

# Guidance to Retailers: Site Defects, Tariff Structure Changes and Shared Fusing

**September 2025**

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# 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, commencing progressively between 5 December 2024 and 1 July 2026. The final rules 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**).<sup>1</sup>

The Retail Rules will be amended from 1 December 2025 to establish a customer notification process when defects are identified during the installation process, and to introduce a two-year explicit informed consent period following smart meter installation (**EIC period**) for retail tariff structure variations.<sup>2</sup> The Electricity Rules will be amended from 1 December 2025 to establish an industry record-keeping process when defects are identified during the installation process and a streamlined process for premises with shared fusing.<sup>3</sup>

These amendments support a positive customer experience for small customers (covering residential and small business customers, collectively referred to as **customers** in this guidance) throughout the deployment program. They will also equip customers to make well-informed decisions about rectifying a site defect and how they are charged for their electricity usage. The amendments will also help minimise the number of supply interruptions for customers who have meters with shared fusing.

The purpose of this document is to provide guidance to retailers on their obligations and responsibilities to customers and encourage good practice to help maintain social licence for the accelerated smart meter rollout. It is not binding and serves only as an informative tool. Definitive interpretation of the relevant legislation is reserved for the Courts.

This Guidance covers several key areas, including:

- Site defects
  - **Effective retailer collaboration and communication** with Metering Coordinators (**MCs**) and encouraging development of effective systems, processes and training.
  - **Notice to customers regarding site defects**, providing guidance regarding the requirements and encouraging the inclusion of certain information to support informed decision making.
  - **Safety**, outlining our expectations regarding clear communication of safety considerations with customers.

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

<sup>2</sup> [National Energy Retail Amendment \(Accelerating smart meter deployment\) Rule 2024 No.6](#), Schedule 2 and 3 (**Retail Amendment Rule**).

<sup>3</sup> [National Electricity Amendment \(Accelerating smart meter deployment\) Rule 2024 No.20](#), Schedule 1 (**Electricity Amendment Rule**).

- **Explicit informed consent (EIC)**
  - **Notice to customers seeking EIC for tariff structure changes**, providing guidance regarding the requirements and encouraging the inclusion of additional information to benefit customer understanding and informed decision making.
  - **Timing of notices seeking EIC**, encouraging good practice to support a positive customer experience.
  - **Exceptions to the EIC requirements**, providing clarification and guidance regarding situations where the new EIC requirements do not apply.
- **Shared fusing meter replacements**, providing guidance around retailer obligations and outlining our expectations that retailers work with relevant parties to minimise disruption for customers with meters on a shared fuse.
- **Holistic consideration of the customer experience**, encouraging retailers to have well informed contact centre staff, and to use other engagement tools (e.g. informative website content) in addition to the notices to customers regarding site defects and EIC for tariff structure changes.
- **Considerations for customers affected by family violence**, reminding retailers of their obligations around communicating with affected customers and encouraging retailers to consider how electricity usage data may be exploited by perpetrators of family violence to cause harm.
- **Compliance**, including roles and responsibilities of relevant parties in meeting their obligations under the relevant energy laws and rules and breach-reporting requirements.

The Australian Energy Regulator (**AER**) welcomes ongoing engagement and feedback from retailers, consumer groups, ombudsman schemes and other stakeholders on the contents of this document.<sup>4</sup> The AER may amend this document from time to time to provide additional guidance to retailers.

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<sup>4</sup> Any queries or feedback regarding this Guidance can be directed to [AERretailcompliance@aer.gov.au](mailto:AERretailcompliance@aer.gov.au).

## 2 Notice procedure for site defects

### Rule summary

#### **Notice procedure where a smart meter is unable to be installed due to a defect at a metering installation<sup>5</sup>**

A defect at the metering installation (**site defect**) is defined in Chapter 10 of the *Electricity Rules* to mean 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 *Electricity Amendment Rule*).

An MC is required to notify the relevant retailer where they are unable to install a smart meter at a customer’s premises due to a site defect. Within 5 business days of notification by the MC, the retailer is required to notify the relevant customer and request the site defect be rectified (**Site Defect Notice**).

An incoming retailer is required to restart the site defect notice procedure if:

- a customer changes to that retailer<sup>6</sup>
- a customer at a site changes,<sup>7</sup>

when it becomes aware of the site defect.

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.<sup>8</sup> Site defects do not include barriers to site access such as refusal of entry or pets on site.

The rule change established a formal process for the communication of site defects between MCs, retailers and customers.<sup>9</sup> The process and associated timeframes required under the new rules is summarised in Figure 1. This procedure applies to all scenario types where site defects are identified. This includes *new meter deployments*, *customer-initiated smart meter replacements* and, where applicable, *maintenance replacements*.

Site remediation is the responsibility of the customer. A customer cannot be compelled to remediate their site. Therefore, as shown in Figure 1, where a customer has advised the retailer that they are unwilling or unable to rectify the site defect, the retailer may cease issuing further notices or follow up contact attempts with the customer. In such circumstances, it is important that retailers respect the customer’s decision and avoid further

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<sup>5</sup> Retail Rules, rule 59AAA, pursuant to Schedule 2 [Retail Amendment Rule](#).

<sup>6</sup> Retail Rules, rule 59AAA(2), pursuant to Schedule 2 [Retail Amendment Rule](#).

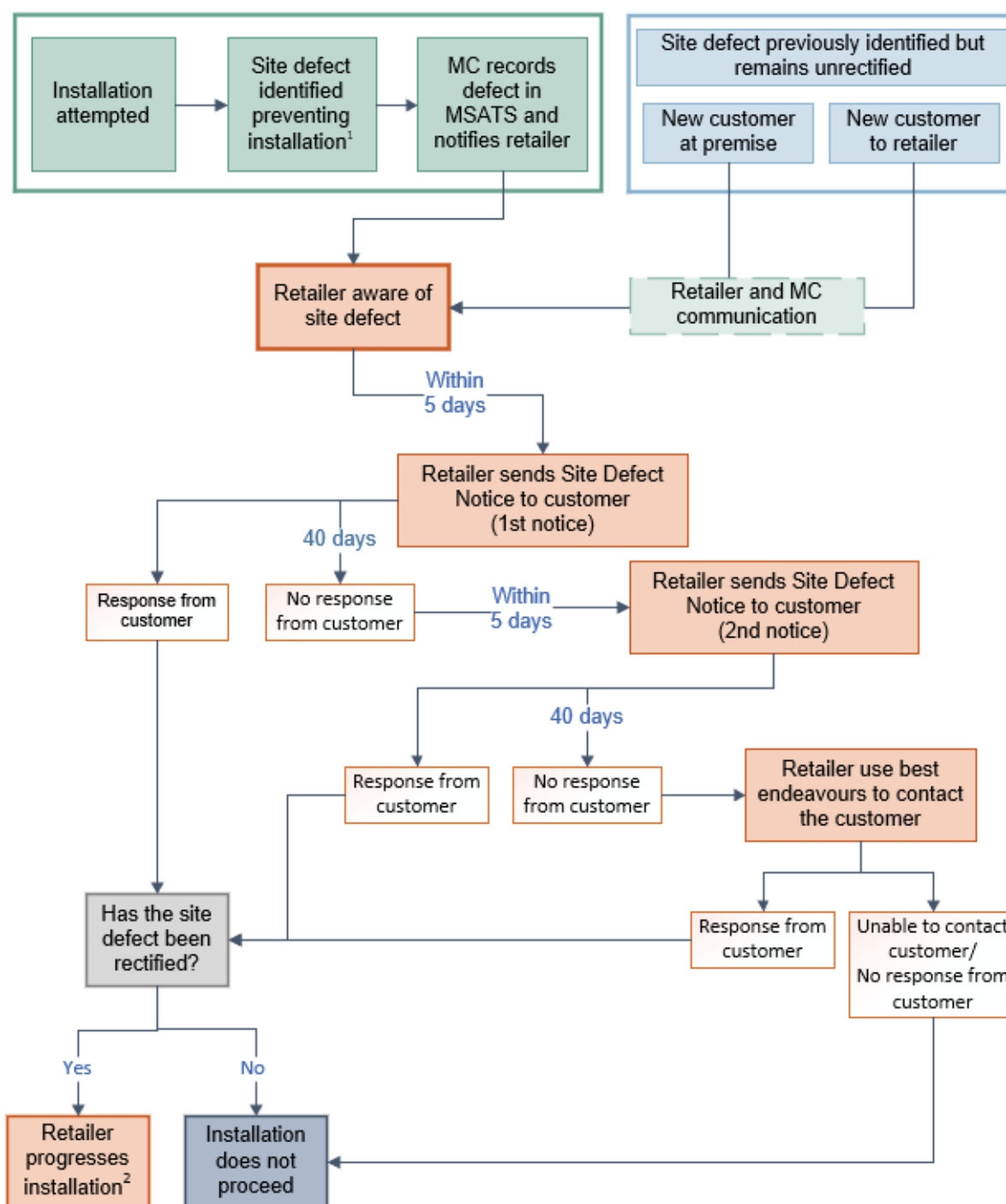
<sup>7</sup> Retail Rules, rule 59AAA(3), pursuant to Schedule 2 [Retail Amendment Rule](#).

<sup>8</sup> AEMC, [Final Determination](#), 28 November 2024, p 38.

<sup>9</sup> The rule change also established a record keeping process under the Electricity Rules to track site defects to provide a consistent source of information for industry. As part of this MCs are required to record site defects in MSATS in accordance with the procedures set out in the AEMO’s [MSATS Procedures, v7.1](#).

repeated contact that could be perceived as pressure. However, if the customer changes retailer, the incoming retailer is required to restart the site defect notice procedure.

**Figure 1 Site defect notification process**



<sup>1</sup> The AER recommends the installer leave a note for the customer stating installation was not completed due to site defect/s.

<sup>2</sup> The retailer is required to follow the timeframes set out in clauses 7.8.10A, 7.8.10B, 7.8.10C of the Electricity Rules for the installation. During the *LMRP Period* the timeframes are extended by 5 business days per clause 11.177.11 of the Electricity Rules. The MC is required to update MSATS to reflect rectification of the site defect.

Note. All timeframes are business days

## 2.1 Procedures

### 2.1.1 Collaboration with MCs

The Australia Energy Market Operator (**AEMO**) published amended Market Settlement and Transfer Solution (**MSATS**) Procedures (v7.1)<sup>10</sup> that sets out the information that an MC must record where it identifies a site defect. The AER understands that the information in MSATS was designed, in collaboration with stakeholders, to signal the presence of site defects, the nature of the most prominent defect and the relevant MC but that it is not intended to replace communication between retailers and MCs.

The AER encourages retailers to work collaboratively with MCs to establish systems and processes for effective two-way communication regarding site defects to supplement the use of MSATS. Robust communication with MCs may also assist retailers to meet their Legacy Meter Replacement Plan (**LMRP**) reporting requirements.<sup>11</sup>

For example, there could be a process for how MCs will notify retailers of a site defect and how retailers will notify the MC when/if the site defect has been rectified. This could include establishing a designated method for communication regarding site defects such as dedicated web portal, web form or email.

Systems and processes should also include mechanisms for identifying the existence of a site defect and initiating the site defect notification process where a customer:

- moves into a premises where there is an unrectified site defect
- switches to a new retailer and the premises has a previously identified site defect that the customer has not rectified.

The AER encourages retailers to engage with MCs to ensure they have a shared understanding of common types of site defects (including consistent terminology) which would ideally be aligned with the MSATS procedures and codes, what information is expected to be provided by the MC about a site defect and what further information may be available to retailers upon request. For example, this may include a clear, concise description of common site defect types, what is needed to rectify each defect type and any safety issues they may raise for a customer. This would help support a retailer to effectively communicate relevant information to the customer through the site defect notification process, including responding to any customer queries about the site defect.

The AER suggests retailers encourage MCs to develop a simple note for the installing technician to leave at a premises when a smart meter installation could not be completed. This will support a smoother customer experience and may help minimise customer calls to retailers, prior to the customer receiving the Site Defect Notice, enquiring about why the installation was not completed. For this note, the AER encourages consideration of including the following:

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<sup>10</sup> AEMO [Market Settlement and Transfer Solution \(MSATS\) Procedures, v7.1](#), effective 1 December 2025.

<sup>11</sup> Electricity Rules, clause 11.177.8.

- A statement that the installing technician attended the premises to install a smart meter but was unable to complete the installation
- The reason the installation was not completed, whether it was due to a site defect or an access issue – this could be a set of standard options for the installing technician to tick as applicable
- That the customer's retailer will contact them with more information
- A QR code or website link to further information.

### 2.1.2 Retailer systems, processes and training

The AER encourages retailers to establish effective internal systems, processes and training for managing the site defect notification process.

Retailers may choose to automate certain steps of the site defect notification process such as triggering the sending of Site Defect Notices at the relevant times. However, the AER encourages retailers to conduct regular internal audits to ensure any system automation is functioning as intended and compliant with the site defect notification process. Where a retailer identifies that its system is not functioning as intended, it may need to implement manual processes to perform relevant actions until the issue is resolved.

Training for relevant staff (including third parties contracted by the retailer) will be important to ensure they understand the new systems and processes and can appropriately and effectively respond to customer queries. The AER encourages retailers to ensure that relevant staff (including third parties contracted by the retailer) receive training on:

- The importance of customers being aware of any safety considerations related to a site defect at their premises, and how staff can transparently and sensitively discuss these with customers
- Approaches to communication with customers when setting out the implications of the customer not rectifying a site defect to ensure this is communicated in a way that does not inadvertently apply pressure to rectify it, recognising that customers are not required to rectify site defects.

See section 5 for further guidance about ensuring a smooth customer experience.

## 2.2 Site Defect Notice contents

### Rule summary

Retailers are required to notify the relevant customer of a site defect and request the defect be rectified.<sup>12</sup>

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<sup>12</sup> Retail Rules, rule 59AAA, pursuant to Schedule 2 [Retail Amendment Rule](#).

The AEMC states the site defect notification process should support and inform customers about the site defect, including about the type of defect and what needs to be done to resolve it, so customers can make a well-informed decision on next steps.<sup>13</sup>

## **2.2.1 AER guidance**

The following sub sections set out information that the AER encourages retailers to consider including in the Site Defect Notice.

The AER encourages retailers to consider what information may be useful to customers to support their understanding and informed decision making and aid a smooth customer experience. Retailers could also consider where the information may be most useful to their customers – whether this is directly in the Site Defect Notice, in an accompanying attachment or available on their website (which may be linked in the Site Defect Notice).

The AER also encourages retailers to ensure that information provided to customers is consistent, for example the information in a note left at the premises by the installing technician and in the Site Defect Notice. Where differences are necessary, the AER encourages retailers to provide an explanation for the difference in the Site Defect Notice to minimise potential customer confusion.

### **2.2.1.1 Description of the site defect and request for rectification**

Retailers are required to notify the customer of a site defect and request that the defect be rectified.<sup>14</sup> The AER encourages retailers to include in the Site Defect Notice sufficient detail of the site defect or defects to support customer understanding and informed decision making. Retailers could consider including:

- A description of all site defects identified
- How the site defect was identified
  - For example, explaining that when attempting to install the smart meter at the premises the installing technician identified a site defect which prevented successful installation.
  - Where applicable, outlining that the relevant smart meter installation attempt that identified the site defect was arranged by the customer's previous retailer or for a previous customer at the premises.

Retailers should avoid using technical terms and terminology that may be unfamiliar to customers. Retailers may find it useful to engage with MCs to develop standard plain language explanations for common types of site defects. If a retailer considers specific terms are required to convey relevant information to assist customers when organising the rectification, this should be accompanied by a clear explanation to support customer understanding. For example, if the term 'level 2 electrician' is used in the Site Defect Notice an explanation that a customer will understand should be provided (e.g. that a level 2 electrician is a specific type of electrician authorised to work on the electrical network).

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<sup>13</sup> AEMC, [Final Determination](#), 28 November 2024, p 45.

<sup>14</sup> Retail Rules, rule 59AAA, pursuant to Schedule 2 [Retail Amendment Rule](#).

The AER acknowledges that sometimes there can be additional site defects that could not be identified during the installation attempt, which may result in additional issues being identified and raised with the customer during rectification works. However, the AER understands that this is uncommon and often the additional issues are minor in nature. Accordingly, retailers should carefully consider the benefits of mentioning this possibility to customers in the Site Defect Notice against the potential unnecessary concern it may raise for customers.

#### **2.2.1.2 Safety considerations**

Some site defects may pose a safety risk to the customer if not rectified. The AER expects retailers to ensure that any known safety considerations are clearly communicated to customers so they can make an informed decision. The AER strongly encourages retailers to consider including safety related information such as:

- If the site defect could pose safety concerns if not rectified, including whether urgent rectification is recommended and how the customer can stay safe until the site defect is rectified
- Details of the safety concerns, for example risk of electrocution or exposure to harmful materials
- The importance of using a qualified tradesperson to undertake any required works to ensure they are carried out safely and complies with required standards.

The AER understands there might be circumstances where due to the safety risk posed by a site defect, the distributor may:

- refuse to reconnect electricity supply; or
- bypass the meter to ensure continuity of supply (the customer will receive estimated bills until the safety issue is resolved).

The distributor may take this action based on a request or advice from the metering provider. Where this occurs, the AER encourages retailers to closely engage with the distributor to support the customer to resolve the safety issue and minimise impact to their supply, including ensuring the customer receives clear and consistent communication to support them to resolve the issues.

#### **2.2.1.3 Rectification options and next steps for customers**

To enable customers to make an informed decision, it is important that customers understand:

- the two options (to rectify or not to rectify)
- that it is a matter for the customer to decide whether to rectify the site defect
- the steps involved in respect of each option
- the potential implications of each option.

Noting that some customers may be renting, the AER encourages retailers to include additional guidance for renters to assist them to navigate this process.

The AER encourages retailers to consider including the below information in the Site Defect Notice. The incorporation of a visual diagram setting out the options and steps in simple

language may be helpful in presenting this information to customers in a clear and concise manner. It may be useful to provide customers with two versions of this, one for property owners and one for renters so customers can refer to the version applicable to them. This could be provided as a separate document accompanying the Site Defect Notice.

#### Customer option 1: choose to rectify the site defect

- What action is required from the customer to rectify the site defect, specifying:
  - the type of tradesperson (e.g. electrician) required to be engaged and what works need to be requested of the tradesperson to rectify the site defect
  - whether any urgency is encouraged in taking this action due to safety reasons (per section 2.2.1.2 above).
- That the customer is responsible for:
  - arranging a suitable tradesperson to rectify the site defect
  - paying any costs associated with rectifying the site defect. Where applicable, it would be useful to mention availability of financial support to assist with rectifying site defects.
- Details related to communication with the retailer regarding the site defect, for example how the customer should contact the retailer (phone, email, online form etc.) to advise that the site defect has been rectified
- What will happen once the customer notifies the retailer that the site defect has been rectified
  - For example, the retailer will recommence the smart meter installation process (including information on the general timeline for this) and the customer will receive a notice prior to the installation with relevant details including specific timing.

#### Customer option 2: choose to not rectify the site defect

- Outline any implications of doing nothing, for example:
  - Any safety considerations (per section 2.2.1.2 above)
  - Any impacts on their electricity supply
  - That a smart meter will not be able to be installed
  - That other services or assets (e.g. solar) may not be able to be installed
  - If relevant, impacts associated with a faulty meter not being replaced (e.g. estimated or inaccurate bills).
- How the customer should contact the retailer to advise that they do not intend to rectify the site defect and that if the customer does not respond to the Site Defect Notice the retailer will make further attempts to contact them to seek their decision.

#### Guidance for renters

The AER encourages retailers to include information to assist customers who are renting. Retailers could consider including:

- Guidance for additional actions that renters may need to take, for example contacting their property manager to request the works are undertaken

- An explanation that the responsibility and cost of rectifying any site defects sits with the landlord and that landlords have obligations in relation to safety of the premises
- Links to further information, such as tenancy authorities or advocates and renters' rights and options if the landlord refuses to arrange for rectification of the site defect, particularly if safety issues have been identified.

#### **2.2.1.4 Availability of further information**

The AER encourages retailers to also include in the Site Defect Notice the following:

- The retailer's contact details
- Contact details for interpreter services in community languages
- Links to relevant website pages where the customer can obtain further information, along with a statement indicating that customers may contact the retailer to request a hard copy of the information by post.

## **2.3 Delivering the Site Defect Notice**

The new rules do not set out how the retailer should deliver the Site Defect Notice to a customer. Accordingly, the Site Defect Notice is required to be delivered in accordance with the general service requirements set out in section 319 of the National Energy Retail Law (South Australia) Act 2011 (**Retail Law**). For a 'natural person' this is: hand-delivered directly; left at or sent by post, facsimile or similar facility to the last known residential or business address; or electronically sent but only if a small customer has consented to receive documents this way.

## 3 Explicit informed consent

### Rule summary

#### Notice to customers to seek EIC for proposed tariff structure changes resulting from a meter replacement

If a small customer's Legacy Meter is replaced with a *type 4* or *type 4A meter* and, because of that replacement, the customer's retailer intends to vary the tariff structure that applies to the customer during the *EIC Period*, then the retailer must issue a notice to the customer.<sup>15</sup>

A retailer is required to issue a notice to a customer if it intends to vary the customer's retail tariff structure because of a smart meter installation during the *EIC period* (**EIC Notice**) and obtain the customer's EIC prior to proceeding with the change (unless exceptions apply).

This applies to all scenario types where the retailer replaces a *legacy meter* between 1 December 2025 and 31 May 2031. This includes *new meter deployments*, *customer-initiated smart meter replacements* and, where applicable, *maintenance replacements*.

The nature of EIC and requirements for obtaining and recording EIC are set out in sections 39 and 40 of the Retail Law. In accordance with section 39, for EIC to be considered as given by a customer the retailer (or person acting on behalf of the retailer) must clearly, fully, and adequately disclose all matters relevant to the customer. The AEMC did not prescribe any further detail in the final rule regarding how retailers must meet their EIC obligations with respect to tariff structure changes.

The AER has previously published information regarding EIC obligations under the Retail Law that sets out general principles: consent is informed, voluntary and the customer has the capacity to provide consent.<sup>16</sup> Retailers should be aware that age, physical (for example hearing or visual impairments) or intellectual disability, or English proficiency may affect a customer's capacity to provide consent.

Sections 3.1 to 3.7 set out retailers' obligations and the AER's guidance on EIC Notice contents, delivery of the EIC Notice, timing of EIC requests, customer-initiated tariff changes, requirements following the *EIC period*, and application scope and exceptions.

### 3.1 Customer EIC Notice contents

#### Rule summary

##### EIC Notice contents

Retailers must include the following information in the EIC Notice to customers:<sup>17</sup>

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<sup>15</sup> Retail Rules, schedule 3, division 4, rule 13(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [National Energy Retail Amendment \(Minor changes 1\) Rule 2025 No. 1 \(Minor Changes Rule\)](#).

<sup>16</sup> AER, [Compliance Check - entering into retail contracts, explicit informed consent](#), 2015.

<sup>17</sup> Retail Rules, schedule 3, division 4, rule 13(2), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

- that the retailer proposes to vary the customer's tariffs
- request the customer's EIC to the tariff change
- the date on which the variation is proposed to take effect
- the customer's existing tariff and charges inclusive of GST
- the proposed new tariff and charges inclusive of GST
- that the existing and proposed tariffs and charges are inclusive of GST
- an estimate of the customer's bill under the proposed new tariff and charges compared to the bill received under the customer's existing tariff and charges. The requirements for the estimate vary based on the length of data available from the customer's new meter
- information regarding how to understand, monitor and manage the customer's electricity usage.

### 3.1.1 AER guidance

Retailers are required to include the information specified above in the EIC Notice.

The following subsections provide guidance on the requirements of the EIC Notice to assist retailers to understand their obligations and responsibilities when communicating with customers about proposed tariff structure changes. It also sets out additional information that the AER encourages retailers to consider including.

It is for retailers to determine how to best present the information in the EIC Notice, including the order of information and whether information can be combined to meet multiple requirements. See section 5.1 for discussion on making notices easy to understand.

#### 3.1.1.1 That the retailer proposes to vary the customer's tariffs and the date the variation is proposed to take effect

Retailers are required to state in the EIC Notice that the retailer proposes to vary the customer's tariff<sup>18</sup> and include the date it is proposed to take effect.<sup>19</sup>

Given the effective date of the proposed tariff structure change must be after the customer provides consent, retailers may wish to frame the proposed effective date in a way that reflects this. Rather than providing a fixed date, retailers could frame the effective date relative to the date the customer provides consent. For example, that the proposed tariff structure change would take effect 2 business days after the customer provides consent.

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<sup>18</sup> Retail Rules, schedule 3, division 4, rule 13(2)(a), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>19</sup> Retail Rules, schedule 3, division 4, rule 13(2)(b), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

### 3.1.1.2 Request the customer's EIC to the tariff change

In the EIC Notice, retailers must request the customer's EIC to the proposed tariff structure change.<sup>20</sup>

Given the nature of EIC,<sup>21</sup> retailers should clearly communicate to the customer:

- That the customer may choose to remain on their existing (likely flat rate) tariff structure throughout the two-year *EIC period*
- Any implications for the customer's ability to later access a flat rate tariff if they provide consent to the proposed tariff structure change. For example, whether the customer will be:
  - able to switch back to a flat rate tariff should they choose. For example, in jurisdictions where there are local regulations for a flat rate tariff standing offer or where a retailer chooses to offer a flat rate tariff to smart meter customers; or
  - unable to switch back to a flat rate tariff with the retailer.
- What will happen if the customer does not provide EIC. For example, that the customer will remain on their existing tariff structure while they remain with the retailer and where applicable:
  - that the retailer may contact them again to seek their EIC; and
  - if their tariff structure will be changed following the two-year *EIC period*, the retailer will provide notice prior to the change taking effect.

The AER encourages retailers to clearly state how a customer can provide EIC, should the customer choose to. Methods for receiving EIC in accordance with the Retail Law are discussed in section 3.3.

### 3.1.1.3 Tariff and charges

Retailers are required to include in the EIC Notice the customer's existing and proposed new tariffs and charges.<sup>22</sup> The amounts displayed must be inclusive of GST and it must be specified that the amounts are inclusive of GST.<sup>23</sup>

The AER strongly encourages retailers to present the tariffs and charges in dollar figures, consistent with the format required in a customer's bill under the AER's Better Bills Guideline.<sup>24</sup>

The incorporation of a single comparison table may be helpful in presenting this information to customers in a clear and concise manner.

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<sup>20</sup> Retail Rules, schedule 3, division 4, rule 13(2)(a), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>21</sup> Retail Law, section 39(1)(a).

<sup>22</sup> Retail Rules, schedule 3, division 4, rules 13(2)(c) and (d), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>23</sup> Retail Rules, schedule 3, division 4, rules 13(2)(c)-(e), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>24</sup> AER [Better Bills Guideline v2](#), 2023.

The AER encourages retailers to consider including a simple explanation of how the new proposed tariff structure works in a way the customer can understand and meaningfully engage with. For example, for a time-of-use tariff this could include explaining that the cost for the customer's electricity usage would vary across the day and that customers may need to change their consumption patterns to maximise the benefits of this tariff structure.

### 3.1.1.4 Comparative estimate of the customer's bill

Retailers are required to include in the EIC Notice an estimate of the customer's bill under the proposed new tariff and charges compared to the bill received under the customer's existing tariff and charges, where there is at least 3 months of data available from the new meter.<sup>25</sup> The requirements for the estimate vary based on the length of data available from the new meter and are summarised in Table 1.

**Table 1 Comparative estimate requirements by length of data available from the customer's new meter**

Length of smart meter data available	Data used in the comparison	AER guidance
<3 months	Not applicable	Retailers are not required to provide a comparative estimate.  Retailers may choose to include a statement noting that there is not yet enough data available from the customer's new meter to estimate what the cost would be under the proposed new tariff and charges. It may be useful to note that the proposed new tariffs or charges may benefit customers who use more electricity during the retailer's off-peak or shoulder times (i.e. overnight or middle of the day) or are able to shift their energy consumption to these times, where applicable.
Between 3-12 months <sup>26</sup>	All the data available from the smart meter	Retailers are required to state the timeframe the estimate relates to. <sup>27</sup> The AER considers that this means the date range for the estimated cost, being the date range of available smart meter data.  This information will help ensure customers can meaningfully understand the cost comparison given the significant impact of seasonal changes in usage behaviour and cost.
>12 months <sup>28</sup>	Data covering the preceding 12 months	Retailers are required to use 12 months of data for the comparison. The AER encourages retailers to clearly communicate that the comparison covers the preceding 12-month period.

<sup>25</sup> Retail Rules, schedule 3, division 4, rules 13(2)(f) and (g), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>26</sup> Retail Rules, schedule 3, division 4, rules 13(2)(g), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>27</sup> Retail Rules, schedule 3, division 4, rule 13(2)(g)(ii), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>28</sup> Retail Rules, schedule 3, division 4, rules 13(2)(f), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

The AER encourages retailers to make it clear that the comparison cost under the proposed new tariff and charges is an estimate based on the customer's electricity usage over the stated period (including any estimated usage during that period) and assumes the customer's consumption behaviour will remain the same.

The AER strongly encourages retailers to present these comparative costs inclusive of GST and as dollar figures, consistent with the presentation of tariffs and charges (per section 3.1.1.3). It may be helpful to present these comparative costs alongside the existing and proposed new tariffs within a single table, allowing customers to more easily understand how the proposed change will likely affect their electricity costs.

### **3.1.1.5 Information regarding how to understand, monitor and manage their electricity usage**

Retailers are required to include in the EIC Notice information regarding how the customer can understand, monitor and manage their electricity usage.<sup>29</sup>

Smart meters can provide more detailed and meaningful electricity consumption information. Whilst access to electricity usage data may be useful for some customers, it is crucial to consider that it may also be exploited by perpetrators of family violence to cause harm, creating potentially significant risks for *affected customers*. See section 6.2 for further discussion.

#### **Understand electricity usage**

The AER encourages retailers to explain that a smart meter measures when and how much electricity the customer has used. Since the customer will (likely) have been on a flat rate tariff, the AER encourages retailers to provide simple information on how time-of-use tariffs and/or demand charges operate, as applicable.

#### **Monitoring electricity usage**

Smart meters are capable of recording more granular usage data, which may be useful to customers in making decisions about consumption. Where a retailer has services available to enable customers to monitor their electricity usage (for example, online services or an app), the AER encourages retailers to:

- mention the availability of these services, what data will be available to customers using the services, and how the customer may access them.
- explain potential benefits for the customer in being able to monitor their electricity usage, particularly with respect to the proposed new tariff. For example, monitoring electricity usage may help the customer identify how they use electricity, any times of high use and potential opportunities to reduce consumption. Drawing on this, the customer can consider potential changes to their behaviour and what retail tariff structure best suits them.

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<sup>29</sup> Retail Rules, schedule 3, division 4, rule 13(2)(h), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

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.<sup>30</sup> Following completion of this rule change, to ensure continued compliance the AER encourages each retailer to review and, if required, update its EIC Notice and other customer content, to reflect any relevant changes to how customers can access data from their smart meter.

### **Managing electricity usage**

Where a customer has been on a flat rate tariff, they will not have had financial incentives to adjust their electricity usage behaviour and may not have considered when they are consuming electricity, or how much they are consuming at a given time. Accordingly, it is important customers understand that their patterns of behaviour may impact their electricity costs under the different tariff structure.

The AER encourages retailers to provide practical information around managing electricity usage that is accessible to a diverse range of customers. This may include an explanation of how the customer can adjust their behaviour to suit the tariff type to save money. For example, practical tips for shifting usage to a different time of day (to take advantage of cheaper rates) or staggering usage over a longer period (to minimise demand charges). This is interrelated with tools available to customers for monitoring electricity usage discussed above.

The AER encourages retailers to consider what level of detail would be most useful for a customer within the EIC Notice and, where appropriate, supplement the EIC Notice with an accompanying attachment and/or a link to the retailer's relevant webpage where the customer can find more detailed information.

#### **3.1.1.6 Additional information**

The AER encourages retailers to provide additional information to customers where it would support the customer to make a well-informed decision. Retailers are also encouraged to include contact details for interpreter services in community languages.

For any additional information included to aid the customer's informed decision-making, the AER encourages retailers to ensure that the information does not detract from the requirements contents and to consider where that information may be most useful to the customer – directly in the EIC Notice, in an accompanying attachment or available on their website (which may be linked in the EIC Notice).

## **3.2 Delivering the EIC Notice**

### **Rule summary**

#### **Delivery of the notice**

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<sup>30</sup> The AEMC's [real-time data for consumers rule change](#) draft determination was published on 11 September 2025.

The EIC Notice must be delivered by the customer's preferred form of communication where this has been communicated to the retailer, or otherwise by the same method used to deliver the customer's bill.<sup>31</sup>

Retailers are required to provide the EIC Notice via the customer's preferred form of communication where communicated, or otherwise by the same method used to deliver the customer's bill. See section 6.1 for discussion regarding communicating with an *affected customer*.

It may be difficult to effectively provide the information required for the EIC Notice verbally, where a customer has advised the retailer that their preferred form of communication is by phone. The retailer must ensure it clearly, fully and adequately discloses all matters relevant to the consent of the customer.<sup>32</sup> This may involve asking questions to ascertain the customer's comprehension of the information provided or asking the customer if they want confirmation or information in writing.

### 3.3 Obtaining EIC

#### Rule summary

#### Obtaining and recording EIC

EIC may be given by the customer:<sup>33</sup>

- in writing signed by the customer;
- verbally, as long as it can be verified and is recorded in accordance with section 40 of the Retail Law; or
- by electronic communication generated by the customer.

A retailer must create a record of each EIC required and provided by a customer and retain it for at least 2 years.<sup>34</sup>

The methods by which a customer may provide EIC are set out in section 39(2) of the Retail Law, this applies to EIC for retail tariff structure changes.

### 3.4 Timing of EIC Notices

A retailer can only issue an EIC Notice to vary a customer's tariff structure after the customer's smart meter has been installed.<sup>35</sup>

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<sup>31</sup> Retail Rules, schedule 3, division 4, rule 13(2)(i), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>32</sup> Retail Law, section 39(1)(a).

<sup>33</sup> Retail Law, section 39(2).

<sup>34</sup> Retail Law, section 40.

<sup>35</sup> Pursuant to Schedule 3 [Retail Amendment Rule](#).

The AER encourages retailers to consider the customer experience in determining whether and how often to seek to vary a customer's tariff structure (and therefore issue an EIC Notice) to avoid creating a negative customer experience following smart meter installation.

Customers may find it difficult to make an informed decision on tariff structure changes, even if it could save them money, if they do not regularly engage with energy services (which many customers do not, unless they have a problem). Tariff structures are generally complex and more difficult for customers to understand.

Where a customer does not provide EIC for a tariff structure change when first sought, the AER encourages retailers to consider proactively re-engaging with the customer about their retail tariffs at another later point during the *EIC period*. For example, it may be useful for this to occur 12 months after the retailer initially sought the customer's EIC, as there will be further usage data available from the customer's new meter.

This engagement may be complemented by the Better Offer message required under the AER's Better Bills Guideline.<sup>36</sup> A retailer's better offer check could include plans with time-of-use rates or demand charges as both may be 'generally available' to the customer following smart meter installation or the distributor reallocating a customer to a cost reflective network tariff. This would provide additional opportunities for the customer to consider switching tariff structures where it would benefit them.

### 3.5 Customer-initiated tariff structure changes

A customer is not obliged to remain on their existing (likely flat rate) tariff following the installation of their smart meter. Some customers may want to take advantage of new tariff options that are available following the installation and can do so at any point. For example, a customer may:

- proactively ask their retailer what alternate tariffs are available to them, which may include those with a different tariff structure
- receive a negative Better Offer message for a tariff with a different structure that they want to switch to.

Under the above circumstances the retailer would intend to vary the tariff structure because of the customer request rather than because of the smart meter installation.<sup>37</sup> Accordingly, the AER considers that the requirement to issue an EIC Notice would not apply where a tariff structure change is genuinely initiated by a customer. However, the existing EIC requirements for entering a customer into a market retail contract would apply.

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<sup>36</sup> AER, [Better Bills Guideline v2](#), 2023, part 4.

<sup>37</sup> Retail Rules, schedule 3, division 4, rule 13(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

Given the nature of EIC,<sup>38</sup> retailers should make clear to the customer any implications for future access to a flat rate tariff if they choose to change to a different tariff structure, including whether the customer will be:

- able to switch back to a flat rate tariff should they choose, where applicable. For example, in jurisdictions where there are local regulations for a flat rate tariff standing offer or where a retailer chooses to offer a flat rate tariff to smart meter customers; or
- unable to switch back to a flat rate tariff with the retailer, where applicable.

The AER encourages retailers to consider how they can best communicate this to their customers across all methods available for switching (e.g. through the retailer's website or app, call centre or third-party services). Potential methods could include:

- Agents advising customers when discussing alternative plans or responding to a customer's request to switch plans
- A pop-up box on the retailer's energy plans web page
- A tick box as part of the switching process for customers.

Retailers could also consider providing clear information in the welcome pack.

## 3.6 Following the EIC period

### Rule summary

#### **Tariff structure change after expiry of *EIC* period**

After the expiry of the *EIC period*, a retailer may vary the tariff structure that applies to a customer, provided that it issues a notice under rule 46 at least 30 business days before any variation to the tariff is applied to the customer.<sup>39</sup>

The notice must include the following information required by rule 46(4A):<sup>40</sup>

- that customer's tariffs and charges are being varied
- the date on which the variation will take effect
- the customer's existing tariff and charges inclusive of GST
- the new tariff and charges as varied inclusive of GST
- that the above tariffs and charges are inclusive of GST
- that the customer can request historical billing data and energy consumption data from the retailer.

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<sup>38</sup> The retailer, or a person acting on behalf of the retailer, is required under section 39(1)(a) of the Retail Law to clearly, fully and adequately disclosed all matters relevant to the consent of the customer required.

<sup>39</sup> Retail Rules, schedule 3, division 4, rule 14(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>40</sup> Retail Rules, schedule 3, division 4, rule 14(2), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

The notice must also include the following additional information:<sup>41</sup>

- an estimate of what the customer's historical bill for the preceding 12 months would have been under the varied tariff structure, compared to the bill that the customer received under the previous tariff structure
- information regarding how to understand, monitor and manage their electricity usage.

The *EIC period* lasts for two years from the replacement of the *legacy meter*.

Following expiry of the *EIC period*, where a retailer intends to change a customer's tariff structure the retailer must issue a notice under rule 46, in accordance with schedule 3, division 4, rule 14(2).<sup>42</sup> This includes providing at least 30 business days' notice (instead of 5 business days) and additional notice content requirements. The AER guidance for these additional notice content requirements is the same as provided above in sections 3.1.1.4 and 3.1.1.5.

See section 3.7 regarding exceptions to the application of this requirement.

Retailers should be aware of any jurisdictional derogations that alter the timeframe or content requirements set out in the Retail Rules for the notice required under rule 46. For example, in Queensland<sup>43</sup> a notice under rule 46 is also required to include information about:

- the availability to the customer of a flat rate tariff structure under a standing offer of the retailer; and
- if an offer of the retailer includes a time-of-use tariff structure that would be available to the customer—the availability to the customer of the time-of-use tariff structure and the potential for the customer to save on the cost of energy consumption if the time-of-use tariff structure were to apply to the customer.

The AER encourages retailers to consider including this additional information for customers in all jurisdictions, where applicable.

## 3.7 Scope and exceptions

### Rule summary

#### Application

The Retail Rules set out that Division 4 (excluding rule 15)<sup>44</sup> only apply where a retailer intends to vary a tariff structure following the replacement of a *legacy meter* with a *smart meter* during the period from 1 December 2025 and 31 May 2031.<sup>45</sup>

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<sup>41</sup> Retail Rules, schedule 3, division 4, rule 14(2), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>42</sup> Pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>43</sup> [National Energy Retail Law \(Queensland\) Regulation 2014](#), Schedule 5, Part 3, Section 8.

<sup>44</sup> Related to flat rate tariff standing offers applying to participating jurisdictions.

<sup>45</sup> Retail Rules, schedule 3, division 4, rule 16(3), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

**Exceptions**

A retailer is not required to comply with Division 4 (excluding rule 15) in the following circumstances:<sup>46</sup>

- Where it becomes a **customer's new retailer during the *EIC period*** but was not responsible for changing the customer's *legacy meter* to a smart meter
- Where the tariff structure change is a direct result of a **benefit change** and notice has been provided under rule 48A of the Retail Rules
- Where the tariff structure change is a direct result of a **change to, or withdrawal or expiry of, a government funded energy charge, rebate, concession or relief scheme**
- In relation to premises of a business customer, where the **retailer and the business customer have agreed that the relevant premises are to be treated as aggregated** under rule 5 of the Retail Rules
- Where the tariff structure change is a direct result of a **change to any bank charges or fees, credit card charges or fees, or payment processing charges or fees** applicable to the customer.

**3.7.1 Application**

The EIC Notice requirements apply to tariff structure changes where the customer's smart meter is installed between 1 December 2025 and 31 May 2031.

Smart meters installed prior to 1 December 2025 but which have a proposed new tariff structure change after 1 December 2025 are outside the scope of the EIC Notice requirements.

The *EIC period* for a particular customer commences immediately following the time that the customer's smart meter is installed and applies for two years. For example, if a customer's smart meter is installed on 1 December 2025 the two-year explicit informed consent period will apply from 1 December 2025 to 30 November 2027, inclusive.

**3.7.2 Tariff structure**

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 parts<sup>47</sup> is not intended in this context.

Relevant scenarios the AER considers may not constitute tariff structure changes for the purpose of the EIC Notice requirements include a retailer:

- changing a customer from their existing flat rate tariff to a new flat rate tariff

<sup>46</sup> Retail Rules, schedule 3, division 4, rule 16(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>47</sup> For example, the specific charge windows within a time-of-use tariff.

- changing the time-of-use charging windows for a customer on an existing time-of-use tariff.

The AER considers that in these circumstances rule 46 of the Retail Rules would likely apply for any proposed tariff changes, instead of the new EIC Notice requirements.

### 3.7.3 Exceptions

As set out above, a retailer is not required to comply with Division 4 (excluding rule 15) of the Retail Rules in the prescribed circumstances.<sup>48</sup> A retailer must still comply with any other relevant requirements under the Retail Rules for retail tariff changes (including, where applicable, rule 46 of the Retail Rules).

Where a retailer intends to vary a customer's tariff structure under rule 46 of the Retail Rules, the AER strongly encourages the retailer to provide as much notice as possible prior to the new tariff being applied, beyond the requirements set out in rule 46.<sup>49</sup> In addition to the information required to be included in rule 46, the AER also encourages retailers to include specific practical information regarding the change and how the customer could adjust their behaviour to suit the new tariff type.

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 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 tariff.

#### 3.7.3.1 Customers switching retailers

A customer may choose to change retailers including during the *EIC period*.

A retailer does not need to comply with the new EIC requirements for tariff structure changes where it becomes the retailer for a customer during the *EIC period* but was not responsible for changing that customer's *legacy meter* to a smart meter.

A customer who leaves the retailer responsible for changing the customer's *legacy meter* to a smart meter may choose to return to that retailer during the *EIC period*. In this situation, an intention by the retailer to offer a different tariff structure would not be because of the replacement of a customer's meter but rather because of the re-establishment of a customer relationship.<sup>50</sup> Accordingly, the AER does not expect a retailer to issue an EIC Notice for tariff structure changes for a customer where that customer has returned to the retailer responsible for changing the customer's *legacy meter* to a smart meter during the EIC period.

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<sup>48</sup> Pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>49</sup> Rule 46 of the Retail Rules requires that the notice must be given at least five business days before the variation in the tariffs and charges are to apply to the customer.

<sup>50</sup> Retail Rules, schedule 3, division 4, rule 13(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

### 3.7.3.2 Customers moving premises

A customer may move premises during the *EIC period*. The requirements for tariff structure changes under Division 4 (excluding rule 15) of the Retail Rules do not apply where the customer does not remain at the premises where the retailer arranged the smart meter installation for that customer. This includes where:

- a new customer moves into a premises where there is a smart meter already installed and signs up with the retailer responsible for changing the *legacy meter* to a smart meter at the premise
- the customer moves to a different premises following their smart meter installation, where there is already a smart meter, and continues to purchase electricity from the same retailer who installed the smart meter at their previous premises.

### 3.7.3.3 Benefit, government scheme or third-party fee change

The requirements under Division 4 (excluding rule 15) of the Retail Rules do not apply where the tariff structure change is a direct result of a:<sup>51</sup>

- benefit change and notice has been provided under rule 48A of the Retail Rules
- change to or withdrawal or expiry of, a government funded energy charge, rebate, concession or relief scheme
- change to any bank charges or fees, credit card charges or fees, or payment processing charges or fees applicable to the customer.

These exceptions are consistent with the exceptions for rule 46 of the Retail Rules.<sup>52</sup>

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<sup>51</sup> Retail Rules, schedule 3, division 4, rule 16(1), pursuant to Schedule 3 [Retail Amendment Rule](#) and Schedule 3 [Minor Changes Rule](#).

<sup>52</sup> Retail Rules, rules 46(4B)(b), (d) and (e).

## 4 Shared fusing meter replacement

### Rule summary

#### **Procedures for management of smart meter deployments at sites with shared fusing arrangements<sup>53</sup>**

An MC is required to notify the relevant retailer where it is aware that repairing, installing or replacing a metering installation at the connection point of one customer requires interrupting supply to other customers.<sup>54</sup> Within 5 business days of notification by the MC, the retailer is required to inform the relevant Local Network Service Provider (**LNSP**).<sup>55</sup>

Within 10 business days of receipt of a *Shared Fusing Meter Replacement Notice* from the LNSP, each retailer is required to appoint an MC to replace the relevant *legacy meters* (unless exceptions apply).<sup>56</sup>

The rule change established a formal procedure for meter repairs, replacements, or installations at the connection point of one customer where it requires interruption of supply to other customers (shared fusing arrangements).

Where shared fusing is identified at a premises, the procedure requires the upgrade of all *legacy meters* on the shared fuse at the same time. The new rules set out obligations and timeframes for the smart meter installation process at premises with shared fusing, which are summarised in Figure 2. Exceptions apply where:<sup>57</sup>

- the proposed site is not accessible, safe or ready for installation on the *Shared Fusing Meter Replacement Date*
- the MC has obtained an exemption under clause 7.8.10 of the Electricity Rules
- there is a conflict with the life support requirements under the Retail Rules, in which case the life support requirements prevail
- there is a site defect for a particular metering installation, in which case rule 59AAA of the Retail Rules applies.

The AER encourages retailers to work collaboratively with the parties associated with carrying out the shared fusing meter replacement process to establish effective systems and communication processes between parties to ensure the smooth running of the process. The AER also encourages relevant parties to coordinate their actions and to regularly share learnings and best practice approaches across industry.

Where a shared fuse has more than 10 *legacy meters*,<sup>58</sup> the AER encourages retailers to engage with the relevant LNSP and MCs (if applicable) to agree how many supply outage

<sup>53</sup> Electricity Rules, clause 7.8.10D, pursuant to Schedule 1 [Electricity Amendment](#) Rule.

<sup>54</sup> Electricity Rules, clause 7.8.10D(a), pursuant to Schedule 1 [Electricity Amendment](#) Rule.

<sup>55</sup> Electricity Rules, clause 7.8.10D(b), pursuant to Schedule 1 [Electricity Amendment](#) Rule.

<sup>56</sup> Electricity Rules, clause 7.8.10D(e), pursuant to Schedule 1 [Electricity Amendment](#) Rule.

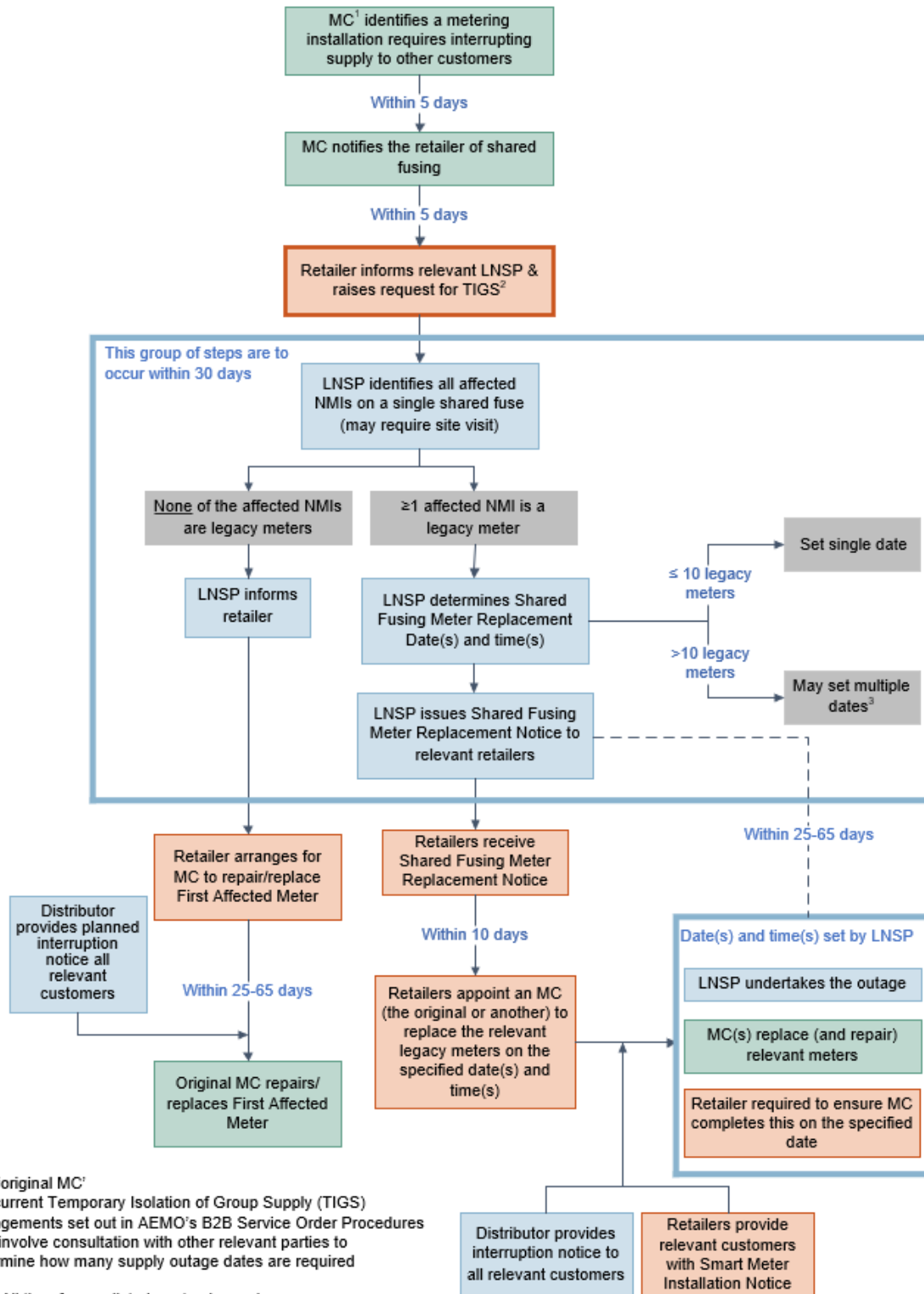
<sup>57</sup> Electricity Rules, clauses 7.8.10D(f)-(h), pursuant to Schedule 1 [Electricity Amendment](#) Rule.

<sup>58</sup> Electricity Rules, clause 7.8.10D(d), pursuant to Schedule 1 [Electricity Amendment](#) Rule.

dates are required. An effective schedule will limit the number of outages, and in doing so, minimise disruption for customers on the shared fuse.

Training for relevant staff (including parties contracted by the retailer) will also be important to ensure they understand the new systems and processes and can appropriately and effectively respond to customer queries.

**Figure 2 Shared fusing meter replacement process**



## 5 Ensuring a smooth customer experience

### 5.1 Making notices easy to understand

The AER considers the EIC Notice and Site Defect 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 notices in a way that is easy to read and understand. This could include:

- appropriate colour, headings and logical grouping of related information
- structuring the notices 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 could also consider engaging experts or consumer representatives to assist with the development of the notices as well as applying existing, or conducting further, consumer research and testing on notice design, language and accessibility.

Additionally, the AER strongly encourages retailers to ensure notices are accessible through screen readers for those with a visual impairment.

Some consumers may have trouble understanding more complex retail tariff structures such as those that have a time-of-use and/or demand component. It is essential that the notice retailers provide customers explains these concepts in a way consumers can understand and meaningfully engage with.

### 5.2 Customer contact

To help ensure a safe, smooth and informed customer experience, retailers should ensure their staff, including members of any contracted customer services, are appropriately trained

to understand all aspects of smart meter installations. This includes matters related to site defects, shared fusing arrangements and the retailer's approach to what tariff types they offer to smart meter customers, so they can provide explanations to customers and respond to customer enquiries. It is important retailers proactively consider potential customer queries and concerns and equip their staff to respond effectively to these.

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

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

*Site defects:*

- the contents of the Site Defect Notice
- safety concerns arising from the site defect or defects
- the ability to choose whether or not to rectify a site defect and the implications of each of these options
- avenues available to renters if the landlord refuses to rectify the site defect, including where there might be safety concerns
- availability of financial support to assist with rectifying site defects.<sup>59</sup>

*Tariff changes:*

- the contents of the EIC Notice
- different tariff structure types, such as time-of-use tariffs or demand charges
- the availability of a flat rate tariff
- how to access their electricity usage data
- addressing bill shock following a tariff structure change
- how to adjust their electricity usage behaviour to suit a particular tariff structure.

## 5.3 Retailer website

Retailers should have informative, simple and clear information available on their website to supplement information provided in notices. The AER encourages retailers to consider what information may be useful for customers when navigating site defects and potential tariff structure types.

The AER encourages retailers to consider providing information through a range of diverse channels and media to reach wide audiences, including by using:

- fact sheets

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<sup>59</sup> For example, to reduce barriers and support the smart meter deployment program TasNetworks is upgrading asbestos meter panels to modern materials at no cost to the customer, and, following eligibility assessment, provide free isolation services if a Metering Provider is unable to isolate a NMI from the network to perform a smart meter installation. Some jurisdictional governments are also considering potential financial support schemes.

- simple plain-language case studies (or scenarios) that illustrate common situations, what actions the customer took and the outcome, in a way that is relatable and understandable for diverse communities
- diverse media – e.g. video, images, animations, infographics
- translated information – e.g. short educational videos in community languages
- an option to request a hard copy by post (either an English or a translated version, if available)
  - The AER encourages retailers to communicate this to customers in the relevant notice by providing website links, along with a statement indicating that customers may contact the retailer to request a hard copy by post. The AER encourages retailers to offer this at no cost to the customer.

Customers process information in different ways and have varying accessibility needs that align with different information formats. Videos and visual materials can be useful for explaining complex information in a more digestible manner, and support understanding for customers with low energy literacy.

## 6 Considerations for customers affected by family violence

Energy businesses play a critical role in preventing essential services from being exploited by family violence perpetrators to cause harm. When implementing new obligations, it is important that retailers actively and carefully consider potential interactions with family violence, including potential risks for *affected customers* and opportunities to strengthen safety, privacy, and support for *affected customers*.

### 6.1 Communicating with affected customers

#### Rule summary

Retailers must take reasonable steps to identify the *affected customer's* preferred method of communication and record and use this for all communications.<sup>60</sup> An *affected customer's* preferred method of communication takes precedence over any other customer communication requirement in the Retail Rules.<sup>61</sup>

When sending an EIC Notice or Site Defect Notice to an *affected customer*, the retailer must use the *affected customer's* preferred method of communication. Sending communications via a non-preferred method may pose a risk to an *affected customer's* safety. Further guidance on communication with *affected customers* is provided in section 2.9 of the [AER's Family Violence Rules: Guidance for Energy Retailers](#).

### 6.2 Exploitation of electricity usage data

Access to electricity usage data may be exploited by perpetrators of family violence to cause harm, creating potentially significant risks for *affected customers*.

Examples of exploitation may include perpetrators using the electricity usage data to:

- track the *affected customer's* routines or when they are home
- harass or intimidate the *affected customer* by referencing usage patterns
- question or criticise the *affected customer's* electricity usage
- shame or discredit the *affected customer*, for example in parenting or legal disputes.

The AER expects retailers to implement measures to minimise risk of family violence perpetrators misusing electricity usage data, including by incorporating safety into the design of methods for providing this data to customers.

The AER encourages retailers to collaborate and share good practice approaches as part of a whole-of-sector response to prevent energy services being exploited by family violence perpetrators.

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<sup>60</sup> Retail Rules, rules 76H(1), (2) and (4).

<sup>61</sup> Retail Rules, rule 76H(3).

## 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](#).

Retailers should actively monitor their compliance, including through regular internal audits and control testing. The AER expects retailers to have controls in place to facilitate proactive and timely identification and rectification of potential breaches. This could include regular reports and triggers for manual review. This should also involve appropriate oversight and controls on the conduct of any third-party agents contracted by the retailer.

The LMRP Objective is to replace all *legacy meters* in a timely, cost effective, fair and safe way during the *LMRP Period*.<sup>62</sup> Consistent with this Objective, retailers are required to replace legacy meters for which they are financially responsible by 1 December 2030 unless they have a reasonable explanation.<sup>63</sup> While the AER encourages the implementation of each LMRP in a manner consistent with the LMRP Objective, we recognise that, despite the best endeavours of retailers and MCs, the replacement of all *legacy meters* by 1 December 2030 may not be possible.

A focus for the AER is that *legacy meters* are replaced in a safe manner, with the safety of workers and customers prioritised. The AER recognises that retailers will have a reasonable explanation for not replacing a legacy meter by the deadline where it is genuinely the result of safety issues.

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 AEMC recommended that some requirements under the Retail Amendment Rule be classified as civil penalty provisions:

- If a customer's *legacy meter* is replaced with a Type 4 or Type 4A meter and, because of that replacement, the retailer intends to vary the customer's tariff structure during the *EIC period*, then the retailer must issue a notice to the customer, and the notice must contain the specified information
- A retailer may only vary the customer's tariff structure during the *EIC period* if it obtains the customer's EIC following notification.

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<sup>62</sup> Electricity Rules, clause 11.177.1.

<sup>63</sup> Electricity Rules, clause 11.177.7(a).

These recommendations have not yet been considered by the Energy and Climate Change Ministerial Council.

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

- 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. This notice must be delivered by the customer's preferred form of communication where this has been communicated to the retailer, or otherwise by the same method as that used for delivery of the customer's bill.
- rule 46(4A): a retailer must include certain information in the notice to a customer under rule 46(3).

Version 7 of the [AER's Retail Compliance Procedures and Guidelines](#) includes reportable obligations for material breaches of *civil penalty provisions*.<sup>64</sup>

Material breaches are those that will likely have a material adverse impact on customers or the national energy market. 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 examples as additional guidance specific to EIC for tariff structure changes. 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

#### Example 1

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 impacted, it is unlikely to be considered a material breach.

#### Example 2

Call centre processes and scripts are generally standardised and used for large numbers of customers. If these processes or scripts do not appropriately consider individual customers' capabilities to provide EIC for tariff structure changes (e.g. those who may have cognitive impairments or limited English proficiency) this may be considered a systemic gap. Systemic gaps in processes of this kind may be considered a material breach that is required to be reported to the AER under the Compliance Procedures and Guidelines. Conversely, if the error is isolated due to human error resulting in only a small number of customers being impacted, it is unlikely to be considered a material breach.

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<sup>64</sup> 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.

### **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.

## 8 Glossary

Term	Definition
AEMC	Australian Energy Market Commission
AEMO	Australia Energy Market Operator
Affected customer	Has the same meaning as the defined term 'affected customer' in rule 3 of the Retail Rules, being any customer, including a former customer of a retailer, who is or was a small customer and who may be affected by family violence.
Civil penalty provision	Refers to a civil penalty provision specified in Schedule 1 to the National Energy Retail Regulations.
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).
EIC	Explicit informed consent
EIC period	Has the same meaning as the defined term 'Explicit Informed Consent Period' in Schedule 3, Division 4, Rule 12 of the <i>Retail Rules</i> (in accordance with Schedule 3 of the <i>Retail Amendment Rule</i> and Schedule 3 of the <a href="#">Minor Changes Rule</a> ), 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.
EIC Notice	A retailer's notice to a small customer regarding proposed changes to the customer's tariff structure because of the replacement of a <i>legacy meter</i> with a smart meter, as required under rule 13(1) of the Retail Rules (in accordance with Schedule 3 of the <i>Retail Amendment Rule</i> and Schedule 3 of the <a href="#">Minor Changes Rule</a> ).
Electricity Amendment Rule	<a href="#">National Electricity Amendment (Accelerating smart meter deployment) Rule 2024 No.20.</a>
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.
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	Has the same meaning as the defined term 'Legacy Meter Replacement Plan' in clause 11.177.1 of the <i>Electricity Rules</i> .
LMRP Period	Between 1 December 2025 and 30 November 2030.
LNSP	Local network service provider, as defined in Chapter 10 of the <i>Electricity Rules</i> .

Term	Definition
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"> <li>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</li> <li>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.</li> </ul>
MC	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> .
Minor Changes Rule	National Energy Retail Amendment (Minor changes 1) Rule 2025 No. 1
MSATS	Market Settlement and Transfer Solution
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"> <li>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;</li> <li>b) a maintenance replacement;</li> <li>c) as a result of a metering installation malfunction; or</li> <li>d) required by section 59(2) of the <i>Retail Law</i>.</li> </ul>
Retail Amendment Rule	<a href="#">National Energy Retail Amendment (Accelerating smart meter deployment) Rule 2024 No.6.</a>
Retail Rules	National Energy Retail Rules as made under Part 10 of the <i>Retail Law</i> and given force of law by section 15 of the <i>Retail Law</i> .
Retail Law	National Energy Retail Law, as contained in the Schedule to the National Energy Retail Law (South Australia) Act 2011
Site defects	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> ).
Site Defect Notice	A retailer’s notice to a customer regarding site defects, as required under rule 59AAA(1)(b) and rule 59AAA(1)(c) of the <i>Retail Rules</i> (in accordance with Schedule 2 of the <i>Retail Amendment Rule</i> ).

Term	Definition
Shared Fusing Meter Replacement Date	The time and date specified by the LNSP in the <i>Shared Fusing Meter Replacement Notice</i> on which the First Affected Meter must be repaired as required by clause 7.8.10D(c)(2)(ii), pursuant to Schedule 1 <i>Electricity Amendment Rule</i> .
Shared Fusing Meter Replacement Notice	A LNSP's Notice to relevant retailers regarding meter replacements at a shared fusing site, as required under clause 7.8.10D(c)(2) of the <i>Electricity Rules</i> (in accordance with Schedule 1 of the <i>Electricity Amendment Rule</i> ).
Type 4 meter	A smart meter with remote communications enabled.
Type 4A meter	A smart meter with remote communications disabled.