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Submission in response to AER's *Position Paper on AER Retail Market Performance Reporting (November 2010)*

The Tasmanian Council of Social Service (TasCOSS) welcomes the opportunity to participate once again in the process of developing the Retail Market Performance Reporting regime under the National Energy Customer Framework. We applaud the AER's progress so far and appreciate the difficult task this has involved in trying to balance the strong and often opposing views of stakeholders.

We have several brief comments to make in response to the Position Paper and to discussions held in the recent Stakeholder Forum (Friday, November 26).

Firstly, regarding the issue of the frequency of reporting retail market structure and other indicators discussed at the recent Stakeholder Forum. TasCOSS strongly supports the quarterly reporting of data, with data from each quarter consolidated at the end of every year in an annual retail market performance report.

Quarterly data is especially useful to government and non-government agencies for observing seasonal and other trends, particularly in areas associated with hardship and access to energy. Since the supply of household energy is an essential service, it is imperative that access issues are closely monitored. Quarterly reporting can inform public policy in a timely manner, allowing for appropriate interventions to be made when they are most needed.

In Tasmania, quarterly reporting is currently required for most indicators, and reports are made each quarter to the Office of the Tasmanian Economic Regulator's Customer Consultative Committee (OCCC). Some indicators such as residential disconnections are collected more frequently and reported quarterly for each month in the quarter. This is useful to TasCOSS as an advocacy organisation working in the area of social policy. We can identify trends early – increases in disconnections among concession recipients for instance – and advocate for interventions such as

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increases in the concession rate. Government can also keep a close eye on energy supply issues for both the business and residential sectors.


Seasonal data on access to residential energy supply is particularly important in Tasmania due to its cool climate and the necessity for heating in all residential dwellings.

Secondly, we would like to comment on several of the AER's decisions on reporting of prepayment meter activity.

- We support the enumerating of all prepayment meters in all jurisdictions regardless of whether the jurisdiction has applied the prepayment provisions within the NECF. This will track the numbers of prepayment meters across the country.
- We also support inclusion of the indicator: 'number of PPM customers using a PPM system capable of detecting and reporting self-disconnections' and assume that this also applies to all jurisdictions as above. This will indicate the number of non-complying prepayment meters, the extent of the consequent problem of masking self-disconnections and, we hope, will hasten the replacement of the meters.
- While we understand and support the reporting of the duration of self-disconnection events (and the duration intervals proposed), we note that the data reported might not indicate hardship situations in all instances. As discussed at the recent Stakeholder Forum, a number of PPM installations in Tasmania are in holiday homes that are used infrequently and are self-disconnected deliberately. This is an issue that is not easily addressed and we therefore suggest that an indicator be included that reports on multiple self-disconnections in the reporting period. This would indicate households that are repeatedly running out of credit and finding it difficult to maintain a continuous electricity supply.
- We are disappointed that the AER has chosen to not to require reporting of the number of concession recipients self-disconnecting from PPMs. We contend that by virtue of their eligibility for an energy concession, concession recipients are living on low incomes and are therefore more vulnerable to hardship – and possibly to disconnection – than others. TasCOSS therefore recommends that this indicator be included in the reporting framework.

We once again congratulate the AER on its work on this guideline so far and on the diligence and openness of its consultations. Please feel free to contact us if you require any further information on the comments made here.

Yours sincerely



Ann Hughes
Acting Chief Executive Officer, TasCOSS

Re the TasCOSS Energy Research and Advocacy Project:

This project was funded by the Consumer Advocacy Panel (www.advocacypanel.com.au) as part of its grants process for consumer advocacy projects and research projects for the benefit of consumers of electricity and natural gas.

The views expressed in this document do not necessarily reflect the views of the Consumer Advocacy Panel or the Australian Energy Market Commission.