

Minutes

Meeting of the Economic Regulation Authority Consumer Consultative Committee

Meeting 4 / 2014

Date & Time: Wednesday, 3 December 2014, 1:00pm
Location: Ken Michael Room, 4th Floor, Albert Facey House
469-489 Wellington Street

Attendees:

Dr Stephen King	Member ERA (<i>ERACCC Chairman</i>)
Ms Cathryn Greville	Assistant Director Customer Protection, Licensing Monitoring & Customer Protection (LMCP), ERA
Ms Sarah Lyons	Senior Project Officer, LMCP, ERA
Mr Matthew Sargeant	Chamber of Commerce & Industry of WA
Mr Andrew Winter	Chamber of Minerals & Energy of WA
Mr Gary Newcombe	Consumer Protection, Department of Commerce
Mr Marcus Claridge	Energy and Water Ombudsman's Office (<i>proxy for Mary White</i>)
Mr Chris Twomey	WACOSS (<i>proxy for Irina Cattalini</i>)
Mr Graham Hansen	Property Council of Australia (<i>proxy for Rebecca Douthwaite</i>)
Mr Charles Brown	Financial Counsellor's Association of WA
Mr Paul Schollum	WA Local Government Association (WALGA)
Ms Christine Coyne	Aboriginal Affairs Consultant, Christine Coyne & Associates

Apologies:

Mr Paul Kelly	Executive Director, LMCP, ERA
Ms Mary White	Deputy WA Ombudsman
Mr Irina Cattalini	WACOSS
Ms Rebecca Douthwaite	Property Council of Australia
Mr Chris Wyhoon	WA Farmers Federation

Absent: Mr Leon Bradley Pastoralists & Graziers Association

Presenters:

Mr Jeremy Threlfall	Assistant Director Rail, Access
Mr Richard Theobald	Manager, Water Unit, Department of Health
Mr Ray Challen	Deputy Director General, Public Utilities Office

1 WELCOME & APOLOGIES

Dr Stephen King chaired the meeting. Dr King noted the apologies as listed above and welcomed members to the fourth meeting of 2014.

2 MINUTES OF MEETING 3/2014 HELD ON 3 September 2014

The minutes were accepted as a true and correct record of the meeting.

3 STATUS REPORT

Dr King spoke to the Status Report and highlighted the following:

- good performance by licensees is being rewarded with extended audit and review periods.
- the GMCCC's review of the Gas Marketing Code recently commenced and a paper will go out for public consultation shortly.
- the Issues Paper for the Prisons inquiry has been released and submissions are encouraged.
- the ERA's role in reviewing the Electricity Generation and Retail Corporation's Regulatory Scheme (i.e. ring-fencing and Chinese walls).

4 ERA PRESENTATION – Rail Access Arrangements – Mr Jeremy Threlfall, Assistant Director Rail, Access, explained the rail regulatory regime and the ERA's role in it. Mr Threlfall noted that there currently are not any third-party access agreements under the rail code, but there are a number of private access arrangements in place.

5 GUEST PRESENTATION – The Health Department of WA's role in Safe Drinking and Waste Water Services – Mr Richard Theobald, Manager Water Unit, Department of Health provided an overview of the scope of work undertaken by the Department of Health's water unit.

6 ENERGY OMBUDSMAN'S REPORT

The report was taken as read. Mr Marcus Claridge, Director of Energy, Energy Ombudsman briefly highlighted customer complaints trends in electricity, gas and water.

7 ERACCC BIENNIAL SEMINAR – Potential themes/topics

Members brain-stormed a potential topic for the 2015 ERACCC Seminar. Ideas included:

- Communication and technology and how developments affect customers and service delivery. It was suggested that the forum look at both the positives (eg new PPM technology, social media) and negatives (eg. loss of connection, communicating with people who do not have access to technology, communicating with Aboriginal people) to present a balanced view of the advantages yet things that companies must keep in mind to ensure accessibility for all customers.
- The use of social media for dealing with complaints and interacting with customers
- Smart meters/PPMs
- Utilities utilising technology to improve services with customers – without leaving people behind.
- How to keep up with methods for the 'Y' generation yet still engage with those who cannot use new technologies, including consideration of accessibility issues for elderly, disabled, non-English speaking, Aboriginal, disadvantaged customers.
- Activity in the national regulation space (i.e. the creation of Energy Consumers Australia).

It was agreed that the theme of the forum should be digital media/social engagement – which notably provides a logical next step from the 2013 topic of engagement to effectively communicating with stakeholders.

Ms Greville requested that members advise her of any ideas for speakers as well as any other presentation topics for consideration.

Ms Coyne offered to help arrange an Aboriginal elder to conduct the Welcome to Country at the forum.

8 NOMINATION OF MEMBER TO PRESENT AT NEXT MEETING & SUGGESTED PRESENTATIONS FOR 2015

In the interest of time, Dr King advised that this item would be dealt with via email. Ms Greville will contact ERACCC members to seek nominations of a member to present at the March 2015 ERACCC meeting.

9 GUEST PRESENTATION – Cost ‘Drivers’ of the Retail Electricity Price – Mr Ray Challen, Deputy Director General, Public Utilities Office (PUO) provided a presentation on the cost drivers of WA’s electricity prices. Cost drivers include the fact that demand for electricity is no longer growing (for a number of reasons) and there is a lot of reserve capacity (the need for reserve capacity may have been overestimated).

10 MEMBER’S ISSUES & QUESTIONS (Questions on notice) – Ms Irina Cattalini, CEO, WACOSS:

- (a) How consumer interests are being considered in the electricity market review, including how consumers are being supported to participate in the review; and
- (b) Views about the NEM model of industry levy funded consumer representation and advocacy, and the potential for a similar model in the WA market.

Mr Challen responded to the questions on notice. In relation to question (a) he advised that the PUO has had discussions with WACOSS and others for some time on this issue, and that it related to a broader issue surrounding how consumers participate in the debate in what are technically very complex areas.

In relation to question (b), Mr Challen spoke about the establishment of ‘Energy Consumers Australia’ which will be active from 1 January 2015, and the fact this was set up and funded to represent the consumer in regulatory issues. It was noted of course that this organisation is not active in WA. This was because WA did not want to join based on the cost involved and lack of perceived return on investment. Mr Challen personally agreed it was not worth getting involved at this point, but said that he recognised the need for consumer advocacy. His view is that WA will join that organisation in 2-3 years’ time. Mr Brown noted that FCAWA would like to be in that space but does not have the resources to do so without funding. He also noted that the government stopped funding WACOSS’ involvement in Code processes a few years ago.

11 CHAIRMAN’S TAKE AWAY & AGREED MESSAGE FOR THE COMMUNIQUE

Dr King thanked Guest Presenters Mr Richard Theobald, Department of Health, and Mr Ray Challen, Public Utilities Office for their presentations, and members for their attendance. He wished everyone a Merry Christmas and a Happy New Year

12 DATE OF NEXT MEETING

The next meeting will be held on Monday 9 March 2015 at 1.00pm (lunch from 12:30pm).

The 2015 meetings will be held on the following dates:

Monday 9 March 2015

Tuesday 2 June 2015

Monday 14 September 2015

Monday 7 December 2015

Meeting closed at 4:10pm

