

14<sup>th</sup> June 2007

Dear Panel members,

**Re: Advocacy Panel Project No. 213 - Advocacy on behalf of small consumers on the implementation of FRC for electricity in Queensland**

This is the second and final report to be submitted to the Panel as part of the funding agreement. Due to reasons outlined below we were unable to expend all of our funding.

I also apologise for the delay in getting this report to you. This has been due largely to the financial acquittal process.

We established a project team to feed into and write submissions and attend stakeholder meetings. The project team was:

Shirley Watters – Director CCCL  
Tenzin Bathgate – Senior Research Assistant CCCL  
Ian Jarratt – Queensland Consumers Association  
Natasha Leigh – Consultant  
Catriona Lowe - Consultant

Additional consultants were secured where necessary including Scott Young (Uniform Tariff) and Karen Chalmers-Scott (Ombudsman).

I previously reported on two substantive submissions undertaken primarily by consultants' Natasha Leigh and Catriona Lowe respectively as part of this project.

As previously discussed the pool of consultants who were able to provide expert energy advice was limited and those that were available had other competing time commitments. As the Queensland Government did not formally consult on Uniform Tariff arrangements we were unable to substantively respond to this issue. I attach the only submission we made on the Uniform Tariff which includes input from consultant Scott Young. I also attach other two other submissions I made on the Electricity Industry Code which included feedback from Natasha Leigh.

We were, however, able to obtain consultants for our substantive submissions on the Code, Regulations, Legislation and the Ombudsman scheme which in turn facilitated our participation in the FRC stakeholder meetings. As we were unable to get expert consultants to attend the FRC stakeholder meetings convened by the ECC our contribution to the stakeholder meetings was, as a result, attenuated. As the consultation

process relied heavily on oral submissions this was a disappointing result. As a way to shore up this deficit we relied significantly on contact with consultants via telephone and volunteer support through the assistance of Ian Jarratt (Queensland Consumers Association) and a one off attendance by PIAC (Elissa Freeman) at one Stakeholder consultation meeting. As previously discussed the senior research assistant attended nearly all of these meetings and also co-ordinated the above process. The Queensland Consumer Association representative – Ian Jarratt – also attended most the FRC stakeholder meetings. No other consumer organisations had the resources to attend bar one meeting attended by the Queensland Council of Social Services.

We are very grateful for the Advocacy Panel funding that facilitated a more comprehensive response to FRC on behalf of small end-users in Queensland than would have been possible otherwise. In other words without consumer input early on we may not have had the gains we did. We believe we made contributions to the inclusion of the following provisions which will be of assistance to small end-users in Queensland in the new FRC market regime:

- Reversion back to the uniform tariff including explicit mention of customer reversion rights
- The establishment of an independent ombudsman and regulator.
- Recognition that allowing contracting before 1 July 07 required the early activation of consumer protection and other provisions
- Requiring retailers to assist consumers experiencing payment difficulties to obtain information about concessions, grants and rebates
- Requiring the regulator and retailers to assist consumers to compare market and regulated prices and contracts
- Ensuring that distributors are responsible for assisting consumers to locate the financially responsible retailer for the premises
- Requiring the regulator to appoint a consumer advisory committee
- Requiring the regulator to collect statistics on the uptake of market contracts and visa versa
- Requiring retailers to follow the provisions of the Fair Trading Act when providing consumers with information about the cooling off period applying to market contracts
- Some improvements in readability and drafting of provisions and the inclusion of recognition of special needs in Code (language and large print needs)
- Improvements in consumer participation in regulatory processes
- Insertion of limited liability provisions in negotiated (market) contracts
- Retailer retaining explicit informed consent records for reasonable period (2 years)

We attach the final acquittal and note that there are unexpended funds retained by the Panel for this project. We have included a cost for telephone in-lieu of travel as we were unable to meet face to face with consultants, with the exception of Karen Chalmers-Scott. The final amount we are invoicing for is \$10,165. Total expenditure was \$50,165 less \$40,000 paid as part of the initial instalment.

Yours sincerely

Dr Tenzin Jane Bathgate  
Senior Research Assistant, Centre for Credit and Consumer Law  
Griffith Law School, Griffith University

## ACTIVITIES LIST

<b>Date</b>	<b>Description</b>	<b>Name</b>
<b>October-March</b>	<b>SUBMISSIONS</b>	
<b>10/10/06</b>	Submission – Legislation, Regulations and Codes and involvement in Submission team	Consultant and primary author Natasha Leigh
<b>5/12/06 and 5/4/07</b>	Contribution to subsequent submissions including – revised version of the Code	Natasha Leigh
<b>6/10/06</b>	Submission – Energy Ombudsman Bill and involvement in Submission team	Consultant and primary author Catriona Lowe
<b>9/11/06 and 1/03/07</b>	Preliminary advice on tariff arrangements as outlined in the Queensland Electricity and Other Acts Amendments Bill 2006 and contribution to Submission	Consultant Scott Young
	<b>RESEARCH STAFF FEES</b>	
<b>6/10/06</b>	Submission – Energy Ombudsman Bill and involvement in Submission team	Consultant and primary author Catriona Lowe
	<b>TELEPHONE EXPENSES</b>	
<b>16/08/06 21/08/06 30/08/06 01/09/06</b>	Four Group Teleconferences with project team	Shirley Watters Ian Jarratt Tenzin Bathgate Natasha Leigh Catriona Lowe
<b>1/11/06</b>	Three group Teleconference	Catriona Lowe, Ian Jarratt, Tenzin Bathgate
<b>18/8 21/8 1/9 8/9 14/9 30/10 31/10 2/11 8/11 9/11 27/11 28/11 12/2/07 14/2/07</b>	Other telephone contacts in relation to subsequent submissions and attendance at stakeholder meetings between advocate and primary consultant.	Consultant Natasha Leigh (Shanghai, China)
<b>16/2/07</b>	Teleconference on Uniform Tariff	Consultant Scott Young (Melbourne) and Ian Jarratt (Brisbane) and Tenzin (Brisbane)
	<b>ATTENDANCE AT FRC STAKEHOLDER MEETINGS</b>	

	<b>CONVENED BY ECC</b>	
<b>29-30/08/06</b> <b>12/9/06</b> <b>27/09/06</b> <b>03/11/06</b> <b>20/12/06</b> <b>19/02/07</b> <b>12/4/07 (Final meeting)</b>	Attendance at ECC stakeholder meetings to discuss Code, Contracts, Regulations and Legislations	Tenzin Bathgate Ian Jarratt Queensland Consumers Association representative
<b>23/24/5/06</b> <b>&amp;</b> <b>3/10/06</b>	Consumer Protections and Ombudsman Scheme	Consultant Karen Chalmers-Scott
<b>3/11/06</b>	Attendance at ECC stakeholder meeting to discuss revised Code by PIAC representative (includes airfare and cab fares)	Elissa Freeman
	<b>OTHER MEETINGS</b>	
<b>15/06/06</b> <b>28/11/06</b> <b>30/1/07</b>	Other meetings held during this period convened by Queensland Consumers Association to brief QCOSS on the progress of the FRC consultation process and to receive input from other community groups.	QCOSS, Ethnic Communities Council, Tenants Union Queensland and the Australian Pensioner and Superannuants League (Qld) attended some or all of these meetings.

## ACQUITTAL

<b>Date</b>	<b>Description</b>	<b>Name</b>	<b>Amount</b>
<b>October-March</b>	<b>CONSULTANT FEES</b>		
<b>10/10/06</b>	Submission – Legislation, Regulations and Codes and involvement in Submission team	Consultant and primary author Natasha Leigh	<b>\$20,000 (no GST payable)</b>
<b>5/12/06 and 5/4/07</b>	Contribution to subsequent submissions including – revised version of the Code	Natasha Leigh	<b>\$3,000 (no GST payable)</b>
<b>23<sup>rd</sup>/24<sup>th</sup> of May &amp; 3<sup>rd</sup> October</b>	Attendance – ECC stakeholder meetings on Consumer Protection and Ombudsman Scheme.	Consultant Karen Chalmers-Scott	<b>\$2,000</b>
<b>9/11/06 and 1/03/07</b>	Preliminary advice on tariff arrangements and contribution to one Submission and subsequent teleconference	Consultant Scott Young	<b>\$2,600</b>
<b>6/10/06</b>	Submission – Energy Ombudsman Bill and involvement in Submission team	Consultant and primary author Catriona Lowe	<b>\$7,495</b>
	<b>TELEPHONE EXPENSES</b>		
<b>16/08/06 -16/2/07</b>	Six teleconferences with project team/consultants	Shirley Watters Ian Jarratt Tenzin Bathgate Natasha Leigh	<b>\$1,216</b>

		Catriona Lowe Scott Young (one teleconference only)	
<b>18/8/06 – 14/2/07</b>	Other telephone contacts (14) in relation to subsequent submissions	Consultant Natasha Leigh (Shanghai, China)	<b>\$430</b>
	<b>OTHER TRAVEL EXPENSES</b>		
<b>3/11/06</b>	Attendance and assistance from PIAC at ECC/FRC stakeholder meeting .	Elissa Freeman	<b>\$491</b> (\$389 Airfare and \$102 Cabcharges)
<b>17/10/06</b>	Overheads 20%	Griffith University	<b>\$9933</b> \$8,000 (=20% of \$40,000) plus \$1933
	<b>STAFF COSTS</b>		
	Nicola Howell 5 hours Tenzin Bathgate 10 days		<b>\$3,000</b>
<b>TOTAL EXPENSES</b>	<b>Note:</b> Originally specified that \$51,150 was for consulting projects and \$16,538 for Management/Overhead (\$3000 for CCCL Management and \$13,538 for GU Overheads)		<b>\$ 50,165 plus GST</b>
<b>INVOICED AMOUNT</b>			<b>\$10,165</b> (\$50,165 less \$40,000 paid)