



Jemena Limited
ABN 95 052 167 405

1 June 2011

By email: AERInquiry@ aer.gov.au

General Manager, Markets Branch
Australian Energy Regulator
GPO Box 520
MELBOURNE VIC 3001

321 Ferntree Gully Road
Mount Waverley VIC 3149
Locked Bag 7000
Mount Waverley VIC 3149
T +61 3 8544 9000
F +61 3 8544 9888
www.jemena.com.au

AER Performance Reporting Procedures and Guidelines - Submission from Jemena Limited to the Australian Energy Regulator

1. Distributor reporting

Jemena welcomes the opportunity to make this submission on the AER's Performance Reporting Procedures and Guidelines papers issued in April 2011. As a distributor, Jemena is focused on any distributor performance reports that the AER proposes to require under Part 12 of the National Energy Retail Law (**NERL**).

Jemena's submission to the AER's first consultation on performance reporting (13 August 2010) was made before the National Energy Customer Framework (**NECF**) – including the NERL – had become law, and before the AER had released its position paper (**paper**) of November 2010, which responded to the earlier consultation. The comments in our submission were therefore very preliminary.

In its paper, the AER adopted the following proposals for reporting on (a) jurisdictional distributor service standards and (b) the small compensation claims regime in Part 7 of the NERL:

Service standards

'Until such time as jurisdictional responsibility for the administration and enforcement of distributor service standards and GSL schemes ends, so that existing reporting arrangements fall away, the AER does not intend to impose duplicate or supplementary reporting requirements on these matters for the purposes of the retail market performance report.'

Small compensation claims regime

'While uncertainty remains as to which jurisdictions will adopt the small claims compensation regime and in what form, we do not consider it appropriate to consult on fixed indicators of distributor performance in this area. We will initiate consultation on appropriate performance indicators for each compensation regime as its scope and application is determined.'

Although Jemena did not respond to the AER paper at the time, we fully agreed with these proposals. Jemena is therefore pleased to note that the AER's 'notice of draft instrument' released with its current draft performance reporting procedures and guidelines has repeated

in identical terms the November proposals not to require distributor reporting on the above matters at this time.¹

2. Transitional and application legislation

With respect to the AER's future role in reporting on both distributor service standards and the small compensation claims regime, the notice of draft instrument says²:

'Further information on this will be available as jurisdictions settle transitional and application legislation to implement the Customer Framework.'

Jemena fully agrees with the AER proposal to consult on these potential distributor obligations when the content of the relevant jurisdictional legislation is known. In Jemena's view, firm AER proposals for any distributor reporting under the NECF, including compliance reporting, should be put in place only when the complete legislative package governing NECF obligations is known. This includes both the national NECF legislation and the adopting (implementation) legislation of each jurisdiction.

Jemena looks forward to further consultation on the above matters at the appropriate time. If you wish to discuss the submission please contact Sandra Gamble on (02) 9455 1512 or at sandra.gamble@jemena.com.au

Yours sincerely



Sandra Gamble
General Manager Regulation and Strategy
Jemena Limited

¹ AER Notice of draft instrument: *Performance Reporting Procedures and Guidelines*, April 2011, p. 37.

² AER (2011), p. 71.