

30 October 2006

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Determination of Electricity Advocacy Funding Requirement for 2007/08

The Alternative Technology Association (ATA) welcomes the opportunity to provide a contribution towards the long-term arrangements for Advocacy Panel funding, and to supply the following response to the consultation paper *Determination of Electricity Advocacy Funding Requirement for 2007/08* (the Determination).

ATA is a not-for-profit organisation established in 1980 to promote the uptake of sustainable technologies in order to protect our environment. The organisation provides service to over 3000 members, who are actively promoting sustainability in their own homes by using good building design and implementing water conservation and renewable energy technologies. ATA advocates in both the government and industry arena for ease of access and continual improvement of these technologies, as well as the production and promotion of information and products needed to change the way we live.

In making this submission, ATA acknowledges that the organisation has been in the past and indeed still is the beneficiary of funding from the Panel. However, the content of this submission has been formulated and provided with the interest of end-users in the national electricity market firmly in mind.

Energy Market Reform

The transition to a national regulatory regime for the national electricity market has progressed at a considerable rate over the past 12 to 18 months. The groundwork is in place for federal economic regulation of distribution networks in the next six months, with other sectors of the market to follow.

ATA believes that the coming two years will be crucial in the finalisation of the long-term structure of the national electricity market, reflected by the extensive workload proposed by the MCE and other relevant bodies over this period. Thus, it is essential that the Advocacy Panel continue to provide funding for small-end consumers of electricity to ensure that they are adequately represented in this process. ATA welcome the general direction of the Determination and the commitment to provide this ongoing level of support.

Scope of Work

ATA welcomes the continued increases in funded staff positions over the life of the project, and commends the ongoing commitment to this form of funding. ATA believes that this form of funding provides for longer-term planning and ensures that expertise developed within an organisation is more adequately able to be retained. In addition, funded positions provide a greater capacity for organisations to respond to emerging issues and consumer concerns within the market.

Whilst responding to initiatives and issues arising from the various Ministerial Council on Energy, Energy Reform Implementation Group, Australian Energy Market Commission and Australian Energy Regulator processes is of

vital importance, ATA believes that there are a broad range of additional undertakings required by advocacy groups to ensure their constituents are adequately represented. These include:

- working directly with disadvantaged or unrepresented consumers to ensure that their needs are met;
- undertaking research into issues of concern to small-end users, and publishing and broadcasting findings of research;
- capacity-building activities within organisations representing consumers;
- representing consumers at other government processes (such as departmental or agency enquiries and activities) above and beyond the list of projects outlined by the Determination;
- broader advocacy initiatives, including engaging media and the wider community in issues of importance to consumers of electricity within the national electricity market.

ATA believes that the Panel should consider this broader range of activities to be of vital importance and worthy of support from the Panel. Such activities can obviously be better supported through funded positions, and ATA urges the Panel to allow for such undertakings to be recognised as important contributions to advocacy for small-end consumers.

Budget Increases

Whilst on one level ATA welcomes additional funding for the Panel, we recognise that this funding ultimately comes from end-users of electricity through NEMMCO charges to electricity bills. Thus ATA urges a high degree of prudence be taken to the allocation of funds to ensure that value for money is achieved. On this basis, ATA is concerned at the increase in staff salaries and superannuation allocated for the Panel for the 2007/08 financial year; an increase in the order of 40 percent seems somewhat excessive and little justification is provided for this in the draft Determination.

The ATA would welcome further financial clarity for the proposed increases and justification for the high percentage of the overall (close to one quarter of all funds) budget allocated to operating costs.

Further Contact

The ATA would welcome the opportunity to discuss any aspect of this submission. Please direct any questions or further correspondence to Kate Allsopp or Brad Shone on 9639 1500.

Yours sincerely,



Kate Allsopp
CEO