

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio
Additional Budget Senate Estimates
10 February 2010

Question: AR25
Topic: Progress of Smart Meters
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Senator Payne asked:

- (a) Please provide an update on the status of the staged national smart meter roll out.
- (b) How is the Government seeking to respond to the recommendations of the COAG Reform Council Report and work towards alleviating the delays with the Qld and WA Governments?

Answer:

- (a) In June 2008 the Ministerial Council on Energy (MCE) committed to smart meter roll-outs in Victoria and, subject to the next stage of pilots and trials, New South Wales.

The Victorian roll-out commenced in September 2009 and is being undertaken over four years according to the timeline set by the Victorian Government. The roll-out of approximately 2.5 million smart meters is expected to be complete by the end of 2013.

The Victorian Minister for Energy, Peter Batchelor, has asked the Essential Services Commission to review consumer protections and energy market regulations to ensure they are appropriate for the commencement of the operation of smart meters. In addition, Minister Batchelor recently announced a temporary moratorium on time-of-use pricing to fully consider the potential consumer impacts of smart meters. The review will consider the need for updated electricity concessions in light of potential equity impacts of new tariff arrangements.

The Ministerial Council on Energy is undertaking a similar review on a national scale to ensure that consumer protections are appropriate for future smart meter roll-outs.

- (b) As noted in the COAG Reform Council Report, the Queensland Government's pilot implementation timeline was submitted to MCE in August 2009. The results of the planned pilots by Energex and Ergon Energy will guide future decisions by the Queensland Government and will be considered by MCE, along with the results of other pilots and trials, in June 2012.

As noted in the COAG Reform Council Report, the Western Australian Government has developed a Smart Meters Policy Statement relating to the implementation of smart meters. The policy statement indicates the Western Australian Government's intention to take into account the results of potential trials and further analysis relevant to local circumstances, with a view to informing MCE in mid 2012.

Western Power is proposing to undertake a series of pilots and trials to test a range of demand management tools and technologies, including smart meters in both eastern Perth and at the edge of the grid in South-West Western Australia.

The Australian Government will continue to liaise with the West Australian and Queensland governments, and will monitor the progress of the pilots through the National Stakeholder Steering Committee (NSSC), which is tasked with providing MCE with an annual pilots and trials update.