

Minutes

Meeting of the Economic Regulation Authority Consumer Consultative Committee

Meeting 2 / 2015

Date & Time: Tuesday, 2 June 2015, 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>)
	Mr Paul Kelly	Executive Director, Licensing Monitoring & Customer Protection (LMCP), ERA
	Ms Cathryn Greville	Assistant Director Customer Protection, ERA
	Ms Sarah Lyons	Senior Project Officer, LMCP, ERA
	Ms Megan Kenneally	Project Officer, LMCP
	Mr Matthew Sargeant	Chamber of Commerce & Industry of WA
	Mr Benjamin Hammer (<i>proxy for Andrew Winter</i>)	Chamber of Minerals & Energy of WA
	Mr Charles Brown	Financial Counsellor's Association of WA
	Ms Rebecca Douthwaite	Property Council of Australia
	Mr Chris Twomey (<i>proxy for Irina Cattalini</i>)	WACOSS
	Mr Paul Schollum	WA Local Government Association (WALGA)
	Ms Cecilia Broderick (<i>proxy for Gary Newcombe</i>)	Consumer Protection, Department of Commerce
	Mr Marcus Claridge	Energy and Water Ombudsman's Office
Apologies:	Ms Christine Coyne	Aboriginal Affairs Consultant, Christine Coyne & Associates
	Ms Irina Cattalini	WACOSS
	Mr Andrew Winter	Chamber of Minerals & Energy of WA
	Mr Gary Newcombe	Consumer Protection, Department of Commerce
Absent:	Mr Leon Bradley	Pastoralists & Graziers Association
	Mr Chris Wyhoon	WA Farmers Federation

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Meeting 2 of 2015 – ERACCC – 2 June 2015

Presenters: Mr Simon Middleton	Project Director, Public Utilities Office
Ms Rebecca Douthwaite	Policy Advisor, Property Council of Australia
Ms Megan Kenneally	Project Officer, ERA
Mr Paul Reid	Assistant Director Monitoring, ERA

1 WELCOME & APOLOGIES

Dr Stephen King chaired the meeting. Dr King noted the apologies as listed above and welcomed members and proxies to the second meeting of 2015.

2 MINUTES OF MEETING 1/2015 HELD ON 9 March 2014

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

3 ERACCC Biennial Seminar

Dr King asked for feedback from the ERACCC seminar and thanked those involved in organising the seminar. Ms Cathryn Greville asked members to provide ideas for the 2017 ERACCC seminar, and noted that the slides from the Seminar have been circulated to those who attended.

4 STATUS REPORT

Dr King spoke to the Status Report, particularly highlighting the following:

- The WA Prisons inquiry is underway with the draft report scheduled to be published in early July.
- The 2014 Annual Wholesale Electricity Market Report and the 2014 Review of the EGRC Regulatory Scheme are with the Minister for Energy and will likely be tabled before Parliament in June.
- The review of the Railways Access Code is underway.

Mr Paul Kelly spoke to the LMCP sections of the Status Report, highlighting the following:

- The 2015 Electricity Licence Review is nearing completion. Draft electricity licences are currently with licensees for consultation.
- The review of the Gas Marketing Code of Conduct has been completed.
- Financial Hardship Policy Guidelines have been reviewed and licensees have subsequently been requested to review their financial hardship policy.
- Water Corporation's revised financial hardship policy has been approved, with improved outcomes for tenants.
- An updated edition of Switched On has been published both in hard copy and on the website.

ERACCC members also discussed the continued concern that tenants in financial hardship need approval from their landlord to enter into a payment arrangement.

5 GUEST PRESENTATION – Electricity Market Review

Mr Simon Middleton, Project Director, Public Utilities Office, provided an overview of the progress of the Electricity Market Review (EMR). The presentation included an overview of the working groups involved in the project and the project schedule. Mr Middleton spoke of the benefits for customers in the long run from competition and advised that Full Retail Contestability in the electricity market is expected in mid-2018. An issue for the EMR to address is the subsidy received by Synergy, which acts as a barrier to competition.

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. Overall, gas complaints have risen slightly, whilst water and electricity complaints have been trending slightly downwards.

7 MEMBER PRESENTATION – Questions about Utilities and Sustainable Precinct Infrastructure

Ms Rebecca Douthwaite, Property Council of Australia, provided an overview of the issues facing sustainable developments in Western Australia and provided examples of where regulatory framework has detracted from sustainable development. Ms Douthwaite used an example of the rules and requirements for solar panels to be installed and utilised in retirement villages to illustrate that rules and regulations can get in the way of sensible and sustainable development.

8 ERA PRESENTATION – 2014 Energy Retailers Performance Report

Ms Megan Kenneally, Project Officer, ERA provided an overview on the ERA's 2014 Energy Retailers Performance Report. Ms Kenneally highlighted some emerging trends in the data collected from the ERA's energy retailers supplying small use customers, such as the increase in the number of electricity customers being disconnected and the overall downwards trend in complaints.

9 ERA PRESENTATION – National Performance Report: 2013/14 Urban Water Utilities

Mr Paul Reid, Assistant Director Monitoring, ERA provided an overview on the National Performance Report: 2013/14 Urban Water Utilities. Mr Reid discussed the key themes of the Report, such as the increase in water sourced from desalination and the significant fall in the level of complaints recorded by water utilities. It was noted that this fall coincides with a change in the way the utilities classify complaints and that the ERA will focus on complaints recording in the operational audits of its urban water utilities.

10 NOMINATION OF MEMBER TO PRESENT AT FUTURE MEETING

A presentation will be sought from the Economics division of the ERA on the draft report into the WA Prisons Inquiry. Mr Chris Twomey noted that Ms Irina Cattalini may be able to give a presentation in relation to Ms Cattalini's attendance at a UN forum. Further suggestions for guest, ERA and member presenters are encouraged following the meeting.

11 MEMBER'S ISSUES & QUESTIONS (Questions on notice)

There were no questions or issues raised on notice.

Members discussed the need to ensure that door to door marketing practices are closely monitored if and when full retail contestability is introduced in the WA electricity market. It was noted that this method has not been used in WA despite the gas market being contestable, however should door to door marketing commence in WA the ERA has scope to address any unscrupulous practices through its Code reviews.

12 CHAIRMAN'S TAKE AWAY & AGREED MESSAGE FOR THE COMMUNIQUE

Dr King thanked Member Presenter Ms Rebecca Douthwaite, Guest Presenter Mr Simon Middleton and ERA presenters Mr Paul Reid and Ms Megan Kenneally for their presentations. Dr King also thanked members for their attendance and active participation.

Dr King noted that the meeting presentations and discussion were focused on market outcomes and benefits for customers – from competition in the electricity market and the impact of full retail contestability in the future, to instances where rules and regulations can serve to prevent sensible outcomes, to state and national perspectives on utilities markets in the form of reports that the ERA produces. Dr King noted that it is helpful to examine what is happening in other jurisdictions and to learn from those experiences, and hopefully other jurisdictions can also learn from the Western Australian experience.

13 DATE OF NEXT MEETING

The next meeting will be held on Monday 14 September 2015 at 1.00pm (lunch from 12:30pm).

The final meeting for 2015 will then be held on Monday 7 December 2015 (including Christmas lunch).

Meeting closed at 3:50pm

A handwritten signature in blue ink, appearing to be 'SK', written over a horizontal line.

DR STEPHEN KING
CHAIR, ERACCC