

Mr Warwick Anderson
General Manager
Network Investment and Pricing
Australian Energy Regulator
GPO Box 3131
Canberra ACT 2601

29th December 2014

Dear Mr Anderson,

I recently read, with interest, the AER's draft determination for ActewAGL. As a resident who has lived in every single Australian state, as well as in the UK, the USA and Malaysia, I can unequivocally say that the service I receive from ActewAGL is far and away the best I have ever received. I am absolutely appalled that the AER has and continues to, blatantly ignore the wishes of ACT residents. In my working life, I deal with low income, disadvantaged ACT and NSW residents on a day to day basis. Whilst price is an important consideration, every single client I have is well and truly aware that (in the ACT at least), their prices are already the lowest in the country. The reliability of the network – few power outages – and the exemplary customer service they receive, when they call up, unable to pay their bill – is top most in their minds. Your recent decision and the nonsense rationale highlight that this supposedly independent regulator is little more than yet another politically driven machine, uninterested in the needs and wants of the local communities it supposedly represents.

I would also like to add my concern that the AER has relied so heavily on top down benchmarking and throughout their decision, multiple references and benchmarking comparisons are made to other jurisdictions. Is the AER so unaware that the ACT is completely and utterly different to every other state and territory in Australia? For a start, nowhere else experiences quite the same extremes we do. We Canberrans expect our network to cope with that. In terms of employment, I know from my discussions with certain staff at ActewAGL, through my job, that being in direct competition with the public service makes it more difficult to recruit and retain staff. The AER seems to think that a company looking after their staff, including in terms of keeping them safe, is unimportant and that ActewAGL spends too much money caring for said staff. How dare the AER! I can tell you, if a single person at ActewAGL is hurt or injured, as a result of cuts owing to the AER's decision, I very much hope they take the AER and you personally, Mr Anderson, to court and sue you for as much as they possibly can. The outcry in this country over the home insulation deaths, the absolute waste of taxpayers money over the subsequent years, due to the political maneuverings of the current government, will be absolutely nothing in comparison to the outcry that will arise if workers of utility companies are injured, or God forbid, killed, over the next regulatory period – because you, the AER, have made clear, in black and white, of how little concern you have for the workers. I have bookmarked relevant passages in each and every one of your draft decisions and will be sure to email them to the relevant companies in the future, should the need arise.

Finally, the AER seems to place a great deal of weight on the rubbish spouted by the AER Consumer Challenge Panel, who has, just like the AER, completely failed to differentiate between the ACT and other jurisdictions. A prime example of how the AER has failed in this regard is their inclusion of the report from Uniting Care Australia. As with most organisations of this type, and I work for one, so I know, the submission highlights the "bad" and minimises, or "glosses over" the "good". Ignorant and careless people, like your consumer challenge panel, are then seemingly unable, or is it unwilling...to read between the lines and acknowledge those who

are getting it right. The submission goes into depth about the enormous numbers being disconnected and how it is rising in all mainland states etc. etc.....but a simple glance at their graph shows the drastic difference between the ACT and the rest of the states – **drastic**. That's not mentioned however. Complaints and the dramatic rise to Ombudsman schemes etc., is dealt with....a throwaway line notes that, actually, this is not the case in ACT and Tasmania. However, this line is sandwiched between explanations that the growing levels of complaints indicate all sorts of inefficiencies, badly administered companies, disorganised markets etc. – all the things the AER is accusing ActewAGL of being, in order to justify their ideologically-driven draft decision – but if ActewAGL is not guilty of all the indicators that actually show it is inefficient etc., if it, year after year, wins customer service awards – I read in the paper just recently that, yet again, it is top, then how can an outsider, like yourself, dare to tell us, the ones paying the bills, that have shown we are happy with what we are getting for our money, we are wrong. We don't know what we want? We don't know what we are willing to pay for? You know better than me what I should be spending my money on? How kind of you.

A side comment – a few years ago, a large number of Canberrans, including a significant number of my low-income clients, participated in a market research campaign, conducted by ActewAGL. What I remember most is that it was the first time I was faced with the choice of what meant more to me – saving \$200 per year and potentially facing a less reliable network, or vice versa. From my discussions with others afterwards, not a single person, including my clients, chose the savings. When you live in the ACT and you face sub zero temperatures in the winter, or plus 40 temperatures in the summer, network reliability is of prime importance. Considering the ACT already has the most reliable network in the country PLUS the lowest prices PLUS the best customer service – HOW can the AER say that ActewAGL is inefficient???????????? How dare you put my already at-risk low income clients further at risk with your actions, which will, no doubt lead to further increases in unemployment in the ACT, network inefficiencies and lower standards of safety.

The National Electricity Objective as set out in the National Electricity Law is to -

"promote efficient investment in, and efficient operation and use of, electricity services for the long term interests of consumers of electricity with respect to -

(a) price, quality, safety, reliability and security of supply of electricity; and

(b) the reliability, safety and security of the national electricity system"

Please take the time to read it – price is one aspect and is only mentioned once. Safety, reliability and security are mentioned twice. Even the lawmakers recognised that these were what was important. It seems that you, the regulator, has been caught up in the Murdoch-inspired nonsense about the need to reduce prices before everything else and completely forgotten that your first duty is to the consumers. Well, this consumer says you have failed me, my low income clients and the ACT. Take your projected savings and throw them away. We would prefer quality, safety, reliability and security – all of which we currently have and which you want to take away from us, in favour of price – to the tune of an amount that wouldn't even buy me one single extra coffee per week.

Not with warm regards at all

M. Simmons

Ms Melanie Simmons

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