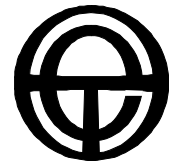


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12 February 2008

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: Smart Meters Stakeholder Technical Working Group

Thank you for the opportunity to comment on the structure and governance of the proposed Smart Meters Stakeholder Technical Working Group.

Total Environment Centre recommends:

1. Chair. 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 also be acceptable.
2. Secretariat. The Department of Energy, Resources and Tourism have been effectively fulfilling this function for the SMSWG– and other working groups – and therefore are suitably skilled and resourced to perform the secretariat role.
3. Resourcing. This is a major area of difficulty for representatives of not-for-profit non-government organisations (see point 4 re representation) that wish to participate in such processes, since they have limited resources to support staff and other costs. To date, funding of the work necessary for the SMSWG and some of the travel for that group has been supported by the NGOs themselves and/or indirectly by the Advocacy Panel. In the future, however, there is limited guarantee that the Panel will continue to support advocates and the organisations cannot extend to funding airfares or accommodation in any case. Therefore, the costs of airfares and accommodation (where necessary) plus a sitting fee paid to these organisations should be financed by the general resourcing for the working group.

4. Representation. The composition of the SMSWG has worked well and we would suggest something similar for this working group, but instead limited to one representative per sector to facilitate the group process. TEC considers that there should be one representative each from a consumer non-government organisation (NGO), an environment NGO, distribution network service provider, retailer, the AEMC, the AER, NEMMCO/AEMO. For the NGOs, the general invitations could go to peak consumer and environment groups with the understanding that there would be one representative from each.
5. Governance. Since the membership will be disparate, the group will presumably function much as the SMSWG has done, that is, in-group discussions, engagement of consultants where necessary (such as for production of in-depth reports), management of responses and development of recommendations where possible. The most important criterion will be that the positions of all stakeholders are fully recorded since unanimity will be difficult to achieve on all issues. As with the SMSWG, we are presuming that the MCE will make any final decisions in any case.
6. Other processes. Clearly the terms of reference should elucidate other relevant processes, and avoid duplication of roles whilst recognising that the expertise of the group may be relevant in some cases. The intersection with the Victorian process is particularly problematic and certainly has not been adequately dealt with so far.
7. Model. Our main recommendations here are that there must be regular public consultation of any reports, with a minimum of 4 weeks to comment. In addition, when consultants are to be engaged, it should be done through a tender process and the whole technical group should be involved in the final decision. That is, the group should not just be given the opportunity to screen the consultant list but to take an active part in the process.
8. Input. The list of issues presented in the email (technology trials etc) will all be relevant and the group should be able to have input where appropriate (and to other issues as they arise).

Yours sincerely,

Glyn Mather & Jane Castle
Total Environment Centre