

30th June 2008

Dear Panel members,

**Re: Report on Advocacy Panel Project No. 251 - Continuation of funding to build research and advocacy capacity – 1<sup>st</sup> May to 30<sup>th</sup> June, 2008.**

Please find enclosed an updated list of outcomes and outputs. A final financial report for this period will be provided after the 30<sup>th</sup> of June, 2008 when the accounts are reconciled.

During the period 1 May to 30 June I attended the National Consumers Roundtable in Melbourne, the Masterclass on Climate Change and, at the State level, participated in the implementation process in relation to the proposed Feed-in-Tariff Scheme and discussions with Government in relation to the progress of Full Retail Competition. No submissions have been undertaken during this period.

A significant amount of time during this period has been taken to ensure a smooth handover for my replacement. I finish on Tuesday the 1<sup>st</sup> of July and interviews were conducted for the Advocacy Panel funded position on the Friday 27<sup>th</sup> of June. We anticipate that my replacement will commence work sometime in July.

I wish to extend my sincere thanks to the Advocacy Panel for the funding provided to the CCCL over this period. It has led to a much stronger Queensland consumer advocacy engagement and response to NEM discussions than would have otherwise been the case. It is pleasing to see the funding continued for another year.

The establishment of the position at CCCL assisted with the funding of state energy advocacy for three years (through joint advocacy from CCCL, the Queensland Consumers Association, QCOSS and other NGOs) announced by the Minister for Mines and Energy on the 30<sup>th</sup> of May 2008. The addition of State funding will also assist with strengthening of responses to NEM matters.

Yours sincerely,

Dr Tenzin Jane Bathgate  
Senior Research Assistant  
Centre for Credit and Consumer Law

**PROJECT 251: CAPACITY BUILDING ITEMS: Committee Participation, Networking, Conferences, Advocacy Seminars, Professional Development**

Forum	Task or process	Outputs	Outcomes	Time frame and related matters
<p>CCCL FRC Advisory Committee and Rural and Regional Advisory Committee</p>	<p>Advocate to continue to utilise and support FRC Advisory Committee and Rural and Regional Advisory Committee</p>	<p>Support for and participation in meetings with the committees to increase understanding and knowledge among consumer stakeholders about NEM matters that concern their constituency.</p>	<p>Better informed members ensuring that key policy positions can be developed from a Qld NGO consumer perspective.</p> <p>Overall strengthening the influence of consumer opinion among NEM institutions and relevant government departments through submissions informed by consumer input arising from committee participation. This input will provide a counterbalance for the historical resource asymmetry between large and small-end users and between government and small end-user groups in relation to energy policy. The input of the committees will facilitate the development of a genuine Queensland consumer policy position</p>	<p><b>One meeting was held during this period which was a combined meeting of both committees on the 16<sup>th</sup> of June (FRC/NEM and the Rural and Regional Network Committee). The combined meeting was held to discuss the recently funded State Government energy advocate position to be located at QCOSS and how the two positions would be defined in relation to one another. In addition this was the last advisory committee meeting for the current advocate and so handover matters were also discussed.</b></p> <p><b>Two CCCL advisory committee members (Financial Counsellors Association Queensland and South-West Regional Electricity Councillor) attended the Masterclass and Roundtable in Melbourne during this period.</b></p> <p><b>In addition one advisory committee member (Queensland Consumers Association) will attend the workshop in Melbourne on the 7<sup>th</sup> of July regarding the</b></p>

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				<p><b>SCO National Framework for regulating energy distribution and retail which will enable Queensland consumer in-put into this national discussion.</b></p>
<p><b>CCCL Relevant NGOs outside the Advisory Committee Structure</b></p>	<p>Tenants Union (TUQ) Queensland, Queensland Council of Social Services (QCOSS) Other relevant organisations</p>	<p>Update and network with other relevant NGO's (who are not members of the Advisory Committees) about current electricity matters in relation to the NEM</p> <p>Most NGOs in Queensland currently do not have the capacity to respond to electricity matters in relation to the NEM. For instance key groups such as QCOSS and TUQ do not have the capacity to participate in our advisory committee but would like to be kept up to-date via e-mail. Many small business groups are in a similar predicament.</p>	<p>Ensure that as many NGOs as possible are informed on energy matters as they can be, thereby providing policy input and feedback on energy matters.</p> <p>This will occur by providing regular E-mail updates to TUQ and QCOSS and establishing an E-Bulletin. The E-Bulletin will provide a platform for dissemination of current NEM matters more widely to peak small end-user groups in Queensland. The E-Bulletin would also promote the zine 'On the Wire.</p>	<p><b>Distributed minutes of above meetings to Tenants Union and QCOSS and liaised with other NGOs. This included assistance with convening and publicising an information seminar on the calculation of the Benchmark Retail Cost Index held by AGL and Origin on the 28<sup>th</sup> of May 2008. This meeting was attended by the Financial Counsellors Association of Queensland, Queensland Consumers Association and the Australian and Pensioners Superannuants League. The Council of the Ageing was an apology for this meeting.</b></p> <p><b>Two key meetings have also been held with QCOSS and other consumer representatives to discuss how the proposed State funded and Advocacy Panel funded position would co-ordinate and work in relation to one another. These meetings were held on the 16<sup>th</sup> and 26<sup>th</sup> of June 2008</b></p>

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				<p><b>A second edition of the E-Bulletin was due to be released in June. Due to significant work constraints related to conducting a handover the production of a 2<sup>nd</sup> E-Bulletin has been held over for my replacement.</b></p>
<p><b>CCCL</b>  <b>Queensland Competition Authority Consumer Advisory Committee,</b>  <b>Minister for Mines and Energy: Consumers Reference Advisory Committee,</b>  <b>Post-FRC Consultative Committee: Department of Mines and Energy ,</b>  <b>AGL Customer Council</b></p> <p><u>Participation in other committees where necessary</u></p> <p>Griffith University</p>	<p>Participation by advocate in relevant committees</p>	<p>Advocacy to increase understanding and knowledge among government stakeholders and retailers about residential user consumer positions on electricity matters in Queensland regarding the NEM</p> <p>Media Training in order to refine responses to Qld Government</p>	<p>Directly influencing policy decisions particularly in relation to FRC/retail policy outcomes and pricing in order to address consumer interests and concerns in the market place.</p>	<p><b>28/5/08 Consumer Advisory Committee, Queensland Competition Authority</b></p> <p><b>16/5/08 AGL Customer Council, Melbourne</b></p> <p><b>2/6/08 Ministerial Consumer advisory committee meeting convened to allow opportunity to discuss issues with retailers licensed in the Queensland electricity market.</b></p> <p><b>Department of Mines and Energy Solar Bonus Feed in Tariff Scheme: Stakeholder Meeting and Operational Subcommittees to discuss implementation of the scheme 1/5/08, 8/5/08, 15/5/08, 22/5/08, 29/5/08.</b></p> <p><b>This scheme will go live on the 1<sup>st</sup> July 2008.</b></p> <p><b>Media training did not eventuate. It is suggested that the new incoming person</b></p>



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CCCL	Conferences	Attend conferences. Ensure there is funding to attend conferences	Attendance leads to a more informed and up-to-date advocate on the current energy market, consumer policy and more specifically energy advocacy for residential users. The information obtained from these conferences will in turn inform written and oral submissions on the NEM	<p><b>the day will be forwarded to my replacement.</b></p> <p><b>No conferences were attended during this period. However, as mentioned above the advocate attended a seminar on electricity pricing convened by AGL and Origin on the 28/5/08. This seminar was very beneficial in providing details on how the Benchmark Retail Cost Index is calculated.</b></p>
<p><b>CCCL CCCL Advisory Committee and Board Members</b></p>	Research Planning/Project	<p>Two research papers and one edited collection of papers have been delivered by the Advocate on FRC. The last two research papers in particular have identified the electricity needs of Queensland residential users. This information has informed a number of submissions. It is now timely to discuss future research plans in conjunction with the advisory committee, members of the CCCL Board and the CCCL Director. Given the new mandate of the Advocacy Panel to conduct research into gas this research discussion should also include both gas and electricity.</p> <p>Hold half-day seminar on research plan with interested board and committee members and apply for Panel funding for a targeted research project in relation to the</p>	Increased understanding of emerging issues in the electricity and gas markets by board and committee members which will lead to more relevant and timely representation on policy and market development.	<p><b>This discussion has been held over for my replacement.</b></p> <p><b>Project to commence in second half of 2008</b></p>

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<p><b>CCCL Advisory Committee Residential user groups including NGOs Interstate advocates Relevant NEM and industry representatives</b></p>	<p>Seminar</p>	<p>NEM.</p> <p>Convene a seminar on the topic of essentiality and sustainability in the NEM with funding support from the Panel</p> <p>There is debate among consumer advocates about how social and environmental principles can be more fully integrated into the development of the NEM. Social and environmental objectives are not currently part of the NEL but are integral to the policy objectives of most NGOs and are increasingly part of the debate in relation to discussions around demand management and Emissions Trading.</p>	<p>To have a robust debate about among advocates about how social and environmental objectives fit or not within the development of the NEM with a view to developing the debate and identifying appropriate research and advocacy strategies in relation to the NEM.</p>	<p><b>Discussion is continuing with the Advisory Committee Members on the proposed content of this seminar which was originally planned for the end of June. There were timeline constraints due to the seminar being planned so close to the current advocate leaving on the 1<sup>st</sup> of July. It has been suggested that a small seminar with high media profile would be beneficial. A draft outline has been established.</b></p>

**PROJECT 251: POLICY ADVOCACY**

Forum	Task or process	Outputs	Outcomes	Time frame and other considerations
<p>CCCL RPWG SCO (Queensland) Minister Department of Mines and Energy</p>	<p>National Framework for non economic distribution and retail negotiations</p>	<p>Formal submission to the RPWG in response to draft decision following the release of the composite paper.</p> <p>Hold discussions with other NEM advocates on common positions</p> <p>Hold discussions with senior SCO staff about the CCCL position on the recommendations</p> <p>Letter to Queensland Energy Minister promoting preferred consumer protections to be included in the national framework</p>	<p>To ensure that robust consumer protections measures are included in the framework and related policy and that the interests of low income and vulnerable consumers are both considered and protected. To also ensure that consumers are empowered in the marketplace and that the potential for market failure is significantly diminished or is addressed through appropriate policy responses.</p> <p>To leverage the benefits for consumers by achieving national positions on the above measures</p> <p>To ensure that the position of CCCL on behalf of consumer, including vulnerable consumers, is clearly communicated. To present an opportunity for alignment between Qld Government and CCCL positions.</p> <p>To ensure that the above positions are communicated at the top level of government particularly given that no direct contact with Qld SCO representative has occurred to-date.</p>	<p><b>The discussion paper from Government has now been released. Because of the departure of the advocate on the 1<sup>st</sup> of July it is not possible to respond to this submission within the timeframe. However, an advisory committee member (Queensland Consumers Association) is participating in this process and will attend a workshop on the 7<sup>th</sup> of July in Melbourne with a view to providing Queensland consumer input in relation to the submission process.</b></p> <p><b>Discussion on positions were held at the Roundtable</b></p> <p><b>No meetings have been held recently.</b></p> <p><b>This will occur on release of the RPWG discussion paper if someone from the Advisory Committee is available to respond.</b></p>

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<b>CCCL Productivity Commission</b>	Australia's Consumer Policy Framework	CCCL Submission in response to the Draft Report of the Review of Australia's Consumer Policy Framework with particular reference to the Commission's energy policy recommendations	To build upon CCCL's previous submission to the Commission in ensuring that the best interests of Queensland residential energy users are taken into account in the final report's recommendations	<b>There have been a number of positive recommendations from the Productivity Commission due in significant part to the comprehensive nature of consumer submissions.</b>
<b>CCCL Queensland Competition Authority</b>	Benchmark Retail Cost Index 2008-09	Formal submission and oral submission to the second consultation notice ideally through securing an expert consultant via Advocacy Panel funding	To ensure that the interests of Queensland consumers (residential users) including vulnerable consumers are taken into account by the Qld Competition Authority in its final draft determination particularly in relation to price impacts.	<b>The Queensland Competition Authority has now released its final decision. The next round of consultations will begin towards the end of the year.</b>
<b>CCCL MCE</b>	Smart Meter Cost-benefit analysis	Formal submission to Phase 1	To ensure that the interests of Queensland consumers (residential users) including vulnerable consumers are not compromised or penalised by the development of a national minimum functionality for smart meters but rather empowered and supported through their introduction.	<b>No submissions have been produced on Smart Meters during this period.</b>
<b>CCCL MCE</b>	Review of Community Service Obligations (CSOs)	Formal submission to discussion paper	Queensland is currently divided into contestable and non-contestable areas for residential FRC. CSOs are vital to ensuring that rural and regional consumers maintain access to affordable electricity. Through responding to this discussion we aim to proactively influencing the debate around CSOs to ensure that no residential user is worse off in paying for their electricity under the NEM regime.	<b>CCCL participated in this process and consultations have now closed.</b>
<b>CCCL National Framework for Energy Efficiency (NFEE) MCE</b>	Next Stage	Formal submission. CCCL responded to NFEE State 2 measures in recognition of the need for responses on behalf of consumers in the field of energy	CCCL wants to be able to position Qld consumer needs in this debate and will respond to future requests for feedback within the context of NFEE, demand management and sustainability policy	<b>Awaiting release of next discussion paper in 2008.</b>

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		efficiency. The area of energy efficiency and demand management will continue to grow.	contexts.	
CCCL	<p><b>Various submissions.</b> Respond where possible given time and resource constraints to other requests from NEM agencies for input into NEM policy matters. This potential pool includes responding to requests for submissions to the following bodies and regarding the following subjects:</p> <ul style="list-style-type: none"> <li>AER, AEMO, AEMC</li> <li>National Electricity Rules</li> <li>Embedded Networks</li> <li>Pricing arrangements (including carbon pricing and distribution pricing)</li> <li>Transmission</li> <li>Feed-in tariffs</li> <li>Connection and capital contribution requirements</li> <li>Distribution network expansion</li> </ul>	Lodge submissions on priority issues that arise throughout the funding period.	Full consideration by policy makers and institutions of well formulated submissions that represent the concerns and interests of consumers.	<p><b>No additional submissions have been made at this time. However a supplementary submission was made to the Advocacy Panel in support of the CALC submission on 'A structured approach to the allocation of the Panel's funding budget for 2008/09 on the 20<sup>th</sup> of June 2008.</b></p>