AUSTRALIAN ENERGY REGULATOR

CUSTOMER CONSULTATIVE GROUP

SELECTION CRITERIA-FEBRUARY 2017

Overview

The Australian Energy Regulator (AER) invites suitable organisations and individuals to apply for membership on its Customer Consultative Group (CCG).

While the CCG forms an important part of our consultative processes, it will not be our only mechanism for consultation. The CCG focuses on issues facing small energy customers¹ particularly those related to our functions under the National Energy Retail Law and National Energy Retail Rules. We will also, for example, seek public submissions on guidelines, and run stakeholder workshops on an ad hoc basis. In addition, we have established a range of specific consultative mechanisms for our regulatory determination processes.

Membership on the CCG will provide the opportunity to advise us on key energy consumer issues in a collaborative environment alongside other consumer representatives. We aim to achieve a balance and variety of interests and perspectives among the membership and encourage both national and state-based consumer representatives to apply.

Applications addressing the selection criteria must be received by **5:00pm AEST on Monday, 13 March 2017**. Further information about applying can be obtained by emailing AERinquiry@aer.gov.au.

Background

The AER is Australia's national energy market regulator and has an independent board. The AER is funded by the Commonwealth and shares staff, resources and facilities with the Australian Competition and Consumer Commission (ACCC).

The AER operates under the *Competition and Consumer Act 2010*. Our functions are set out in national energy market legislation and rules, and mostly relate to energy markets in eastern and southern Australia. These functions include:

- setting the prices charged for using energy networks to transport energy to customers;
- monitoring wholesale electricity and gas markets to ensure suppliers comply with the legislation and rules, and taking enforcement action where necessary;
- regulating retail energy markets in the ACT, Tasmania (electricity only), South Australia,
 Queensland and New South Wales;

¹ Small energy customer refers to residential and business customers who consume under the relevant usage threshold set by each National Energy Retail Law jurisdiction.

- publishing information on energy markets, including the annual *State of the Energy Market* report and more detailed market and compliance reporting, to assist participants and the wider community;
- assisting the ACCC with energy-related issues arising under the Competition and Consumer Act, including enforcement, mergers and authorisations.

Under the National Energy Retail Law and National Energy Retail Rules, our functions include:

- monitoring and enforcing compliance with obligations in the Retail Law, Rules and Regulations;
- reporting on performance of the market and energy businesses, including information on energy affordability and trends in disconnection of customers for non-payment;
- assessing applications for national retailer authorisations from businesses that want to become energy retailers, and exempting businesses from the requirement to be authorised (for example, for nursing homes and caravan parks that pay for energy and onsell it to their tenants as part of their normal business);
- approving policies energy retailers must implement to assist customers who are facing financial hardship and looking for help to manage their bills;
- educating consumers and small businesses about their energy rights and managing the energy price comparison website (Energy Made Easy); and
- administering a retailer of last resort scheme, which protects customers and the market if a retail business fails.

CCG membership

The CCG will be composed of approximately ten members. Where the member is an organisation, they are expected to provide a consistent CCG representative. In the event that this representative is unavailable to attend a meeting, the member should nominate a suitably qualified alternate representative to attend the meeting.

Members are required to consult with their constituency outside the CCG meetings and provide comment on:

- issues and processes affecting residential and other small energy customers that fall within the scope of the AER's functions under national energy legislation;
- emerging energy issues or energy market developments that may be of concern to particular groups of customers/users;
- information dissemination strategies and appropriate external networks available to enhance communication with community and consumer/users groups and consumers/users; and
- other issues as requested by the AER.

By providing advice on the above issues, members assist us to carry out our functions under the national energy legislation and to identify opportunities to more effectively meet our statutory responsibilities. We expect that CCG meetings will be held in person in Melbourne three times a year. Meetings will usually run from 10.00am to 3.00pm. A one-hour teleconference is held prior to each meeting, which members are expected to attend. Members must also provide a brief written update (no more than one page) on their activities before each meeting.

Members will be paid a sitting fee for attendance at CCG meetings and will be reimbursed for reasonable travel expenses.

How to apply for CCG membership

We aim to achieve a balance and variety of interests and perspectives among the membership of the CCG (including across jurisdictions, user groups, etc). Applications will be sought from organisations that can demonstrate a general interest and knowledge of energy consumer issues in Australia.

In assessing applications for membership on the CCG, we will take into account merit-based principles through the use of selection criteria.

We therefore require applicants to address the following selection criteria in their applications:

- 1. ability to advise the AER in relation to energy issues affecting small energy customers across participating jurisdictions.
- 2. links to consumer or other relevant organisations which would allow the member to canvass the views and perspectives of the energy customers they represent and convey current energy issues of concern to the AER
- 3. processes to manage any actual or perceived conflicts of interest
- 4. an understanding of the role and operation of the AER
- 5. demonstrated effectiveness in representing the interests of energy consumers generally, or particular groups of energy consumers, such as (but not limited to):
 - consumers in particular states and territories, or regions
 - consumers who have or are likely to have in the future, access to new energy technologies (including, but not limited to, solar and battery storage)
 - consumers with interval meters
 - financially disadvantaged or vulnerable consumers
 - non-residential small energy customers (as defined by the NERL)
 - Indigenous consumers
 - culturally and linguistically diverse consumers.

Your application must:

- address all the selection criteria (no more than 400 words per criterion);
- state which jurisdiction(s) the applicant is active in;
- confirm the availability and suitability of the proposed attendee
 - o for organisations: nominate the individual who will represent the organisation (including confirming their ability to commit to attending all CCG meetings and a statement regarding their suitability to participate in meetings);
 - o *for individuals:* confirm your ability to commit to attending all CCG meetings and provide a statement regarding your suitability to participate in meetings); and

• be received by the due date (see below).

You may also wish to include relevant background material with your application in addition to information provided in response to the selection criteria.

Due date and late applications

Applications are due by 5:00pm AEST on Monday, 13 March 2017.

Applications that have not been received before this time will not be considered for CCG membership.

Where to send applications

Applications can be emailed to <u>AERinquiry@aer.gov.au</u>. All applications received will be acknowledged by return email.

The AER's preference is for applications to be submitted by email. However, applications by post will also be accepted and can be sent to:

AER Customer Consultative Group C/o AER GPO Box 520 MELBOURNE VIC 3001

Contact details for inquiries

Inquiries concerning the CCG or the application process can be made by emailing AERinquiry@aer.gov.au.