



29 August 2014

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Dear Chris

RE: 2015 – Manual Meter Charge Application

The Cost Recovery Order in Council (CROIC) was amended on 5 August 2014 to allow distributors to seek approval for a Manual Meter Charge from the AER. The Manual Meter Charge is a service regulated under the CROIC. Manual meter costs which are recoverable in this new charge are the direct costs of visiting a meter for a manual read and the cost of entry of the data onto the IT systems following the meter read. These costs are recoverable from manual meter account holders subject to some exceptions, and these costs are not recoverable in the regulated metering services fee.¹

Manual meter costs associated with the exceptions and administration of this scheme are recoverable across the broader customer base.

This application is to seek approval of a Manual Meter Charge under the CROIC 14AAB.2 (a) (i) which applies from 1 April 2015.

Description of Tasks

UE estimates that less than 13,000 customers will be manually read by the time the Manual Meter Charge applies from 1 April 2015. Customer requested smart meters, meter exchanges as part of the normal replacement cycles or fault replacements will also serve to reduce this number.

The meter reading costs will be directly related to the volume of meters manually read and the frequency of the reads. The manual meter costs include ongoing management of meter reading routes to ensure efficient routes, site visit, uploading onto IT systems and management of any exceptions.

All other costs of validating the meter read, substituting or estimating the meter read, storing the meter read, forwarding the metering data in accordance with the NER and the corresponding systems and process management remain as meter data management costs in the metering services charges.

¹ The manual meter costs in this submission are not included in the United Energy 2015 Charges Application to the AER

Manual Special Meter Read Charge

UE has approved a manual special read charge for basic meters and interval meters as outlined in Table 1. The AER has approved these charges as part of the 2010-2015 EDPR. The 2014 charge will be updated with the Sept quarter CPI once it is available.

Table 1 – UE Field Visit special meter read charge

Field visit special meter read	Charge per Field Visit 2014 Exc GST \$2014	Charge per Field Visit 2015 Exc GST \$2014 ²
Basic meter	\$11.05	\$11.05
Interval meter	\$12.28	\$12.28

Proposed Manual Meter Charge

In accordance with CROIC 14AAB.2 (a) (i), UE proposes the 2015 manual special meter read charge apply in 2015 for each field visit so that larger customers on more frequent meter read cycles pay the higher costs of site visits compared to smaller customers.

The electricity market has two established read cycles- monthly and quarterly which have been in place for decades.

The proposed annual Manual Meter Charges are outlined in Table 2. These are proposed to be the maximum charges that can apply.

Table 2: Proposed Maximum Annual Manual Meter Charges 2015

Manual meter charge	Annual Charge Quarterly field visit Exc GST \$2014	Annual Charge Monthly field visit Exc GST \$2014
Basic Meter	\$44.20	\$132.60
Interval meter	\$49.12	\$147.36

In line with the Government policy, the manual meter charge will be billed to the relevant manual meter account holders in addition to the metering services charges. Should a customer wish to alter their meter reading frequency agreement is required from both the retailer and UE.

² The 2014 \$ will be updated with the Sept quarter CPI once it is available.



Should you require any clarification of the submitted information, please contact me on (03) 8846 9856.

Yours sincerely

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