

**Consumer Law Centre Victoria (CLCV)
Consumer Utilities Advocacy Centre (CUAC)**

**Report to the National Consumers Electricity Advocacy Panel
Pursuant to Funding Agreement dated 19 May 2005
Application 122**

NATIONAL CONSUMER ADVOCATES ROUNDTABLE

December 2005

1. Background

This report provides a brief overview of the work undertaken by the Consumer Law Centre Victoria (CLCV) and the Consumer Utilities Advocacy Centre (CUAC) in respect of the National Consumer Advocates Roundtable (the **Roundtable**) held on 29 November 2005. The report is provided to the National Consumers Electricity Advocacy Panel (the **Advocacy Panel**) in satisfaction of the requirement in the Grant Agreement of 19 May 2005. In summary, the report considers the following:

- the purpose of the grant;
- whether the goals of the project have been met;
- the lasting benefits of the project;
- the problems associated with the project;
- the plans for continuing the work started; and
- other agencies involved or affected by the project.

2. Purpose of the grant

The National Consumer Roundtable (the **Roundtable**) was a one-day seminar funded by the Advocacy Panel that enabled consumer advocacy organisations to share information, identify areas of consensus and develop a joint response to the issues outlined in a consultation paper released by the Ministerial Council of Energy (MCE) Standing Committee of Officials (SCO) in May 2005. The paper, prepared by NERA Economic Consulting and Gilbert + Tobin (the **NERA/G+T Paper**), sets out a proposal for a nationally legislated framework for distribution and retail energy regulation.

The agenda was prepared by CUAC and CLCV, in cooperation with organisations from New South Wales and Queensland. A copy is attached.

The Roundtable objectives were:

- to facilitate a response, both jointly and individually, by consumer organisations to the NERA/G+T Paper on the development of a retail and distribution framework; and
- to develop ongoing collaborative advocacy strategies to ensure the interests of small end-users, particularly low-income and vulnerable consumers, are incorporated in the development of policy and regulation of a national retail and distribution framework.

3. Have the project's goals been met?

The goals of the Roundtable have been met. The Roundtable was held on 29 November 2005 with 22 participants from a range of consumer and advocacy organisations from every jurisdiction within the National Electricity Market except for the Northern Territory. The Roundtable effectively facilitated consumer organisations to share information about the needs of their constituencies within the development of a national regulatory framework for retail and distribution, and identified areas of consensus and joint action. Further, participants agreed at the Roundtable to ensure that joint and

individual responses to the NERA/G+T Paper are developed and committed to pursuing ongoing collaborative advocacy strategies.

The key outcomes of the project were:

1. agreement to write as a group to the members of the MCE to raise concerns with the process;
2. development of a joint Information Paper, based on the NERA/G & T Paper, which will outline the impact on consumers of the proposed changes to legislative and regulatory instruments;
3. collaboration on the development of individual State-based responses to the Paper; and
4. agreement on the value of holding such meetings, and an undertaking to try and schedule them more regularly.

4. The lasting benefits of the project

There were a number of lasting benefits of the Roundtable. First, the Roundtable facilitated the development of joint and individual responses to the NERA/G+T Paper, which will provide guidance to the MCE SCO on the impacts on small end-user consumers, particularly low-income and vulnerable consumers, of the proposed shift of regulation of the distribution and retail energy markets from state and territory jurisdictions to the national level. Second, the Roundtable was a unique meeting of community sector organisations and fostered the development of advocacy tools that organisations can use to ensure that consumers take a strong voice in the debate on national energy market reform.

6. The Problems associated with the project

No problems were associated with the Roundtable.

7. The plans for continuing the work started

Participants agreed at the Roundtable to ensure that joint and individual responses to the NERA/G+T Paper are developed and committed to pursuing ongoing collaborative advocacy strategies.

Further, participants commended the face-to-face meeting format of the Roundtable as a necessary means by which to consolidate ideas and plan advocacy approaches on a national scale. As such, participants agreed that similar Roundtables should be held in the future so as to continue to foster relationships between community organisations and develop future advocacy strategies that address the needs of consumers, particularly low-income and disadvantaged consumers.

8. Other agencies involved or affected by the project

In addition to the representation from CLCV and CUAC, the Roundtable was attended by representatives of key NEM Network members including the Australian Consumers' Association, the Consumer Utilities Advocacy Centre, the Centre for Credit and Consumer Law (Qld), the Queensland Consumers' Association, the Victorian, Tasmanian, ACT and Western Australian Councils of Social Service, UnitingCare South Australia, the Alternative Technology Association, the Tenants' Union of Victoria, the Energy Action Group, Kildonan Child and Family Services, the St Vincent de Paul Society, the Public Interest Advocacy Centre through its Utility Consumers' Advocacy Program and the Total Environment Centre.

FINANCIAL REPORT FOR NECA ADVOCACY PANEL

**CONSUMER LAW CENTRE VICTORIA
CONSUMER UTILITIES ADVOCACY CENTRE**

CONSUMER ROUNDTABLE

Revenue	
Advocacy Panel Funding	\$8,965.00
CUAC / CLCV contribution (in-kind)	\$4,380.00
Total Revenue	\$13,345.00
Expenditure	
Venue hire and catering	\$1,815.00
Airfares and accommodation	\$3,621.03
Facilitator	\$3,000.00
CUAC / CLCV project management (in-kind)	\$4,380.00
Total Expenditure	\$12,816.03
Unexpended	\$528.97

National Consumer Roundtable

30 November 2005

Melbourne

AGENDA

- 9 am Tea and coffee on arrival
- 9.30 am **Welcome and Introductions**
- 9.45 am **Outline of Day**
- Group to agree detail of agenda and process
- 10.00 **Key Components of Discussion Paper**
- Prioritisation process
 - See attached one page suggestion from Kerry
- 10.30 am *Morning Tea*
- 10.45 am **Discussion Paper – by issue**
- Understand the issue
 - Agree our position
- 12.30 pm *Lunch*
- 1.15 pm **Discussion Paper – by issue continued**
- Understand the issue
 - Agree our position
- 3.00 pm *Afternoon Tea*
- 3.30 pm **Action Planning**
- Agree what, who, how and by when
- 4.00 pm **Working Together**
- How do we make sure we are as effective as possible?
- 4.15 pm **Summary and Next Steps**
- 4.30 pm **Close**

WHAT DO WE WANT?

Discussing key components of consultation paper and prioritising issues for response

1. Consumer protection framework:

What are the necessary components of a good framework for retail? What do consumers need and expect from a regulatory framework? Issues include:

- a. Contracts terms and conditions
- b. Pricing
 - a. Retail price deregulation
 - b. Price disclosure
- c. Interaction with generic regulation (TPA/State fair trading legislation)
- d. ADR schemes: Mandate and consistency/transparency of reporting
- e. Low-income consumers – practical experience of consumer needs

2. Regulation of distribution pricing and service standards:

What are the necessary components of a good framework for distribution? What do consumers need and expect from a regulatory framework? Issues include:

- a. Pricing principles - defining “small end-customers”
- b. Service standards
 - a. Needs of rural communities – network augmentation
- c. Demand side management incentives

3. Regulatory framework:

What are the structures needed for best practice regulation? What needs to be strengthened to move to a national framework? What needs to remain within jurisdictions? How will the two regimes interact?

- a. Rationale (or lack of) for further deregulation
- b. Impact of FRC between jurisdictions
- c. Cost-benefit analysis - the best test of the need for regulation?
- d. AER/AEMC roles and responsibilities
 - a. Consultation with consumers
- e. jurisdictional vs national regulation
 - a. Exclusions
- f. Licensing and authorisation regime
- g. Embedded generation
- h. Network augmentation and renewable energy