

Australian Council of Social Service and
National Consumers Electricity Advocacy Panel

NEM Advocacy – Low income and disadvantaged consumers

NCEAP project reference: Application 254 (an extension of Application 133)

Progress Report #2:

Period 01 October 2007 through 31 December 2007

Provided under the terms of the Agreement

Tony Westmore, Senior Policy Officer (Electricity)

Introduction:

ACOSS made application to the Panel for financial support of work to facilitate advocacy of consumer interests in the National Electricity Market. ACOSS and the project it proposed have a particular focus on consumers with low and fixed incomes and who are otherwise disadvantaged. ACOSS proposed a project with a focus on issues of regulation, retail codes and pricing. ACOSS proposed a project that involved the employment of a policy officer, work directed to consultation, information dissemination and advocacy.

The policy officer employed by ACOSS, Tony Westmore, commenced work on the project in February of 2006 on a two-day per week basis and has worked four-days per week since early May 2006. The national energy market reform program has been characterised over the duration of the project by changing agendas, shifting schedules, proposals of significance and substantial detail, short time frames for consideration and response. ACOSS has endeavoured to keep abreast of developments and to respond as appropriate.

Summary of progress: highlights

Retail policy – the new national regulatory framework: Further to previous reports, work on development of the package for retail (non-price) and distribution (non-economic) has been in hiatus since the third quarter of 2007. Some background work continued with regard to hardship provisions through the development of an issues paper for the RPWG. The MCE resolved at its December meeting that the framework should become effective in January 2010 (18 months later than initially planned). The next stage of stakeholder work will follow the release in April 2008 of a statement of policy intent from the Standing Committee of Officials (MCE SCO) for a two month period of consultation.

Community service obligations: In April of last year COAG mandated a review of energy industry related Community Service Obligations (CSOs) for completion in June of 2008. The review is underway (and led by the Commonwealth) but at this stage seems to be taking the form of a scoping exercise with commentary on good practice. The policy officer coordinated the distribution of and responses to draft versions of a compilation of jurisdictional policies, programs and concession arrangements.

Smart meters: The Smart Meter Working Group (SMWG) released for public consultation Phase 1 of the cost benefit analysis towards definition of a minimum functional specification. The policy officer participated in processes of the Smart Meter Stakeholder Working Group (SMSWG), attended two of the jurisdictional consultations for Phase 2 of the cost benefit research (in Sydney and Brisbane) and prepared a detailed response to the Regulatory Impact Statement that accompanied the Phase 1 documentation. At its December meeting the MCE agreed to a minimum national functional specification for meters but referred further consideration of the meter roll-out to a technical working group. Phase 2 of the cost benefit analysis was due for publication early in 2008. At the end of the quarter no detail of the technical working group had been made available.

Information and coordination for COSS policy staff: Over the course of the three month reporting period the policy officer facilitated communication between COSS staff and associates particularly with regard to developments in the smart meter project and the review of Community Service Obligations.

Climate change, emissions trading, the national electricity market, energy efficiency, equity and related issues: ACOSS is partnering with Australian Conservation Foundation and Choice to produce a comprehensive assessment of these issues and potential responses (a draft of this document was provided with the previous report). Over the quarter October to December this work was directed to a high level briefing in the context of the federal election. The project partners issued a joint media release and statement on 22 October. Work on the detailed paper was suspended given the potential for a change of government (and thus a likely change in pitch) and the actual change of government with subsequent administrative and policy developments. The policy officer was responsible for research, drafting and editing, liaison with partners. Work on the detailed paper resumed in the early part of 2008.

Consumers' energy website: The policy officer has continued with work a project to develop a publicly accessible website holding energy related content and links.

Consumers' energy conference: The policy prepared an application for funds for a national conference to be held second half 2008.

Advocacy panel: The policy officer made written submissions to Panel processes including those to develop a strategic plan and establish its funding requirement for 2008-09. The policy officer participated in processes to develop planning and review processes (including an evaluation methodology and formats for statements of outputs and outcomes).

The policy officer took one week of accrued annual leave in the period ending 31 December; from 24 December.

Meetings and consultations:

National Energy Consumers Roundtable: teleconference 02/10 (smart meters)
 Department of Water & Energy (Ministerial Reference Group): meeting 11/10, Sydney
 Smart Meter Stakeholder Working Group: consultation 15/10, Brisbane
 National Energy Consumers Roundtable: teleconference 15/10 (AEMO proposal)
 QCOSS: meeting re NEM advocacy 15/10, Brisbane
 Smart Meter Stakeholder Working Group: consultation 16/10, Sydney
 National Energy Consumers Roundtable: meeting 23-24/10, Melbourne
 Department of Water & Energy (Ministerial Reference Group): meeting 31/10, Sydney
 ACOSS Congress: annual conference 21-23/11, Adelaide
 Smart Meter Stakeholder Working Group: consultation 05/12, Sydney
 Origin Energy National Customer Consultative Council: meeting 06/12, Melbourne
 Department of Water & Energy (Consumer Committee): meeting 10/10, Sydney
 National Consumers Electricity Advocacy Panel: project development session, 13/12 Melbourne

ACOSS submissions and etc:

10/10 Advocacy Panel: Draft Strategic Plan 2007-2009
 ACOSS response to draft

19/10 Advocacy Panel: Models for advocacy
 ACOSS response to Panel proposals

22/10 ACOSS/ACF/Choice joint research and advocacy project: Climate change, energy efficiency and emissions trading. Media release and joint statement

19/11 ACOSS submission to MCE re Smart Meters Regulatory Impact Statement and Phase One Cost Benefit Analysis – National Minimum Functionality

12/12 Advocacy Panel: Application on behalf of National Consumers' Roundtable on Energy for National Energy Consumers' Conference

20/12 Advocacy Panel: Proposed electricity advocacy funding requirement for 2008/2009 year
Response to consultation paper

Research and development:

COAG Response to Energy Market Reform Implementation Group (ERIG) and the MCE
Report on Smart Meters

Smart meters, advanced metering infrastructure and related matters
Price regulation, competition and regulation

Climate change, emissions pricing, energy efficiency and equity (low income and disadvantaged households)