

15 January 2018

Chris Pattas
General Manager, Networks
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001



Dear Mr Pattas,

Submission to draft Electricity Network Service Provider Exemption Guideline

The Public Interest Advocacy Centre (PIAC) is an independent, non-profit legal centre based in New South Wales. Established in 1982, PIAC tackles systemic issues that have a significant impact upon disadvantaged and marginalised people. We ensure basic rights are enjoyed across the community through litigation, public policy development, communication and training. The Energy + Water Consumers' Advocacy Program represents the interests of low-income and other residential consumers, developing policy and advocating in energy and water markets.

PIAC limits its comments to the proposed amendments relating to the protections and services offered to small customers and does not comment on the amendments relating to the Transmission Connection and Planning Arrangements rule change.

PIAC contends that protection arrangements should reflect the nature of any potential harm that may be done to a consumer, while not placing burden on service providers that unnecessarily constrains them in offering the products and services that consumers want at an efficient price. This entails that all energy consumers should have access to equivalent levels and types of protection for similar products and services.

PIAC considers that some exempt customers are exposed to an inherently higher level of risk compared to customers of a registered network service provider, and this can be made worse by the absence of equivalent protections. PIAC has made similar comments in our submission to the AER's review of its Retail Exempt Selling Guideline.¹

PIAC supports the proposed changes to the AER's Guideline as a step towards having appropriate consumer protections available to exempt customers.

External dispute resolution

Currently, exempt customers are unable to access binding external dispute resolution. This is a fundamental consumer protection that should be available for all energy consumers, regardless of supply arrangements. Without external dispute resolution, exempt customers do not have a key protection against improper behaviour by their energy providers.

PIAC strongly supports changing the Guideline to allow exempt customers to have access to energy ombudsman schemes. This will ensure that these consumers have access to fair, independent dispute resolution.

1 PIAC, *Submission to AER Retail Exempt Selling Guideline*, 2017.

Weekly billing

PIAC supports offering customers the choice of more frequent billing, such as weekly billing. However, it is unclear to PIAC whether the current clause 4.6.4.1 would prevent this. If the current clause does prevent offering more frequent billing options which are of benefit to customers, then PIAC supports amendments which would allow this.

Continued engagement

PIAC would welcome the opportunity to meet with the AER and other stakeholders to discuss these issues in more depth.

Yours sincerely,

Miyuru Ediriweera

Senior Policy Officer, Energy and Water
Public Interest Advocacy Centre

Direct phone: +61 2 8898 6525
E-mail: mediriweera@piac.asn.au

Craig Memery

Policy Team Leader, Energy and Water
Public Interest Advocacy Centre

Direct phone: +61 2 8898 6522
E-mail: cmemery@piac.asn.au