requirements under the [AER's Better Bills Guideline](#).

3.1.1.11 Additional information

The AER encourages retailers to provide additional information in the Notice where it would support a positive customer experience. For example, retailers should consider including:

- an explanation of what a smart meter is and how it works
- an explanation of different retail tariff types available to smart meter customers (e.g. flat, time-of-use, demand tariffs) and how customers can adjust their behaviour to suit the tariff type to save money
- a description of what happens during the smart meter installation
- guidance for renters, for example clarifying whether the customer needs permission from the landlord and whether the customer should notify the landlord of the smart meter installation
- information that will help customers remain vigilant for scams. For example, this could include:
 - providing details about who will be attending the customer's premise for the smart meter installation and how they can be identified
 - stating that the installer will not request any personal details or payment.

3.2 Making the Notice easy to understand

The AER considers the Notice (and any other customer facing materials) should be written in plain language and drafted with the reader in mind.

A retailer's notices should use:

- conversational tone and plain language
- basic grammar.

A retailer's notices should avoid:

- jargon, technical terms and uncommon terminology
- abbreviations and acronyms.

Retailers should apply practices proven to enhance customer comprehension to present information in the Notice in a way that is easy to read and understand. This could include:

- appropriate colour, headings and logical grouping of related information
- structuring the Notice to give prominence to the most important information to support customer comprehension
- adequate white space, high contrast colours or other visual aids to promote readability
- accessible font sizes and font styles.

Visual aids such as charts, graphs and infographics can simplify complex information and make it easier for customers to understand the information. They can also help to capture and better hold the customer's attention than text alone and may ensure that information is more accessible to a wider audience, including those who have difficulty understanding written text.

Retailers should also consider engaging experts or consumer representatives to assist with the development of the Notice as well as applying existing, or conducting further, consumer research and testing on Notice design, language and accessibility.

Additionally, the AER expects the Notice to be accessible through screen readers for those with a visual impairment.

4 Tariff changes

From 1 December 2025, under the new transitional rules in the Retail Rules, a retailer will only be able to vary a customer's retail tariff structure, due to smart meter installation, if they obtain EIC (unless exceptions apply).⁴⁴ The commencement timing aligns with the commencement of the *LMRP period*. The *EIC period* lasts for two years following the customer's smart meter installation, after which the retailer may move the customer to a new retail tariff without the customer's EIC (subject to provision of required notice).

The AER considers 'tariff structure', in this context, refers to the form of electricity charges applied in the retail tariff, such as flat rates, time-of-use rates, or demand charges. We consider a more detailed interpretation of tariff structure incorporating its constituent parts⁴⁵ is not intended in this context. The AEMC has expressed that the purpose of the safeguard is to protect customers from negative experiences associated with an unexpected change from a likely flat tariff to a time-of-use tariff, or a tariff with a demand charge, and to help restore customer choice.⁴⁶

The AER understands that many retailers are proactively progressing their smart meter deployment program ahead of the LMRP period and the new EIC related Retail Rules commencing. During the intervening period, the AER strongly encourages retailers to take a considered approach to retail tariffs following smart meter installation with the customer experience front of mind.

Retail tariffs that include time-of-use rates or demand charges can be confusing for customers, as they are more complex than flat rates that charge the same rate all day. These retail tariffs may benefit some consumers and not others, depending on their circumstances and flexibility to change when and how they use electricity.

Customer awareness and understanding are crucial for enabling informed choices and building trust and support for the accelerated smart meter deployment and broader energy transition.

The AER welcomes hearing that some retailers have already ceased automatically varying customer retail tariffs following smart meter installation and instead keeping customers on their existing flat rate tariff.

Prior to 1 December 2025, where a retailer intends to vary a customer's retail tariff structure, the AER strongly encourages the retailer to provide as much notice as possible prior to the new retail tariff being applied, beyond the requirements of rule 46 of the Retail Rules. We encourage retailers to include additional information beyond the minimum requirements to provide customers with specific practical information regarding the change and how the customer could adjust their behaviour to suit the new retail tariff type.

⁴⁴ Retail Rules, Schedule 3, Division 4, pursuant to Schedule 3 [Retail Amendment Rule](#).

⁴⁵ For example, the specific charge windows within a time-of-use tariff.

⁴⁶ AEMC, [Final Determination](#), 28 November 2024, pp 27-30.

This is important to ensure customers can understand and respond to the change, enabling them to:

- consider potential changes to their usage behaviour to suit the new retail tariff, potentially benefitting them by reducing electricity costs
- engage effectively in the market by seeking electricity plans that best suit their circumstances, if unsatisfied with the new retail tariff.

This is closely linked with providing customers, in the Notice prior to smart meter installation, information on any changes to the customer's contract (including any tariff changes) because of the new meter. However, this subsequent notice differs in that it provides detailed tariff and charge information specific to an individual customer's contract, and the timing of the changes coming into effect.

5 Customer-initiated meter replacements

Rule summary

If a customer has a meter other than a type 4 meter and requests a meter replacement, the retailer must arrange for a type 4 meter to be installed in accordance with clauses 7.8.10A, 7.8.10B and 7.8.10C of the Electricity Rules.⁴⁷

During the LMRP Period, the timeframe for meter installation under clauses 7.8.10A, 7.8.10B and 7.8.10C is extended by 5 business days.⁴⁸

AER guidance

Retailers are required to arrange a smart meter replacement of a meter other than a *type 4 meter* upon customer request, made for any reason. The installation must occur by a date agreed with the customer or within the period specified in the Electricity Rules following receipt of the request.

Retailers are not prohibited from charging upfront fees for smart meter installations where it is the result of a customer request. However, the AER understands that retailers do not typically pass on upfront costs to customers and strongly encourages retailers to continue with this pricing policy.

Where a retailer intends to pass on upfront costs, the amount should be limited to reasonable costs required for the meter replacement and the customer should be advised of the costs prior to the meter replacement. When communicating any upfront fees to a customer, the AER encourages retailers to also inform the customer that they could receive the smart meter free of charge under the retailer's deployment program and provide indicative timing for the deployment of their smart meter under the retailer's program. This will enable customers to make an informed decision as to whether they want to proceed with the smart meter replacement request or wait to receive it under the retailer's program.

⁴⁷ Retail Rule, rule 59AA, pursuant to schedule 1 [Retail Amendment Rule](#).

⁴⁸ Electricity Rule, clause 11.177.11.

6 Ensuring a smooth customer experience

6.1 Responsibility for resolving customer issues

There are a range of different parties involved in the accelerated smart meter deployment, each performing different functions and responsibilities, which are clearly set out in the relevant energy laws and rules.

A retailer is required to appoint a *Metering Coordinator* for each connection point for which they are *financially responsible*.⁴⁹ *Metering Coordinators* are responsible for the provision, installation and maintenance of a metering installation,⁵⁰ as well as ensuring that metering data services are provided in accordance with Chapter 7 of the Electricity Rules.⁵¹ However, regardless of any arrangements a retailer has with third-parties for the provision of metering services, the retailer retains responsibility for compliance with their relevant obligations.

Retailers are responsible for engaging, and managing the relationship with their customers, including providing timely resolution of customer issues (e.g. metering issues as well as any resulting billing issues). The AER expects retailers to actively engage with their *Metering Coordinators* to facilitate timely resolution of customer issues and a seamless customer experience. It is the responsibility of retailers to have appropriate systems, policies and processes in place with relevant *Metering Coordinators* to support this. The AER also encourages retailers to keep customers updated on the progress of resolving their issues, including where parties beyond the retailer are required to take action to enable the issue to be resolved.

6.2 Customer contact

The AER expects retailers to ensure their staff, including members of any contracted customer services, are appropriately trained to understand all aspects of smart meter installations and the retailer's accelerated deployment program more broadly so they are able to provide explanations to customers and respond to customer inquiries. It is important retailers proactively consider potential customer queries and concerns, and equip their staff to respond effectively to these. This will help ensure a safe, smooth and informed customer experience.

Retailers should regularly review training and any support materials and update these as needed, particularly when unanticipated concerns or issues emerge.

Retailers should consider establishing a direct contact line for customer enquiries and complaints related to smart meter installation. This will enable customers to quickly reach a dedicated team of knowledgeable staff who can provide relevant information and effectively resolve their concerns or issues.

Some potential areas of concern or interest may include, but are not limited to:

⁴⁹ Electricity Rules, clause 7.2.1(a)(1).

⁵⁰ Electricity Rules, clause 7.3.1(a)(1).

⁵¹ This includes, for example, the appointment of a Metering Data Provider.

- the contents of the Notice
- the functionality and operation of a smart meter
- potential tariff changes, including network tariffs, and retailer-specific tariffs
- different tariff types, such as time-of-use or demand tariffs
- services available to smart meter customers
- the benefits associated with smart meters
- the details of what happens during the smart meter installation
- procedures for a customer to request a smart meter replacement
- addressing bill shock following installation of the smart meter, especially in cases where increases occur without any changes in usage habits⁵²
- concerns with safety, before, during and after installation
- concerns with potential health side effects of smart meters⁵³
- confidentiality and privacy concerns with smart meters
- the ability to refuse or request disabling of the remote access capabilities
- 4G or 5G mobile coverage and connectivity issues, which may necessitate estimated bills (full or partial estimation)
- the possibility of *site defects* at a customer's premises potentially impacting the installation of the smart meter, what that means and who incurs the cost.

6.3 Retailer website

Retailers should have informative, simple and clear information available on their website to supplement information provided in the Notice.

The AER encourages retailers to consider including on their website:

- fact sheets
- diverse media – e.g. video, images, animations, infographics
- translated information
- an option to request a hard copy by post (either an English or a translated version).

Providing information through a range of diverse channels and media is valuable for reaching wider audiences. Customers process information in diverse ways and have different accessibility needs that align with different information formats.

⁵² For example, this could occur for customers who had solar installed prior to the smart meter requirement and so had a *legacy meter*. In this situation it is common for *legacy meters* to run backwards when solar is exported to the grid, resulting in inaccurate billing. The smart meter will produce an accurate recording of usage and solar export and accordingly may result in a higher bill with no change in the customer's actual usage leading to bill shock.

⁵³ Retailers should know and direct customers to reputable sources on these concerns, for example, <https://www.arpana.gov.au/understanding-radiation/radiation-sources/more-radiation-sources/smart-meters>.

Videos and visual materials may also be useful for explaining complex information in a more digestible manner, and support understanding for customers with low energy literacy.

6.4 Other forms of customer engagement

The AER encourages retailers to consider ways to diversify their forms of customer engagement about the smart meter deployment to better represent the diversity within their customer bases. The AER encourages retailers to consider:

- engaging with community organisations and leaders
- attending consumer outreach events, such as the 'bring your bill' days that some ombudsman schemes organise
- engaging with ethnic media and small community radio outlets, such as SBS and Koori radio
- coordinating with local councils, including attending local festivals and seniors weeks
- creating short informative videos in key community languages.

7 Compliance

The AER will be monitoring retailer compliance with the obligations relevant to the accelerated smart meter deployment. Where non-compliance is identified, the AER will consider further action against retailers in accordance with our [Compliance and Enforcement Policy](#).

Regardless of any commercial arrangements a retailer may have with metering service providers to perform a function, the retailer retains responsibility for compliance with the relevant obligations under the relevant energy laws and rules. It is critical that a retailer has clear communication protocols with all relevant parties and has strong practices and procedures to monitor and ensure that the retailer's obligations are met.

The AER understands that unforeseen issues may emerge as part of the accelerated smart meter deployment and, where appropriate, we may provide further information and guidance throughout this process.

7.1 Reporting obligations

7.1.1 Retail Rules

The following relevant provisions in the Retail Rules are classified as *civil penalty provisions*⁵⁴

- rule 46(4): a retailer must give notice to a customer of any variation to the tariffs and charges that affects the customer at least 5 business days before the variation applying
- rule 46(4A): a retailer must include certain information in the notice to a customer under rule 46(3)
- rule 59A(2): if a retailer proposes to undertake a new meter deployment, or if a small customer's meter is to be replaced with a *type 4* or *4A meter* (smart meter with remote communications enabled or disabled), a retailer must give notice or obtain EIC
- rule 59A(3): a retailer must include certain information in the notice to a small customer under rule 59A(2)
- rule 59C(2): a retailer must provide notice to a customer of a planned interruption if the retailer has not obtained consent
- rule 59C(4): a retailer must include certain information in the notice to a small customer under rule 59C(2)
- rule 59C(5): in the case of a retailer planned interruption a retailer must use its best endeavours to arrange to restore the customer's supply as soon as possible

Version 7 of the [AER's Retail Compliance Procedures and Guidelines](#) includes:

- half-yearly reportable obligations for Retail Rules, rules 46 and 59C(2)-(5)

⁵⁴ Retail Rules, rule 59A(2) and (3) are existing civil penalty provisions. The AEMC did not recommend any changes to existing civil penalty classifications, AEMC [Final Determination](#), p 60.

- reportable obligations for material breaches of *civil penalty provisions*.⁵⁵

Material breaches are those that will likely have a material adverse impact on customers or the national energy market. In particular, material breaches of rule 59A(2) and (3) must be reported to the AER as soon as reasonably practicable. The AER's Retail Compliance Procedures and Guidelines (version 7) and accompanying explanatory statement provide guidance on what constitutes a material breach. We provide the below case study example as additional guidance specific to the Notice. If uncertain, a retailer should consult with the AER and may choose to take a conservative approach and report a breach as material if it is uncertain as to its classification.

Case study example for material breaches

Customer notices are generally handled in bulk via a system used for large numbers of customers. Errors in the system or templates used in the system could impact a very large number of customers, who may be provided with incorrect or incomplete information. Errors of this kind are likely considered material breaches that are required to be reported to the AER under the Compliance Procedures and Guidelines. Conversely, if the error was identified and rectified quickly, resulting in only a small portion of the retailer's customer base being affected, it is unlikely to be considered a material breach.

7.1.2 Electricity Rules

The AER encourages retailers to review the [guidance note](#) we published to help market participants to effectively identify and self-report any potential breaches of the Electricity Rules. The guidance note outlines a standardised self-reporting process, including the template that should be used to submit information and data relating to the compliance issue to the AER.

⁵⁵ Version 7 was effective from 1 April 2025. Retailers should ensure that the version they are accessing is the current version in effect as versions are updated from time to time.

Glossary

Term	Definition
AEMC	Australian Energy Market Commission
Civil penalty provision	Refers to a civil penalty provision specified in Schedule 1 to the National Energy Retail Regulations.
Cost-reflective tariffs	Refers to tariffs that more accurately reflect the costs of serving their customers, for example, time-of-use or demand tariffs.
Customer-initiated smart meter replacement	The replacement of an existing electricity meter, other than a <i>type 4 meter</i> , arranged by a retailer at the request of a customer, (in accordance with rule 59AA or the Retail Rules, pursuant to Schedule 1 of the Retail Amendment Rule).
DNSP	Distribution network service provider
EIC	Explicit informed consent
EIC Period	Has the same meaning as the defined term 'Explicit Informed Consent Period' in Schedule 3, Division 4, Rule 1 of the <i>Retail Rules</i> (pursuant to Schedule 3 <i>Retail Amendment Rule</i>), being, in respect of a small customer, the two-year period immediately following the replacement of a <i>Legacy Meter</i> at the small customer's premises.
Electricity Amendment Rule	National Electricity Amendment (Accelerating smart meter deployment) Rule 2024 No.20.
Electricity Rules	National Electricity Rules as made under Part 7 Division 3 of the National Electricity Law and given force of law by section 9 of the National Electricity Law.
Financially responsible	Has the same meaning as the defined term 'financially responsible' in Chapter 10 of the <i>Electricity Rules</i> , being, in relation to a market connection point, a term which is used to describe the Market Participant which has done one of the following: <ul style="list-style-type: none"> a) classified the market connection point as one of its market connection points; b) classified a generating unit connected at the market connection point as a market generating unit; c) classified a bidirectional unit connected at the market connection point as a market bidirectional unit; or d) classified the network services at the market connection point as a market network service.
Interval metering data	Has the same meaning as the defined term 'interval metering data' in Chapter 10 of <i>Electricity Rules</i> , being the interval energy data, once collected from a metering installation, is interval metering data. Interval metering data is held in a metering data services database and the metering database.

Term	Definition
Legacy meter	Has the same meaning as the defined term 'legacy meter' in Chapter 10 of <i>Electricity Rules</i> , being any type 5 and 6 metering installation in operation, other than type 5 metering installations capable of remote acquisition (in accordance with schedule 1 of the <i>Electricity Amendment Rule</i>).
LMRP	Legacy meter replacement plan, which outlines when <i>legacy meters</i> in different areas are due to be replaced with smart meters from 1 December 2025 to 30 November 2030.
LMRP period	Between 1 December 2025 and 30 November 2030.
Maintenance replacement	<p>Has the same meaning as the defined term 'maintenance replacement' in rule 3 of the <i>Retail Rules</i>, being the replacement of a small customer's existing electricity meter arranged by a retailer that is based on the results of sample testing of a meter population carried out in accordance with Chapter 7 of the <i>Electricity Rules</i>:</p> <ul style="list-style-type: none"> a) which indicates that it is necessary or appropriate, in accordance with good industry practice, for the meter to be replaced to ensure compliance with the metering rules; and b) details of which have been provided to the retailer under Chapter 7 of the <i>Electricity Rules</i>, together with the results of the sample testing that supports the need for the replacement.
Metering Coordinator	Has the same meaning as the defined term 'Metering Coordinator' in Chapter 10 of <i>Electricity Rules</i> , being a person who is registered by AEMO as a Metering Coordinator under Chapter 2 of the <i>Electricity Rules</i> .
Metering data	Has the same meaning as the defined term 'metering data' in Chapter 10 of <i>Electricity Rules</i> , being accumulated metering data, <i>interval metering data</i> , calculated metering data, substituted metering data, estimated metering data and check metering data.
New meter deployment	<p>Has the same meaning as the defined term 'new meter deployment' in rule 3 of the <i>Retail Rules</i>, being the replacement of the existing electricity meter of one or more small customers which is arranged by a retailer, other than where the replacement is:</p> <ul style="list-style-type: none"> a) at the request of the relevant customer or to enable the provision of a product or service the customer has agreed to acquire from the retailer or any other person; b) a maintenance replacement; c) as a result of a metering installation malfunction; or d) required by section 59(2) of the National Energy Retail Law.
Retail Amendment Rule	National Energy Retail Amendment (Accelerating smart meter deployment) Rule 2024 No.6.
Retail Rules	National Energy Retail Rules as made under Part 10 Division 3 Subdivision 2 of the National Energy Retail Law and given force of law by section 15 of the National Energy Retail Law.

Term	Definition
Retailer planned interruption	<p>Has the same meaning as the defined term ‘retailer planned interruption’ in rule 59B of the <i>Retail Rules</i>, being an interruption of the supply of electricity to a customer that:</p> <ul style="list-style-type: none"> a) is for the purposes of installing, maintaining, repairing or replacing an electricity meter; and b) does not involve either: <ul style="list-style-type: none"> i. the distributor effecting the interruption under rule 89; or ii. interrupting the supply of electricity to a customer who is not the customer of the retailer arranging the interruption; and c) is not a distributor planned interruption.
Site defects	<p>Refers to a “defect at a metering installation” as defined in Chapter 10 of the <i>Electricity Rules</i>, being a “defect with an end user's housing of a metering installation or electrical wiring connected to the metering installation that means the metering installation is unable to be repaired or replaced” (in accordance with schedule 1 of the <i>Electricity Amendment Rule</i>).</p>
Smart meter installation	<p>Collectively refers to <i>new meter deployments, maintenance replacements and customer-initiated smart meter replacements</i>.</p>
the Notice	<p>A retailer's notice to customers regarding smart meter installations, as required under rule 59A(2) of the Retail Rules (in accordance with Schedule 1 of the <i>Retail Amendment Rule</i>).</p>
Type 4 meter	<p>A smart meter with remote communications enabled.</p>
Type 4A meter	<p>A smart meter with remote communications disabled.</p>