

MEDIA RELEASE

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Public education the key to realising the benefits of Victoria's smart meter rollout

Households can look forward to the long promised but often delayed benefits of smart meters following the Victorian Government's decision to go ahead with the rollout, due to be completed by the end of 2013. The decision, along with the additional safeguards announced by the Hon. Michael O'Brien, Minister for Energy and Resources, means the Government can now turn its attention to educating the public about smart meters and clearing up some of the wide spread misconceptions about the program.

The Consumer Action Law Centre welcomes the certainty the Minister's decision offers and is pleased that consumers may start to experience benefits from the roll out, for which they've been paying for two years. It is also supportive of Government measures which would help households to better understand and control their household electricity consumption.

Janine Rayner, Senior Policy Officer at Consumer Action, said the decision to subsidise in-home displays – units which show a household's energy consumption and the cost of electricity in real time – would help Victorians monitor their electricity consumption and have the potential to help them cut their usage.

'It's easy to take electricity for granted and forget that all those goods you have sitting on 'stand-by' mode are costing you money. These units, as well as website information portals, will show consumers how much electricity they're using and hopefully help them avoid a nasty shock when their bill comes in the mail.

'We're also pleased that consumers will be able to stay on a flat rate for their electricity price, rather than being forced to move to a time of use tariff, which would see them paying different rates at different times of the day. Time of use tariffs has been of particular concern to some consumers as not everyone can benefit from them, so this decision should put their minds at ease.'

Ms Rayner also welcomed the Government's plan to toughen the regulation of smart meter cost recovery by distribution businesses.

'We've long said that the current rules provide too much scope for the distribution businesses to gouge customers when it comes to the costs of installing the meters. The Government's proposal to remove the automatic allowance for cost overruns of 10 to 20 per cent is long overdue.'

But Consumer Action believes that, while the Government's announcements is an important land mark in the smart meter rollout, there is plenty of work still to be done and that the Government has a tough task ahead to ensure the public understand the reasons for the rollout, and to explain what it will mean for households.

Ms Rayner said one of the unfortunate hallmarks of the smart meter program to date had been a lack of community education and an inability or unwillingness to explain the program to households who have been watching their electricity bills increase without understanding why.

'The Government has now set a positive direction for the rollout, it has added some extra measures to help consumers, but we now need to see some tangible efforts to inform consumers about the potential benefits of the new meters. They also need to explain to Victorians what steps they can take to get the maximum benefit from their new meter and also to be clear about their rights and responsibilities in relation to the meter installation.

'The Government needs to stay on the front foot and explain the rollout to the community. And given many Victorians already have meters installed, the sooner they can do this the better,' said Ms Rayner.

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