

INVITATION TO SUBMIT RESEARCH GRANT APPLICATIONS

Background

The Consumer Advocacy Panel funds research through two grants programs:

- Research initiated by the Panel: the Panel provides funding to consumer organisations, individuals and academic institutions to undertake research on priority electricity and gas issues identified by the Panel
- Research initiated by other organisations: the Panel provides funding to consumer organisations, individuals and academic institutions to undertake research on electricity and gas issues.

The Panel undertakes research in order to

- raise awareness of emerging consumer energy issues
- provide information that can be used to facilitate consumer advocacy
- stimulate discussion or debate on consumer energy issues.

In its 2010/11 budget, the Consumer Advocacy Panel committed a total of \$232,492 (exc GST) for research into consumer electricity and consumer gas issues.

This paper invites individuals and organisations with the requisite expertise to submit grant applications to undertake

- research on one of the priorities identified by the Panel in its 2010/11 research agenda
- research on another issue of benefit to electricity and/or gas consumers in the National Energy Market.

Research priorities

Research priorities are chosen on the basis of the following criteria:

- the research area will directly enhance advocacy by consumer organisations;
- the research area is of broad benefit to a number of classes of consumer organisations; and
- the research area adds value and does not duplicate other work underway.

For Panel-initiated research grants, the Panel commissioned expert independent advice from the Allen Consulting Group (ACG) on the priority consumer energy issues. The detailed report is available for download at the Panel's website www.advocacypanel.com.au.

That report identified the following areas as priority consumer energy issues:

1. National Energy Consumer Framework (NECF) implementation

- NECF involves the transfer of current state and territory energy distribution and retail regulation functions to a national regulatory regime, and presages a substantial shift to current arrangements.

2. Impact of price increases on consumers
 - Electricity and gas prices in Australia have increased significantly over the past ten years, and that trend is expected to continue.
3. Demand side participation (DSP)
 - DSP refers to the ways in which consumers participate in the market by making decisions about when and how much electricity to consume. Participation can be passive, e.g. deciding when and how much to consume in response to a price signal, or active, through agreeing to a contract allowing an energy retailer to turn off appliances at a mutually agreed time.
4. Consumer engagement
 - Energy consumers remain relatively uninformed about energy cost drivers, and how to reduce their energy bills. Better information and engagement will encourage competition and help overcome market failure.

The Panel also encourages applicants to present objectives and outcomes that differ from those presented in the ACG report, and which reflect their priorities.

Process of application

Applicants should submit a grant application form to info@advocacypanel.com.au by **close of business 28 February 2011**.

The application form and guidelines containing advice are available on the Panel's website www.advocacypanel.com.au/applications.htm

Applicants are advised to read the guidelines carefully, and are encouraged to contact the Panel's Executive Director, Kerry Connors, at kerry.connors@advocacypanel.com.au or by phone 02 8296 7880 if they have any questions.