



Australian Council of Social Service

Submission to Australian Energy Regulator

Draft AER Stakeholder Engagement Framework

The Australian Council of Social Service (ACOSS) is the peak body of the community services and welfare sector and the national voice for the needs of people affected by poverty and inequality. Our membership represents over 3000 organisations in addition to individual members through the combined network of the Councils of Social Service.

ACOSS' vision is for a fair, inclusive and sustainable Australia where all individuals and communities can participate in and benefit from social and economic life. Energy is an essential service and should be supplied equitably, affordably, reliably and sustainably.

ACOSS welcomes the opportunity to provide comment on *the Draft AER Stakeholder Engagement Framework July 2013*. The development of such a framework is of value for stakeholders as well as for the AER in that clarifies engagement processes and expectations. It provides an accountability mechanism for the AER.

ACOSS supports the general approach of this framework to provide broad high level principles which then allows the AER to develop relevant and appropriate mechanisms for implementation around specific needs. It is clear that a prescriptive approach could not adequately incorporate the diversity required if consultation and engagement is to be genuine and worthwhile.

We have provided specific comments on the framework below.

Introduction

It is important in establishing a framework for engagement to recognise that such a process will illicit competing and differing views and that this is important and to be valued. Diversity of views can only contribute to better understanding and therefore better decision making.

Engagement principles

ACOSS notes that in the *Better Regulation Draft Consumer Engagement Guideline for Network Service Providers July 2013* document (also out for consultation in August) contained slightly different principles. These best practice principles have been reduced to four by incorporating *inclusive* and *accessible* into a single principle. Also *communication* has been expanded in the title to '*clear, accurate and timely communication*'. ACOSS suggests that best practice principles should be the same in all AER documentation and recommends consolidation in this area.

In addressing the principles, ACOSS notes that the issues of vulnerable and marginalised consumers are important and that there is a specific need to ensure that this perspective is heard, valued and taken into account. There also needs to be a more explicit recognition of the diversity of consumer interests and the value of that diversity.



This means in the process of engagement, AER needs to welcome differing voices rather than have a process that is always premised on securing consensus amongst parties with quite differing views and needs.

In the context of both the 'Communication' and 'Transparency' principles ACOSS suggests the importance of the regular publication of accurate and accessible data as an essential starting point.

Under the principle of 'Measurable', there is an expectation of developing measurements and publishing such measurements. One possible venue for the reporting of such measurements may well be in the regular customer structures that the AER has established (such as the Customer Consultative Group CCG).

Stakeholder engagement spectrum

If the currently included table is to be retained in the framework then ACOSS suggests that the Empower section needs to be rethought. It seems inappropriate in the AER context given its non-derogable or transferable legal and regulatory obligations. Therefore, for example, a commitment to *'implement what you decide'* is not a promise that the AER can make.

General comments on the draft framework

The framework should include a commitment to coordination and planning within the AER to avoid duplication or consultation overload between the two AER branches. The AER also needs to develop a strategy for two-way engagement stakeholder engagement. This should include AER involvement with stakeholder activity as well as informal mechanisms of engagement. Finally, there is value early in bringing parties together early in the process. Hearing the views of retailers or networks can assist consumers in understanding issues and assist them to seek practical assistance.

ACOSS emphasises the importance of ensuring that the voices of vulnerable and marginalised consumers is heard. The critical test of a successful engagement strategy is that it facilitates the inclusion of those voices that can be hardest to hear.

To discuss this submission further, contact ACOSS Senior Project Officer Chris Dodds On 02 9310 6212 or at Chris@acoss.org.au