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Mishael J
Assistant Manager
Demand Response
Energy and Environment Division
Department of Energy, Resources and Tourism
Email: mishael.j@ret.gov.au

Dear Mishael,

Re: Industry/Smart Meters Stakeholder Technical Working Group

Thank you for another opportunity to comment on the structure and governance of the proposed Working Group.

We do support the establishment of an initial scoping committee, followed by the establishment of an oversight group, the National Stakeholder Steering Committee (NSSC), with Working Group/s that report to it. Considering differences in expertise, as highlighted in the TOR, we recommend two working groups subsidiary to the NSSC; that is, a technical working group and a regulatory working group (which would probably be required to meet less frequently).

We have a number of critical points to make:

- A particular flaw we note is the change in the description of this group, from "Stakeholder Technical Working Group" to "Industry/Stakeholder Technical Working Group". The new title is certainly reflective of the tone of the new terms of reference (TOR), but we reject the emphasis on industry, for instance, "industry will have leadership ...". Industry representatives may be experts in their particular fields, but not in other areas, for example, demand management, carbon costs or impacts of meters on vulnerable households. It would be a disturbing development if the smart meter rollout process was dominated by industry. Industry should be present only as equal stakeholders with no greater voice in determining the outcomes.

- Membership. We support the inclusion of consumer representatives (and the mode of selection). We strongly urge, however, a reduction in numbers of representatives from distribution and retail businesses – eight from each group is excessive and unworkable. We consider that the groups are too large for consensus to be possible. The total presented is 21 members plus observers – this is a very unwieldy arrangement for any meeting. It is not clear to us why representation by the AEMC and the AER should be relegated to observer status – this is a government-supported action, and it would be helpful to enable the main national regulators to participate. They are, in a sense, de facto community representatives.
- Own-cost basis. It is stated in the TOR that organisations should cover their own costs. TEC reiterates that it is unreasonable to expect community organisations to cover the costs of travel to meetings, plus accommodation if they extend over more than one day. Most community organisations operate with severely limited budgets and it can be difficult to support even one staff member's participation in terms of the time required, let alone the added burden of travel costs. For industry, these costs are included in operating costs which are recovered as part of ongoing revenue. They are also tax-deductible. In contrast, not-for-profit community organisations essentially have to extract the funds from thin air. If two community representatives are considered requisite for each group then funds need to be found to support this. This position has also been raised by other community groups.
- Chair. We reiterate that this should not be an industry-dominated process, particularly since it was initiated by COAG, and therefore the group needs a totally independent chair with no attachment to any stakeholder group. We would suggest that an expert academic from a university could be appropriate. Failing that, a representative from the regulator (the Australian Energy Regulator) would be acceptable.

Total Environment Centre supports the general thrust of the TOR, including the issues to be considered, and the emphasis on the need for differences of opinion to be recorded.

Yours sincerely,

Glyn Mather & Jane Castle
Total Environment Centre