



POWER+WATER

NEWSLETTER OF THE CONSUMER UTILITIES ADVOCACY CENTRE

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CUAC is an independent consumer advocacy organisation which ensures the interests of Victorian electricity, gas and water consumers—especially low income, disadvantaged, rural and regional, and Indigenous consumers—are effectively represented in the policy and regulatory debate.

CUAC believes all Victorians have a right to:

- affordable and sustainable electricity, gas and water
- have their interests heard in policy and regulatory decisions on electricity, gas and water
- not be disconnected from electricity, gas and/or water due solely to an inability to pay

CUAC:

- Provides a voice for, and strengthens the input of Victorian utility consumers—particularly low income, disadvantaged, and rural and regional consumers—in the policy and regulatory debate
- Initiates and supports research into issues of concern to Victorian utility consumers, via both in-house research and external research funding delivered through the Research and Advocacy Program
- Investigates and responds to systemic issues affecting Victorian consumers in the competitive electricity and gas markets and with

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Flexible pricing is coming

Will consumers be ready?

With the roll-out of smart meters nearing completion, Victoria is soon to see the widespread introduction of flexible pricing. The success - or otherwise - of this reform will depend on whether consumers are informed and engaged.

Flexible pricing and consumers

Flexible pricing is a way of pricing electricity so that the price varies at different times. The price might change at different times of the day, on different days of the week, or by season. A more radical type of flexible pricing occurs where the price is set 'dynamically' in line with circumstances, such as just in advance of a day when demand is anticipated to be especially high.

Flexible pricing is not entirely new: types of flexible tariff have existed for some years, and in Victoria, around 12 per cent of residential consumers are already on a tariff with different rates at different times. For example, some all-electric homes have an electric hot water service that heats overnight and is charged at an off-peak rate. Victoria's mandated roll-out of smart meters to all residential and small business consumers means that usage can be measured in half-hour intervals, paving the way for the wider implementation of flexible pricing.

The goal of flexible pricing is to make more efficient use of capacity in the electricity system. Because flexible pricing means paying more when demand is

high, it creates an incentive for consumers to lower their usage at 'peak' times, reducing the need to build expensive infrastructure that is needed on only a few days each year.

For flexible pricing to be effective, then, consumers need to know about it and to understand how to respond. This means that a strategy for engaging, informing and educating consumers is an essential component of the overall flexible pricing policy framework.

Evolution of the Victorian roll-out

In the early years of Victoria's smart meter roll-out, CUAC was concerned that a near-exclusive focus on technical and operational details meant that consumer protection and engagement issues were being neglected. Government's 2011 review of the program saw a welcome shift towards a greater consideration of consumer issues.

As part of this review, the Department of Treasury and Finance engaged Deloitte to carry out a cost-benefit study of the roll-out, and to identify ways of increasing net consumer benefit. The Deloitte review placed a heavy emphasis on consumers, arguing that consumer engagement would be critical to the realisation of potential benefits from the investment in smart meter infrastructure. It acknowledged that a lack of effective consumer engagement would be a key risk to the economics of the program. Indeed, its calculation of likely costs and benefits was premised on the assumption that



government would lead a significant, immediate and sustained consumer engagement program, starting from late 2011.

Responding to the findings of its review, the government decided to continue the smart meter roll-out, making some changes to the program. This included the decision to delay the introduction of flexible pricing until at least 2013, allowing more time for consumers to learn about their options. Government also decided that, at least initially, flexible pricing would be voluntary, with consumers able to choose to remain on a flat tariff.

Introducing flexible pricing

While details of the flexible pricing implementation are still being finalised, the Victorian Government has made some key policy commitments about how flexible pricing will be introduced.

Firstly, moving onto a flexible tariff will be voluntary: flat tariffs will continue to be available and retailers will need to obtain a consumer's explicit informed consent before moving them onto any flexible tariff.

An independent consumer information and price comparison website will be made available to help consumers work out whether a flexible pricing offer will be appropriate for them. This portal will enable comparison on the basis of the consumer's own consumption data (where available). Retailers and distributors will support this process by ensuring that customers can access their consumption data at no charge.

Some distributors and retailers have also developed smart meter compatible online portals, such as Jemena's *Electricity Outlook* and Origin Energy's *Energy Smart*, which enable consumers to explore

their usage data.

For consumers without internet access, other tools such as In-Home Displays (IHDs) will be a better way of accessing and understanding real-time usage data. CUAC understands that there are several IHDs currently on the market. One of these has been accredited through the Victorian Energy Efficiency Target (VEET) scheme (the Energy Saver Incentive), meaning that they will be available to some consumers at a subsidy.

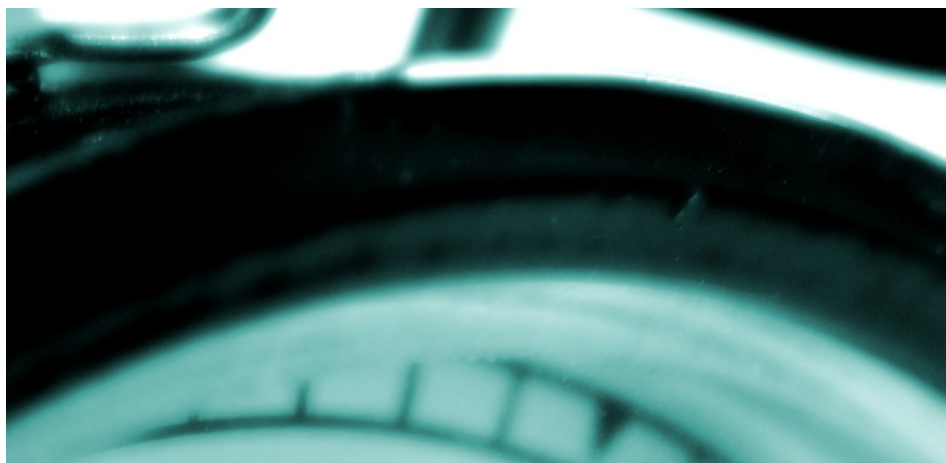
To encourage consumers to try flexible pricing, the Government has committed to a 'safe try' period during which a customer can 'revert' to their previous tariff with the same retailer, if they choose to do so, without being charged an administration fee.

Monitoring and cooperation

In CUAC's view, these basic policy settings, combined with efforts to educate and inform consumers, lay the groundwork for a potentially successful introduction of flexible pricing.

The opportunity to choose between flat and a flexible tariff, to access accurate price comparison tools, and to try flexible pricing with minimal risk should mean that consumers are more able to make decisions that are in their interests and adjust to this major reform.

At the same time, the introduction of flexible pricing will add another layer of complexity to an already complex system. In the past, we have seen how problems with things like billing system changes and switching processes have caused headaches for consumers. Retailers, government, regulators and consumer groups will need to be willing to work together to monitor, identify and resolve any problems that arise during this critical transition period.



Announcing CUAC's energy consumer education project

Over several years of involvement in smart meter issues, CUAC has been advocating for consumer information and education initiatives to accompany the roll-out of this new technology and the introduction of flexible pricing.

With its *Switch On* campaign and website (www.switchon.vic.gov.au), launched in 2012, the Department of Primary Industries (DPI) has been developing and disseminating simple information and tools to help consumers understand their energy use and costs, as well as the coming introduction of flexible pricing. CUAC and other consumer groups were consulted in the development of the Switch On, and we've been pleased with the results of this work.

Reaching low-income and disadvantaged consumers

To complement generalist campaigns like Switch On, CUAC has also argued that information and education initiatives need to include specific activities targeted at low-income and disadvantaged consumers. In 2010, with funding from DPI, CUAC conducted research investigating what information these groups need and how it is best conveyed. This led to discussions between CUAC and DPI about how community organisations could be supported to deliver information, education and support on energy issues, including flexible pricing, to vulnerable and low-income consumers.

DPI has decided to address this area of need by setting up an Energy Information Fund. The DPI Energy Information Fund will support community organisations to develop and deliver energy

education targeted at low-income or disadvantaged consumers.

What CUAC will be doing

DPI has approved a proposal from CUAC to support the Energy Information Fund. Broadly, the CUAC project will:

- Develop and support a network of community organisations engaged in energy consumer education, including applicants to DPI's Energy Information Fund;
- Build a coordinating website and resource hub for these organisations (which will house, among other things, outputs of funded projects);
- Develop some baseline materials (on understanding energy, choosing an offer, smart meters and flexible pricing) that other community organisations can adapt and deliver to their clients;
- Keep the community sector abreast of energy sector developments that are relevant to consumer education activities; and
- Help DPI to implement the fund with advice, promotion, and assistance to applicants.

Where relevant, we are keen to draw on the knowledge and expertise of other stakeholders in delivering this project. If your organisation is interested in being involved, please contact the Project Manager, Caitlin Whiteman, on 9639 7600.



Energy Consumers Australia

Since the signing of the Australian Energy Market Agreement by all Australian governments in 2004, energy in Australia has seen extensive legislative and regulatory reform. Consumer representation produces better and fairer outcomes, and CUAC has worked hard to represent Victorian consumer interests in these processes. At the same time, we've been advocating for an effective model of national energy consumer representation.

Advocacy models research

Together with colleagues at the Consumer Action Law Centre, the Public Interest Advocacy Centre and the Queensland University of Technology, in 2010 we supported a Consumer Advocacy Panel-funded (CAP) research project exploring different models for national energy consumer advocacy. The researchers, Gordon Renouf and Polly Porteous, sought the views of all of the major advocacy and welfare bodies across Australia about the need for consumer advocacy and the best way of delivering it. Findings and recommendations were detailed in the report *Making Energy Markets Work for Consumers – The Role of Consumer Advocacy*.

In early 2012, the four agencies sponsored a workshop to take the report's recommendations further. CEOs from all of the Energy Roundtable participant agencies were invited, as well as representatives from regulatory and government departments. The group reached general agreement about the kind of advocacy model that was needed, but recognised that more work was needed to develop this into a fully scoped proposal.

Energy Consumers Australia proposal

Again with funding from the CAP, the four agencies were joined by the Australian Council of Social Services and the Alternative Technology Association to develop this proposal. Fiona McLeod (previously Energy and Water Ombudsman (Victoria)) facilitated the independent selection of a national working group which developed the objectives, activities and structure of a body which could effectively address current gaps in national energy consumer advocacy.

The Energy Consumers Australia (ECA) proposal was supported by most groups currently involved in energy advocacy nationally, and put to the November 2012 meeting of the Standing Committee on Energy and Resources (SCER). Although SCER did not accept the proposal, in January 2013 its Energy Market Reform Working Group announced that expert advisors Dr John Tamblyn and Mr John Ryan would develop a proposal for a National Energy Consumer Advocacy Body for SCER consideration. The expert advisors issued a background paper, consulted with stakeholders around Australia and also issued a draft decision paper.

With other partner agencies, CUAC has played a key role in advocating for the ECA and responding to additional issues raised by the advisors. They, in turn, are due to release their paper shortly, and will present their findings to the SCER in May 2013. With the need for national advocacy now acknowledged by government, regulators and consumers alike, we are hopeful that an effective, properly-resourced national energy consumer advocacy body will soon be up and running.



Water pricing draft decision

The Essential Services Commission's (ESC) Draft Decision on the 2013-2018 Water Price Review included some good news for Melbourne consumers.

Minimising the price increase

In the water plans submitted to the ESC for approval, Melbourne's water businesses had proposed large price increases, averaging around 35 per cent, for the 2013-2018 period. In large part, these proposed price increases were driven by the set costs of managing and maintaining the desalination plant.

Nevertheless, the ESC in its Draft Decision identified some areas in which Yarra Valley Water, City West Water and South East Water could reduce their costs. If carried through to the final decision, these cost reductions should bring the overall price increases down to around 25 per cent.

Help for those in hardship

Despite this scaling back, price increases will still be substantial and have a disproportionate impact on low-income households. Throughout the price review process, we have argued that water businesses must give more consideration to how increases will impact on customers, putting in place more measures to ensure that customers can maintain access to supply.

CUAC therefore welcomes the ESC's proposal that water businesses to spend up to \$5 million to better support customers in hardship. We are keen to work with water retailers to look at how they can best target their programs. Water retailers should also review their customer contact centre resources and staff training procedures to make sure struggling

households are identified and supported.

However, these measures alone will not be enough. CUAC has joined with the Victorian Council of Social Services (VCOSS) and the Consumer Action Law Centre (CALC) to call for a review of the water concessions framework. Currently, the water concession is capped at \$277.04 for water and sewage services, and \$138.52 for a single service (such as water) —an amount that is unlikely to absorb the price increase for some households. CUAC provided a grant to VCOSS to analyse the water pricing proposals and concession issues, and we will continue to work with VCOSS to advocate for concessions reform.

Capital expenditure

In a joint submission to the ESC with CALC, the Financial and Consumer Rights Council and Community Information and Support Victoria, we argued that the cost of expensive capital investments should be borne by those consumers who derive benefits. Although Melbourne Water considered charging desalination plant costs over the 50-year life of the asset, this was rejected in favour of a 27-year recovery period. We asked the ESC to closely examine the basis for MW's approach. In its Draft Decision, the ESC has asked Melbourne Water to revisit and consult on this issue before re-submitting—a decision we strongly support.

CUAC is keen to work with all parties to ensure that the issues are articulated and discussed, and that the ultimate outcome is in the long term interests of consumers.



Developing the next Energy Retail Code

Will harmonisation mean lowering consumer protections?

Although Victoria's transition to the national framework for energy consumer protections has been delayed, work is underway to bring Victorian arrangements into alignment with the national regime.

National Energy Customer Framework deferral

In mid-2012, the Victorian Government announced that it would defer the state's transition to the National Energy Customer Framework (NECF), the national framework regulating energy retail and distribution and setting out energy-specific consumer protections. While the transition was to be deferred, however, the Government also announced that it would explore opportunities to align Victoria's retail and consumer protection arrangements with the NECF— but only where this would not lower protections for Victorian consumers.

At the request of the then Minister for Energy and Resources, in late 2012 the Essential Services Commission (ESC) initiated this process of 'harmonising,' wherever possible, the regulations contained in Victorian codes and guidelines with the NECF. In December the ESC released a draft Version 11 of the Energy Retail Code (ERC V11), incorporating a range of changes, together with a consultation paper on the harmonisation.

Support—in principle

In a joint submission to the ESC's process, CUAC expressed its support for Victoria's eventual transition to the NECF, provided that appropriate derogations are in place to maintain important protections for Victorian consumers. In the interim period, CUAC supported aligning Victoria's Energy Retail Code with the NECF, but only where it does not result in lower consumer protections for Victorians.

Despite this in-principle support for harmonisation, CUAC is concerned that, if implemented as drafted, the proposed Energy Retail Code revisions will lower consumer protections for Victorians—contrary to the Government's stated policy intent.

We have a number of general concerns. The draft ERC V11 is, in many ways, not in keeping with the spirit and integrity of the current Energy Retail Code Version 10 (ERC V10). At the same time, poor drafting in many places contributes to a lack of clarity and certainty. As an unintended consequence, this could undermine the consumer protection framework and make regulation and enforcement difficult.

Another of our concerns is that in drafting the ERC V11, the Commission has not not taken full account of how the Victorian market has evolved through the introduction of competition, deregulation and smart meters, nor sufficiently considered the changes likely to arise from the *Energy Legislation Amendment (Flexible Pricing and Other Matters) Bill 2012*.

Over recent years, Victoria's energy market has



undergone enormous reform, including the introduction of full retail contestability, the deregulation of retail prices and, now, the mandatory roll-out of smart meters. Associated with the smart meter roll-out, the imminent introduction of flexible pricing will constitute another major change.

In tandem with this fast-paced reform, Victorian energy regulations have traditionally provided some of Australia's strongest consumer protections. In a complex and rapidly evolving market environment, these stronger consumer protections are a necessary foundation for confident consumer participation. As reform continues, it is critical that Victoria's strong protections continue to keep pace with and support Victoria's uniquely complex market environment.

'Explicit informed consent'

In addition to our more general concerns, we identified several specific consumer protection standards that will be lowered if the ERC V11 is implemented as drafted. One troubling change relates to the meaning of 'explicit informed consent.'

The aim of 'explicit informed consent' is to ensure that customers are given sufficient information and understand their rights, obligations and the terms of their energy contract before they consent to an agreement with an energy business. Explicit informed consent is also relevant in a range of other situations, such as when a customer chooses a shorter billing cycle or decides to base his or her bills on estimated meter readings.

Version 10 of the Energy Retail Code makes it clear that retailers needed to disclose information in plain English and ensure that consent is provided by someone who is competent to offer it. The proposed ERC V11, however, no longer makes mention of these

important requirements. In view of the problems that have surrounded door-to-door selling of energy offers to consumers with poor literacy or limited English, this is a concerning omission.

Payment plans

CUAC believes that payment plans are a useful budgeting tool that should be made widely available. Access to payment plans helps consumers on low or fixed incomes to proactively manage their bill payments—thereby allowing them to avoid the more serious payment difficulties and financial hardship that might otherwise result.

On our reading, under the current ERC V10, customers are able to access payment plans regardless of whether they are currently experiencing payment difficulties or financial hardship. In contrast, the proposed ERC V11 limits payment plan access to consumers who are participating in a retailer's hardship program, or who are experiencing payment difficulty. This means that payment plans would not necessarily be made available to budget-conscious customers who, although they have not failed to pay any bills, would like to proactively manage their energy costs.

In addition to limiting access to payment plans, the ERC V11 also limits retailers' obligations to the customers who are on these plans. Under ERC V10, retailers are required to consider, for any customer on a payment plan, the customer's capacity to pay, amount of arrears, and expected energy consumption needs over the upcoming 12 month period. In contrast, the ERC V11 limits these obligations so that they apply only to those customers who are participating in a retailer's hardship program.

CUAC is concerned that the Commission's proposed



approach to payment plans would result in an increase in the number of customers experiencing hardship, and limit customers' ability to proactively manage their financial affairs. Customers who are unable to access payment plans may turn to other sources for assistance, including Utility Relief Grants and emergency relief. These impacts need to be considered by the Commission.

Model terms and conditions

Standing offer contracts are basic energy contracts with terms and conditions that are prescribed by law. The proposed harmonised ERC V11 includes a model standard retail contract which sets out the terms and conditions for these 'no frills' energy contracts.

A retailer can use these model terms and conditions in a standing offer without seeking ESC approval. Alternatively, they may submit their own standing offer terms and conditions for Commission approval. The ESC has stated that the 'guiding principle' for any standard offer terms submitted by retailers is that they must 'address all relevant obligations' in the harmonised ERC V11.

Unfortunately, however, the ESC's own standard retail contract as set out in the the ERC V11 does not cover all key consumer protections in the Code and therefore does not meet this same standard. This is important because although the ERC V11 consumer protections will apply even if not mentioned in the terms and conditions, these terms and conditions are a key source of information for consumers about their consumer rights.

Although smart meters are currently being rolled out in Victoria to all residential and small business customers, the model terms and conditions do not

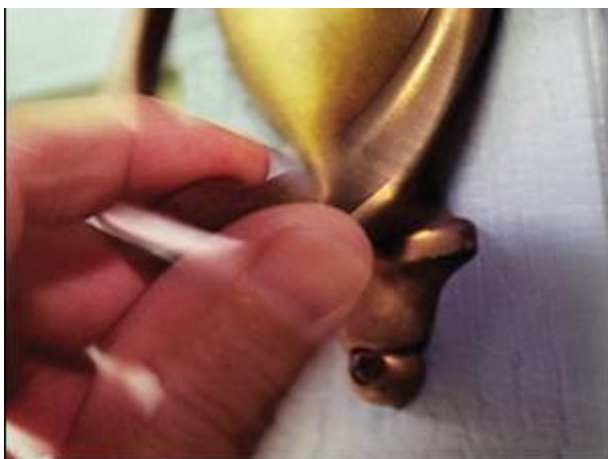
include any smart-meter specific protections. For example, there are no terms in the model terms and conditions dealing with prohibition on the use of supply capacity control for credit management, the provision of in-home displays, or stronger disconnection provisions for remote disconnection.

Access to EWOV

Access to the Energy and Water Ombudsman (Victoria) (EWOV) should not be limited by the type of energy contract the customer is on or whether the complaint relates to billing. The provision on customer access to the energy ombudsman sits in *Part 2, Division 7 – Market retail contracts* of the proposed ERC V11, thereby suggesting that it only applies to market retail contracts. There is no similar provision for standard retail contracts. EWOV access is mentioned for customers on standard retail contracts and market retail contracts in the context of a billing dispute, suggesting that such customers only have a right to access the services of the energy ombudsman when they have an unresolved complaint about their bill. Thus a customer on a standard retail contract with a non-billing related complaint will not have access to EWOV. This is a critical omission in the drafting of ERC V11 which needs to be addressed.

Next steps

The Commission has finished reviewing initial submissions, with another round of consultation now beginning. CUAC will continue its advocacy with the aim of seeing Victoria's consumer protections support consumers' effective participation in the market as we transition towards the NECF.



Door-to-door selling update

The last few months have seen some major developments in energy door-to-door selling, including two large retailers' moves away from the door-to-door channel and ongoing enforcement efforts.

Withdrawal and enforcement

On February 25, EnergyAustralia announced that, by the end of March, it would stop unsolicited door-to-door selling. The following day, AGL Energy also announced an end to unsolicited door-to-door sales to residential customers in Victoria and New South Wales. Both EnergyAustralia and AGL acknowledged consumers' dislike of the sales channel, attributing the decision to withdraw from door-to-door selling to feedback and complaints from customers.

While consumer views have almost certainly played a part, recent Australian Competition and Consumer Commission (ACCC) enforcement activity is another likely factor in some retailers' decisions to move away from door-to-door selling. Just a couple of weeks prior to EnergyAustralia's announcement, the ACCC had filed Federal Court proceedings against the retailer and four of its sales companies, alleging false, misleading or deceptive door-to-door sales representations made between July 2011 and August 2012. The ACCC also alleged other breaches of the Australian Consumer Law (ACL) 'Unsolicited Consumer Agreement' provisions.

A similar 2012 case against Neighbourhood Energy and its sales companies resulted in penalties totalling \$1 million, while proceedings are still continuing in a 2012 case concerning AGL.

The future of door-to-door sales

With two of the three 'tier one' retailers having ceased door-to-door selling, the pressure is now on Origin Energy to follow suit. Given that these tier one retailers have, in the past, engaged some of the largest door-to-door sales forces, we can expect to see an overall drop in energy door-to-door sales activity.

There is also a possibility we may see retailers shifting from unsolicited door-to-door sales to appointment-based in-home sales, set up via an initial unsolicited phone call. Appointment-based in-home sales remove the element of surprise, but can have many of the same disadvantages as unsolicited door-to-door selling, and may even increase consumers' feelings of pressure to buy. At the same time, it is uncertain whether such sales would still fall under the Unsolicited Consumer Agreement provisions. While their applicability is likely to turn on the facts of each individual case, the ACL's bans on unconscionable conduct, misleading or deceptive conduct and harassment and coercion apply to all consumer transactions and so remain relevant.

Consumers can also avoid unsolicited phonecalls to set up appointments by registering their number on the Australian Communications and Media Authority's popular Do Not Call Register (see www.donotcall.gov.au). Energy retailers must also maintain a list of consumers who have asked not to be contacted. Actioning a CUAC recommendation, our colleagues at Consumer Action Law Centre have developed an online form which consumers can use to sign up to all retailers' 'No Contact' lists quickly and easily. Find it at www.donotknock.org.au



Power of Choice review

In November 2012, the Australian Energy Market Commission (AEMC) released the final report on its Power of Choice review. Focussing on the issue of demand side participation, the review recommended substantial National Energy Market (NEM) reforms. We look at some of the work flowing from this major review.

Demand side participation

‘Demand side participation’ refers to the ability of consumers to make informed choices about how much electricity they use at different times. CUAC is of the view that the demand side initiatives arising from the Power of Choice review have the potential to assist consumers to better understand and manage their energy usage thereby reducing their bills. Changing consumer behaviour can help to lower peak demand, thereby reducing the need for more generation and network investment.

For demand side participation to be effective, consumers need information, education and enabling technology if they are to make informed decisions about how and when they use electricity. In addition, the right incentives must be in place for both consumers and industry. For businesses, these incentive need to encourage support for consumer choice and efficient investment in demand side participation products, rather than in network augmentation.

Several of the AEMC’s Power of Choice review

recommendations, particularly those relating to smart meters, flexible pricing and contestability in metering services, are especially relevant to Victoria, where smart meters are being rolled out to residential and small business customers. Given the structural reform in the Victorian energy market, and the recommendations which have been made in the Power of Choice Review, it is important that amendments be made to the National Energy Customer Framework and Australian Energy Regulator (AER) Guidelines to incorporate the additional consumer protections that are needed in the smart meter environment.

Pricing

The Power of Choice review recommended changes to pricing arrangements to allow consumers to access flexible pricing options, which better reflect the costs of electricity supply at different times. In making this recommendation, the AEMC also recognised the need for safeguards for consumers with limited capacity to change their consumption, and suggested that flexible retail pricing be introduced with a gradual, phased approach focused on large customers. Residential and small business customers will be able to remain on their existing retail price tariff unless they opt in to flexible pricing. The AEMC also recognised the need for government and industry to work together to educate consumers and provide them with the information they need to understand flexible pricing.

For some years now, CUAC has been actively involved in debates about policy and regulatory issues regarding smart meters and flexible pricing.



We have argued for the Victorian roll-out to be supported by a community information and engagement strategy as well as low-cost tools and resources to help low income consumers benefit from the technology. Another article in this issue describes CUAC's new consumer information and education project, which has the objective of delivering information and education to community agencies to improve effectiveness of consumers' energy market choices including smart meters.

In Victoria, the recently enacted *Energy Legislation (Flexible Pricing and Other Matters) Act 2013* enables the making of Orders in Council placing requirements on distributors and retailers associated with the implementation of flexible pricing. With regard to flexible pricing, CUAC has argued for an opt-in approach, as well as the ability for customers to revert back to their previous retail tariff without any penalty till the end of March 2015. Customers should be able to revert without facing any fees or charges. Any fees or charges for reversion will have the effect of discouraging a customer from reverting back to the flat tariff, even when the customer has found the flexible tariff unsuitable. The risk of being liable for such a fee is also a disincentive for consumers to take up a flexible pricing offer in the first instance.

Metering contestability and third party service providers

The AEMC has recommended that new arrangements be introduced in the National Electricity Rules (NER) to provide for competition (contestability) in metering and data services for residential and small business. This means that distribution businesses will no longer be the monopoly provider of such services.

This issue is relevant in Victoria. Victoria's derogation to the NER, which supports Victoria's smart meter roll-out, will expire on 31 December 2013. This means that contestability could be introduced into the Victorian market in respect of smart meters, unless the derogation is further extended by the government.

Before any decision regarding about the introduction of metering contestability is made, it is critical that government undertake a cost benefit (including risk) analysis which takes into account the customer experience of the mandated smart meter rollout. Customers have been paying for the cost of the smart meters since January 2010 and have, as yet, not realised the full benefits. Introducing contestability before these benefits are realised has the strong potential to generate substantial confusion and dissatisfaction among consumers.

CUAC agrees with the AEMC on the need to clarify the role of third parties providing energy management services. The smart meter environment opens up the possibility for third parties to be involved in providing a range of smart meter-related services to consumers. Currently these third parties are not covered by the AER framework for retailer authorisation or exemptions and thus are outside energy-specific regulation.

Ongoing work

CUAC has had a long-standing interest in the issues covered in the Power of Choice review. We are participating in the Power of Choice work-stream as part of the AER's Better Regulation Programme, which deals with the implementation of some of the review's recommendations.

CUAC news — Board and staff changes

Over the past few months CUAC has seen some movement among both Board and staff. We welcomed Andrew Bell as a director on the the CUAC Board. Andrew is a barrister with Owen Dixon Chambers, practising principally in commercial and industrial law. Before coming to the bar, Andrew was a senior associate in the dispute resolution group at Norton Rose, and, prior to that, he was an Assistant Director with the enforcement branch at the Australian Competition & Consumer Commission. Andrew has qualifications in law, chemical engineering and public policy.

The CUAC Board has also seen the departure of a long-standing Director, Sandra Slatter. Sandra has served on the on the Board for a number of years, bringing a strong understanding of the needs of rural and regional consumers to Board decision-making. CUAC wishes Sandra well in all her future endeavours.

Many POWER+WATER readers will already be aware that Research and Policy Advocate David Stanford has left CUAC to tackle a community sector reform project with the Victorian Council of Social Service. David made an amazing contribution during his time at CUAC and will be greatly missed.

We are also very excited to welcome two new Research and Policy Advocates: Loren Days and Martin Jones. Loren is a lawyer with a strong interest in policy advocacy and experience working in Victoria's community legal sector, including a recent policy role with the Aboriginal Family Violence Prevention and Legal Service Victoria. She has also worked with the Human Rights Law Centre and consulted to the United Nations Children's Fund. Loren has a Bachelor of Arts from Wellesley College, a J.D. from the University of Virginia and an LL.M. from the University of Melbourne.

Martin is an economist with several years' experience in energy policy research. Martin comes to CUAC after a period working at the Centre for Energy and Environmental Markets at the University of New South Wales, where he has had responsibilities conducting and disseminating academic research. Martin has also written on energy policy for publications including Reuters Point Carbon, Climate Spectator, Crikey, New Matilda and The Conversation. He holds a Bachelor of Commerce from Monash University and a Postgraduate Diploma of Economics from the University of Heidelberg, Germany.

Caitlin Whiteman, formerly Research & Policy Advocate, will be shifting to a new role within CUAC (see p 5).

CUAC Submissions, January—April 2013

CUAC made the following submissions between January—April 2013, available at www.cuac.org.au:

- Essential Services Commission—Water Price Review 2013-2015 (joint submission)
- Standing Council on Energy and Resources—Regulation Impact Statement on the Limited Merits Review in the National Energy Laws
- Essential Services Commission—Victoria Harmonised Energy Retail Code—Consultation Paper (joint submission)
- Standing Council on Energy and Resources—Proposal for a National Energy Consumer Advocacy Body Preliminary Statement of Issues and Questions (joint submission)
- Essential Services Commission—Draft Decision—Guideline 22 Regulatory Audits of Energy Businesses