

Australian Council of Social Service and
Consumer Advocacy Panel

NEM Advocacy – Low income and disadvantaged consumers

NCEAP project reference: Application 352 (an extension of Application #s 133, 254, 300)

Progress Report #1:

Period 01 June 2009 through 30 October 2009

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, initially on a part-time basis but full-time since July 2007. 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: In this reporting period there were no developments of note. MCE SCO and the Retail Policy Working Group were considering responses to the first exposure draft of the NECF. Along with other consumer advocate members of the Stakeholder Reference Group to the Retail Policy Working Group, the policy officer met with officials of DRET in early October to discuss issues of continuing concern in development and implementation of the NECF. The policy officer attended a meeting convened by the Public Interest Advocacy Centre with the Australian Energy Regulator (AER) to discuss retail energy market issues and the potential role of the AER under the NECF.

Smart meters: The policy officer attended a briefing presented by MCE SCO regarding amendments proposed to the NEL regarding smart meters and subsequently made a submission in response to the second exposure draft of amendments. The policy officer continued to represent the National Consumer Roundtable on Energy at the National Smart Metering Program (NSMP) National Stakeholder Steering Committee (NSSC) and to participate in two of the program working groups: business requirements (technology) and regulation.

The work of the NSMP and its working groups is detailed at the program website hosted by AEMO: <http://share.aemo.com.au/smartmetering/default.aspx>. The website holds background and meeting papers, meeting summaries and stakeholder contributions to processes. The website should offer some sense of the scope of work involved in participation. The policy officer facilitated consumer advocate preparation for and participation in a forum presented by MCE SCO regarding consumer protection and smart meters, contextualised by the release of Working Paper #1. The policy officer contributed to a joint consumer advocate response to Working Paper #1. Along with other consumer advocates the policy officer met with officials of DRET and other members of the Smart Meter Working Group in early October to discuss concerns regarding work towards appropriate consumer protections.

Information and coordination for COSS policy staff and others: Over the course of the four month reporting period the policy officer facilitated communication between COSS staff and associates particularly with regard to developments in the smart meter project, the DEWHA energy efficiency project and climate change and responses.

Climate change, emissions trading, the national electricity market, energy efficiency, equity and related issues: The policy officer gave presentations covering climate change, emissions trading, energy markets and low income households to conferences convened by the Local Government Association of Queensland (LGAQ) and TasCOSS. The policy officer met with officers of DCC regarding the proposed Climate Change Action Fund and the community welfare sector. Along with other representative of the Southern Cross Climate Coalition the policy officer met with Minister Wong to discuss the CPRS and related matters. The policy officer met with officers of the Department of Environment, Water, Heritage and the Arts regarding the development of a national program targeted to improve energy efficiency in low income households.

National energy policy: over the course of the reporting period the Commonwealth Government Energy White Paper project was, publicly, in abeyance.

Meetings and consultations:

* ‘Roundtable’ below is National Consumers Roundtable on Energy
‘NSMP’ is National Smart Metering Program

Roundtable: meeting 01-02/07, Melbourne
NSMP Business requirements working group workshop, 07/03, Melbourne
Local Government Association of Queensland: conference presentation 09/07, Rockhampton
Department of Environment...: consultation re Climate Change Action Fund 10/07, Sydney
Department of Environment...: consultation re energy efficiency 13/07, Sydney
NSMP Regulation working group workshop 14/07, Melbourne
NSMP NSSC: meeting 15/07, Melbourne
AEMC: staff briefing presentation re [low income] consumer interests 16/07, Sydney
NSMP meet w/ program director and business requirements stream leader 16/07, Sydney
MCE: amendments to NEL re smart meters, stakeholder briefing 21/07, Sydney
ACOSS & other NGO meeting w/ Minister Wong re CPRS 22/07, Canberra
NSMP NSSC: meeting 03/08, teleconf
AEMO: review of NSMP and program office 06/08, teleconf
NSMP Business requirements working group workshop, 10-11/08, Sydney
NSMP Regulation working group workshop 17/08, Sydney
Roundtable: meet re smart meter ‘policy issues’ 19/08, teleconf
NSMP NSSC: meeting 19/08, Sydney
ACOSS & other NGO briefing by US Ambassador re climate policy 31/08, Sydney
Department of Environment...: consultation re energy efficiency 01/09, Sydney
Origin Energy National Customer Consultative Council: meeting 03/09, Melbourne
NSMP Regulation working group workshop 10/09, Melbourne
Roundtable: meet re smart meter consumer protection issues 14/09, Melbourne
MCE: smart meters consumer protections forum 15/09, Melbourne
NSMP Business requirements working group workshop, 16-17/09, Melbourne
NSMP meet w/ program director and regulation stream leader 21/09, Melbourne
ACOSS meet w/ advisor to Minister Ferguson re NEL smart meter amendments 21/09, Melbourne
NSMP NSSC: meeting 22/09, Melbourne
Dept of Water & Energy (NSW) Consumer Consultative Committee: meeting 23/09, Sydney
NSMP NSSC: meeting 01/10, Sydney
various: Roundtable reps meetings w/ DRET, DEWHA 02/10, Canberra
Roundtable: meet re smart meter ‘policy issues’ 06/10, teleconf
NSMP Regulation working group workshop 08-09/10, Sydney

TasCOSS: climate change conference: presentation 13/10, Hobart
 AER & PIAC meeting re retail energy market issues and responses 14/10, Sydney
 Seminar re smart meter home area networks 16/10, Melbourne
 NSMP Business requirements working group workshop, 19/10, Sydney
 NSMP NSSC: meeting 21/10, Sydney
 NSMP Regulation working group workshop 29/10, teleconf

ACOSS submissions and etc:

ACOSS submission to MCE re proposed NEL Amendments re smart meters
 NSMP NSSC submission to MCE re proposed NEL Amendments re smart meters
 Joint consumer advocate response to NSMP 'policy' issues
 Joint consumer advocate response to NSMP consideration of regulation of performance levels
 Joint consumer advocate response to MCE re smart meter consumer protection and safety

Research and development:

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

Summary of progress towards outcomes

4.1A Retail policy and the national regulatory framework	Law establishing the national framework not likely to go to parliament of South Australia until spring 2010 for implementation the following year. Unlikely to be implemented simultaneously by NEM jurisdictions. First exposure draft revealed flawed policy and drafting; consumer advocate responses sought to correct and improve. Outcome uncertain.
4.1B Smart meters and the national smart metering program	Progress made through NSMP towards a functional (technical) specification and blueprint for regulatory architecture. Progress towards consideration of consumer protection issues and responses through SMWG slow. MCE SCO Working Paper #1 reveals flawed and limited thinking by officials regarding consumer issues.
4.1C Climate change, carbon price, energy efficiency and equity	Negotiation towards Carbon Pollution Reduction Scheme continues. Work towards Climate Change Action Fund (and support for community welfare sector organisations) in train but slow. Work towards energy efficiency program for low income households in train but slow. Work to extend Utilities Allowance unpromising.
4.1D Energy white paper and national energy policy	On hold pending further public engagement by Government. Desk research in train.