

Bulletin One

This is the first in an occasional series of bulletins from the Australian Energy Regulator's (AER) Consumer Reference Group (CRG).

Who are we and what is our role?

The CRG is an independent advisory body set up under national energy laws. We are helping the AER implement an effective consumer consultation process for making its Rate of Return Instrument, which will conclude in 2022. This instrument determines the allowed return on capital for energy networks, and is the largest element of their allowed revenue. Additionally, we are carrying out the same role for the current inflation review.

You can find some more information on the CRG here.

What have the CRG done so far?

Throughout 2020 the CRG has worked to ensure we are up to speed on the reviews and large volume of material the AER has published relating to these reviews. We have presented at relevant public forums hosted by the AER and we have also made submissions to:

- Review of treatment of inflation discussion paper
- Energy Network Debt Data -consultation paper
- International regulatory approaches to rate of return consultation paper
- CAPM and alternative return on equity models consultation paper
- Review of treatment of inflation AER position paper

Our submissions and the slides from our public forum presentations can be found on the AER's website via the links above.

The CRG is currently developing a detailed plan for engaging more broadly with energy consumers. Our initial plan for this can be found here. We look forward to working with consumers in 2021/22 to further develop and implement this plan.

The CRG would like to hear from you

We are most grateful to the cross-section of consumer representatives who have made very valuable contributions to our submissions to date. We are also aware that they are only a few of the many consumer representative organisations that have an interest in the outcome of these reviews, and that there is a diversity of views across the different organisations that represent consumers.

We actively encourage feedback on both reviews or if you are interested to know how these reviews impact consumers please contact ConsumerReferenceGroup@aer.gov.au.