

Australian Council of Social Service and
Consumer Advocacy Panel

NEM Advocacy – Low income and disadvantaged consumers

CAP reference: Application 477 (an extension of Application #s 133, 254, 300, 352, 405)

Progress Report #1:

Period 01 July 2011 through 31 October 2011

Provided under the terms of the Agreement

Tony Westmore, Senior Policy Officer (Electricity)

Introduction:

ACOSS made application to the Panel for financial support of work to facilitate advocacy of consumer interests in the National Electricity Market. ACOSS and the project it proposed have a particular focus on consumers with low and fixed incomes and who are otherwise disadvantaged. ACOSS proposed a project with a focus on issues of regulation, retail codes and pricing. ACOSS proposed a project that involved the employment of a policy officer, work directed to consultation, information dissemination and advocacy.

The policy officer employed by ACOSS, Tony Westmore, commenced work on the project in February of 2006, initially on a part-time basis but full-time since July 2007. The national energy market reform program has been characterised over the duration of the project by changing agendas, shifting schedules, proposals of significance and substantial detail, short time frames for consideration and response. ACOSS has endeavoured to keep abreast of developments and to respond as appropriate.

Summary of progress: highlights

Retail policy – the new national regulatory framework: The Joint Implementation Group (JIG) charged with the task of coordinating implementation including with jurisdictional legislators, market institutions, market participants and consumer advocates was focused on arrangements for implementation by jurisdictions.

Smart meters, 'intelligent networks': The policy officer maintained a watching brief over developments in national smart meter policy notably through continuing liaison with DRET on [the lack of] progress towards a customer protection and safety framework, engagement with the National Energy Industry and Consumer Forum and participation in a stakeholder forum held in September. The policy officer chaired the 'customer engagement focus day' at a private sector presented national smart grids forum. The policy officer, one of two consumer representatives on the newly created Smart City Smart Grid Strategic Policy and Regulatory Steering Committee, attended the second meeting of this group.

Information and coordination: in this period efforts were focused on development and presentation of two events held in Canberra and of the November meeting of the National Consumers Roundtable on Energy. 'Energy at home', a one day public conference held at Parliament House canvassed issues currently affecting residential energy consumers was attended by more than one hundred participants (this project was supported separately by the Panel and a more detailed report is provided separately). 'Energy efficiency in low income households', a one-day workshop held at Rydges Capital Hill was attended by more than seventy participants (this project was supported separately by the Panel and a more detailed report is provided separately). In conjunction with project partner, Choice, the policy officer prepared a background paper for these events. The project officer convened an informal meeting of Sydney-based energy consumer advocates to consider work in train. Other communications and coordination work related to developments in climate as below.

Climate change, emissions trading, the national electricity market, energy efficiency, equity and related issues: On 10 July the Commonwealth released the Clean Energy Future package including proposals for a carbon pricing mechanism and related assistance for households and industry, and other measures including the Clean Energy Finance Corporation, the Carbon Farming Initiative, the Biodiversity Fund and a range of energy efficiency programs including a project to research and evaluate the potential for a national energy savings initiative. ACOSS made and published quick and early analysis for the community services sector, other consumer advocates and media. The Southern Cross Climate Coalition, an ACOSS partnership with the Australian Council of Trade Unions, Australian Conservation Foundation and The Climate Institute published a review of measures against its published policy formulations. ACOSS authored and published a detailed analysis of the package with regard to low income households and the community services sector. Subsequent to the announcement work commenced on the design detail of several energy efficiency programs with a focus on low income households. The project officer was involved in processes to shape this work and facilitate engagement with appropriate individuals and organisations. The policy officer was appointed to the advisory group established to support the energy savings initiative working group.

The policy officer played an advisory role for a major research and communications project coordinated by The Climate Institute with a focus on impacts of a carbon price on the cost of living. The Institute commissioned research from AECOM and CSIRO with a view to better understanding and more granular analysis of modelling conducted by and for The Treasury. This research aimed to assess the way in which a carbon price would affect prices for households and the interaction between price changes and proposed assistance measures. The project was to produce research reports and a range of householder focused materials including an online tool. The work was due for publication in November.

National energy policy: over the course of the reporting period the Commonwealth recommenced consultation for its Energy White Paper project. The DRET White Paper lead gave a presentation to the National Consumers Roundtable on Energy at its June meeting. The policy officer was involved in processes to encourage consideration of demand-side and energy efficiency issues generally and low income households and affordability issues particularly. A draft paper was due for publication before year end.

NB: the policy officer was on leave in period 26/09 through 18/10.

Meetings and consultations:

- * ‘Roundtable’ below is National Consumers Roundtable on Energy
- ‘NSMP’ is National Smart Metering Program
- SCCC is Southern Cross Climate Coalition
- MPCCC is Multi Party Climate Change Committee

SCCC: w/ government backbenchers re energy efficiency and carbon price, 06-07/07, Canberra
 The Climate Institute, Choice w/ DCCEE, Treasury etc re Cost of Living project, 06/07, Canberra
 DRET Energy White Paper, roundtable w/ community organisations, 07/07, Canberra
 Australian Energy Regulator Customer Consultative Group meeting 08/07, Melbourne
 Treasury, DCCEE, FaHCSIA, DRET, release of Clean Energy Future package 10/07, Canberra
 University of Melbourne, Four degrees or more? conference presentation 14/07, Melbourne
 ACOSS w/ others, advocacy re energy efficiency in low income households 25/07, teleconference
 SCCC re climate policy, meeting 01/08, teleconference
 SCCC re climate policy, meeting 02/08, teleconference
 Sydney-based energy consumer advocates, meeting 03/08, Sydney
 The Climate Institute, Choice w/ DCCEE, Treasury etc re Cost of Living project, 05/08, Sydney
 QCOSS conference presentation re carbon price and energy, 08/08, Brisbane
 QCOSS SCCC presentation re Clean Energy Future impacts, 09/08, Brisbane
 DCCEE design of Low Income Energy Efficiency Program, workshop 12/08, Canberra
 DRET Energy White Paper, consultation re demand side and energy efficiency, 17/08 teleconference

The Climate Institute, Choice w/ DCCEE, Treasury etc re Cost of Living project, 17/08, teleconference
 Masterclass distribution pricing, 24/08 Melbourne
 Roundtable: meeting re distribution pricing and advocacy 25/08, Melbourne
 Origin Energy National Customer Consultative Council: meeting 01/09, Melbourne
 Consumer Advocacy Panel, informal meeting re issues in advocacy 08/09, Sydney
 ACOSS w/ Choice, *Energy at home*, conference 13/09, Canberra
 ACOSS w/ others, *Energy efficiency in low income households* workshop 14/09, Canberra
 IQPC National Smart Grid Forum, Customer Engagement Focus Day, conference 19/09, Sydney
 Roundtable: meeting planning and content, 20/09 teleconference
 ENA and others, smart meter workshop, 21/09 Melbourne
 NB: the policy officer was on leave in period 26/09 through 18/10.
 ENA and others, smart meter meeting, 19/10 Sydney
 Smart Grid, Smart City Strategic Policy and Regulatory Steering Committee 24/10, Sydney
 DRET & DCCEE, National Energy Savings Initiative, Advisory Group 27/10, Melbourne
 Australian Energy Regulator Customer Consultative Group meeting 28/10, Melbourne

ACOSS submissions and etc:

SCCC analysis of Clean Energy Future vis published policy platform
 ACOSS analysis of Clean Energy Future re low income households and community service sector

Research and development:

Emissions trading
 Energy efficiency, households, relative costs and benefits
 Smart meters, advanced metering infrastructure and related matters
 Price regulation, competition and regulation

Summary of progress towards outcomes

1. Retail policy	Joint Implementation Group (JIG). Watching brief over AER work to build NECF mandated capabilities, including guideline development and consults through CCG and directly.
2. Smart meters, smart grids	Continuing work on technical specification (re home area network and direct load control details); regulatory framework (high level principles regarding access to services and competition in metering, data and meter-enabled services); customer protection and safety frameworks. Work to build joint stakeholder positions for governments.
3. Climate change, carbon price, energy efficiency	This period saw the finalisation and release by the Federal Government of a package of measures in response to climate change, its Clean Energy Future. ACOSS was generally supportive of the package as a whole and particularly with regard to proposed measures for household assistance including through increased income support, reform of the taxation system and investments in improved energy efficiency.
4. National energy policy	Engagement with DRET particularly re approaches to and inclusion of demand-side and energy efficiency, householder and affordability concerns.