



6 January 2011

General Manager
Markets Branch
Australian Energy Regulator
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By e-mail

RETAILER OF LAST RESORT PLAN DEVELOPMENT

Origin Energy Retail Limited (Origin) welcomes this opportunity to respond to the Australian Energy Regulator's (the AER's) Retailer of Last Resort (RoLR) Plan Development issues paper.

Origin has previously responded to the RoLR Cost Recovery and RoLR Registrations and Appointments consultation papers. In this response, Origin has focused on those questions of most relevance to it, however as with all feedback provided on the development of national RoLR arrangements, we would welcome discussion with the AER to further elaborate on our experience with RoLR events to date.

We respond to specific questions raised below.

Q1. Is it appropriate that the AER draw on the ESCV's existing RoLR plan as the starting point for the AER's RoLR plan?

In principle, Origin supports the use of the ESCV's existing RoLR plan as a template for the AER. We qualify this support however by asking that if the ESCV's RoLR plan used as a template, that the AER provide industry and interested stakeholders the opportunity to review and improve it as it is modified for national use. There are some elements of the ESCV's plan (for example customer communication requirements) that would benefit from such a review, noting that the ESCV's plan itself was subject to exhaustive consultation.

Q4. Should all retailers in the participating jurisdiction be included as RoLR plan participants?

Q5. Do you agree with ombudsmen being included as RoLR plan participants?

Origin agrees that all authorised retailers within a jurisdiction be included as RoLR plan participants. While ombudsmen involvement as RoLR plan participants is generally supported, the cost recovery arrangements of additional costs incurred by the ombudsman and how these costs are allocated requires further consideration.



Q7. Should arrangements be made for the regular transfer of customer data from retailers to a data custodian? If so, who should act as the data custodian?

Origin believes that second-tier, non-default retailers should be required to provide an “as at” view of customer data to a data custodian on a monthly basis; in keeping with current practice for gas in Victoria, NSW and the ACT and for electricity in Victoria. All retailers are currently required to undertake Customer Site Details Notification reconciliation twice annually. Origin believes that distribution businesses have a role to play as data custodians (in addition or complementary to the Australian Energy Market Operator).

The inclusion of participation in any hardship programs or the existence of an instalment is not information that should be routinely transferred to a data custodian for reasons of privacy. Following a RoLR event, a customer should identify themselves to the RoLR as either a participant in their former retailer’s hardship program or that they previously utilised an instalment plan with their former retailer. Customer communications can alert customers affected by the RoLR event of such matters.

Q10. Do you agree with the measures proposed to communicate with the affected community?

Origin generally supports the proposed measures. We expect that a future RoLR event would involve customers across different jurisdictions and support the view put by the AER that assessment of an effective communication strategy may require tailoring at that time and not be constrained by the RoLR plan.

Q14. Do you agree with the proposed frequency and content of communications between the RoLR and its customers?

The conclusion of RoLR arrangements for existing customers may be dealt with more cost effectively (i.e. the second notice) via a bill message or similar communication. A separately mailed follow-up communication will add to RoLR costs. Such alternatives should be considered by the AER as the national RoLR plan

Origin would welcome further discussion with the AER on the RoLR plan development. Should you wish to discuss any of the matters raised in this response further, please contact me on (03) 8665 7712.

Regards

[SIGNED]

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