

Australian Council of Social Service and
National Consumers Electricity Advocacy Panel

NEM Advocacy – Low income and disadvantaged consumers

NCEAP project reference: Application 133

Progress Report #2:

Period 21 June 2006 through 21 December 2006

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 on a two-day per week basis and has worked four-days per week since early May. The agenda for the national energy market reform project has been characterised this year 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 development and to respond as appropriate.

Summary of progress:

Market reform: the two key work areas anticipated for the second half of 2006 were eventually delayed right until the end of the year. Much of the period July through November was devoted to further familiarisation with the background to, issues in and future of the national energy market. The release of the '06 Legislative Package and the commencement of consultative work by the Retail Policy Working Group (RPWG) began in late November. At the time of writing this report ACOSS has made a brief submission on the former and is well advanced with a submission on the latter. ACOSS was invited to join the Stakeholder Reference Group of the RPWG and the project officer has taken that task. The four 'small consumer' representatives have worked cooperatively on approaches to the RPWG process generally and on submissions to the first paper particularly. ACOSS has taken care to identify issues of particular

Energy Reform Implementation Group (ERIG): ACOSS took a watching brief on this project of the Council of Australian Governments (COAG) and through the Roundtable, participated in work to develop a small consumer response to two of the three areas: market structures and issues in transmission. The bulk of this work was undertaken by CUAC, PIAC and CLAC.

National Consumers Electricity Advocacy Panel (the Panel): ACOSS made two submissions in response to consultation papers issued by the Panel and concerned with its processes and resources.

Charter: in concert with other participants in the National Consumers' Roundtable on Energy ACOSS has developed a 'charter of principles for energy supply'. The charter is under consideration by constituents of the roundtable and will hopefully be endorsed by them individually and collectively. The charter sets out social and other considerations to complement the market objective of economic efficiency. The charter is intended for eventual publication and distribution.

Website: ACOSS has taken responsibility along with CUAC (Victoria) for developing plans to establish a publicly accessible website holding energy related content and links.

Meetings and consultations:

MCE SCO: stakeholder briefing re AEMA 23/06, Canberra
 AGL Community Forum 27/06, Sydney
 Energy Reform Implementation Group: stakeholder briefing 04/07, Canberra
 CUAC Rural Energy Consumers' Forum 13-14/07, Ballarat
 NEM Network: teleconferences 30/06, 05/07, 05/09, 24/11
 NEM Consumer Protection Research Project Steering Committee: teleconference 26/07
 Centre for Credit & Consumer Law Seminar Full Retail Competition in Queensland 02/08, Brisbane
 National Energy Consumers Roundtable: meeting 08-09/08 Melbourne
 COSS workers and others 09/08, Melbourne
 Energy in Western Australia Conference 23-24/08, Perth
 Origin Energy National Customer Consultative Council 05/09, Melbourne
 Department of Energy, Utilities & Sustainability 18/10, Sydney
 National Energy Consumers Roundtable: meeting 16-17/11 Melbourne
 COSS workers and others 17/11, Melbourne
 ACOSS Congress: annual conference 23-24/11 Sydney
 Retail Policy Working Group, Stakeholder Reference Group: briefing 30/11, Melbourne
 Origin Energy National Customer Consultative Council 05/12, Adelaide
 COSS workers: teleconference 13/12
 Department of Industry Tourism & Resources: meeting 15/12 Canberra

ACOSS submissions:

01/09 response to *MCE Draft Effective Competition Criteria*
 26/09 a response to two NCEAP papers *A structured approach to the Panel's funding budget and Applications for funding and the prioritisation of approvals*
 30/10 a response to NCEAP paper
Determination of electricity advocacy funding requirement for 2007/2008 financial year
 08/12 as signatory to joint submission
Energy Reform Implementation Group – Discussion Paper – Response from consumer advocates
 19/12 response to draft '06 Legislative Package re *Consumer Advocacy Arrangements*
 22/12 response to [nb: draft only at this date, for consideration by ACOSS]
Retail Policy Working Group: National Framework for Distribution and Retail Regulation - Working Paper 1

Research and development:

Energy Retail Code (Victoria)
 related legislation and Essential Services Commission guidelines
 Energy Reform Implementation Group
 Issues Paper and Discussion Paper
 Ministerial Council on Energy
 2006 Legislative Package
 Utility Regulators' Forum
 Regulation of retail service standards in the national market
 Regulation of marketing conduct in the national market
 Compliance monitoring (Non-pricing energy retail regulation)
 Retail Policy Working Group: National Framework for Distribution and Retail Regulation
 Working Paper 1 – small customer obligation to supply, market contracts, marketing