

NATIONAL ELECTRICITY CONSUMERS ADVOCACY PANEL

Summary of funding decisions made by the Panel during May 2008

1. Application 298: Major Energy Users Inc (EMRF, ECCSA, EUCV & MEG Tasmania) - NEM Rule change proposal to mitigate the exercise of generator market power
Resolved that funding of \$78,412 excl GST be approved subject to the following conditions:
 - The MEU take into account the EUAA report on generator price increases in New South Wales in 2007 insofar as it is relevant;
 - As the project budget exceeds \$100,000, the applicant seek at least three tenders for the project and provide to the Panel an analysis of them which indicates why the successful tender was chosen;
 - Subject to the tender report, the amount payable be paid in instalments as follows:
 - i. \$35,000 on provision to the Panel of a copy of the report by EEE Ltd and an invoice accompanied by a copy of EEE's invoice;
 - ii. \$35,000 on provision to the Panel of a copy of the rule change application and an invoice; and
 - iii. \$8,512 on provision to the Panel of the AEMC's advice that it will or will not proceed with the application and an invoice.
2. Application 305: Energy Users Association of Australia - Impacts of an emissions trading scheme on the NEM and application 310: Cost, reliability and other impacts of an expanded MRET of 20% on end-users in the NEM
The Panel noted that there may be efficiencies and therefore economies to be gained by combining applications 305 and 310 into a single project and therefore requested EUAA to obtain at least two quotations to undertake the combined project and to provide to the Panel an analysis of the tenders which indicates why the successful tender was chosen.
3. Application 308: Major Energy Users Inc (EMRF, ECCSA, EUCV & MEG Tasmania) - Transgrid revenue cap review 2008 and application 309: Distribution price cap review for NSW businesses
The applications were deferred pending the Panel having the opportunity to consider either a joint application by the MEU and EUAA or the EUAA's alternative projects. In accordance with its normal practice, the Panel anticipates only funding one project on behalf of the same consumer group i.e. business consumers.
4. Application 310: Australian Council of Social Service - Travel costs for consumer representatives on the National Smart Meter Working Groups
Resolved that funding of \$2,200 excl GST be approved payable on presentation of an invoice and copies of invoices for the travel costs incurred.
5. Application 311: Energy Users Association of Australia - Generator price and availability monitoring
Resolved that funding of \$5,000 excl GST be approved payable on presentation of an invoice.
6. Application 313: Energy Users Association of Australia - Transgrid Western 500 KV network support pass-through
The EUAA withdrew the application.

7. Application 314: Energy Users Association of Australia - Whether to and how to response to the AER's Rule Change Requests in relation to the WACC

Resolved that the application be rejected as the EUAA had not provided an explanation of any problems or defects in the Rule change request that require advocacy by the EUAA.

David J L Bremner
Executive Officer
17 June 2008