Economic Regulation Authority 17 Mar 2015

Economic Regulation Authority



Minutes

Meeting of the Economic Regulation Authority Consumer Consultative Committee

Meeting 1 / 2015

Date & Time:

Monday, 9 March 2015, 1:00pm

Location:

Ken Michael Room, 4th Floor, Albert Facey House

469-489 Wellington Street

Attendees:

Dr Stephen King

Member, ERA (ERACCC Chairman)

Mr Paul Kelly

Executive Director, Licensing Monitoring & Customer

Protection, ERA

Ms Cathryn Greville

Assistant Director Customer Protection, ERA

Ms Anu Besson (nee

Taskinen)

Senior Project Officer, LMCP, ERA

Mr Charles Brown

Financial Counsellor's Association of WA

Ms Rebecca Douthwaite

Property Council of Australia

Mr Chris Twomey (proxy

for Irina Cattalini)

WACOSS

Mr Paul Schollum

WA Local Government Association (WALGA)

Ms Cecilia Broderick (proxy for Gary Newcombe)

Consumer Protection, Department of Commerce

Energy and Water Ombudsman's Office

Apologies:

Ms Christine Coyne

Mr Marcus Claridge

Aboriginal Affairs Consultant, Christine Coyne & Associates

Ms Irina Cattalini

WACOSS

Mr Chris Wyhoon

WA Farmers Federation

Mr Gary Newcombe

Consumer Protection, Department of Commerce

Absent:

Mr Leon Bradley

Pastoralists & Graziers Association

Mr Matthew Sargeant

Chamber of Commerce & Industry of WA

Mr Andrew Winter

Chamber of Minerals & Energy of WA

Presenters:

Mr Charles Brown

Executive Officer, Financial Counsellors Association of WA

Ms Anu Besson (nee

Taskinen)

Senior Project Officer, LMCP, ERA

Mr Ky Cao

Managing Director, Perth Energy

Mr Daniel Vincent

Principal Analyst, Economics, ERA

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Minutes Meeting 1 of 2015 – ERACCC – 9 March 2015

1 WELCOME & APOLOGIES

Dr Stephen King chaired the meeting. Dr King noted the apologies as listed above and welcomed members to the first meeting of 2015.

2 MINUTES OF MEETING 4/2014 HELD ON 3 December 2014

The minutes were accepted as a true and correct record of the meeting.

3 STATUS REPORT

Dr King spoke to the Status Report, particularly highlighting the following:

- The ATCO access arrangement is underway, with the final decision being scheduled to be published on 20 April 2014.
- The Rail Access Code review is about to commence.
- The Wholesale Electricity Market Review report should soon be published by the Department of Finance's Public Utilities Office, but the exact publication date is not available yet.

In addition, the ERACCC members discussed the prepayment meter customers and their limited access to rebates. Mr Paul Kelly advised that Horizon Power is in process of upgrading its prepayment meter population into models that allow both prepayment and credit options, which will provide the customers with a better access to rebates.

ERACCC members also commented on the Authority's recent decision regarding the Water Corporation's proposed amended financial hardship policy.

4 ERA PRESENTATION – WA Prisons Inquiry

Mr Daniel Vincent, Principal Analyst, Economics, ERA provided an overview of the inquiry including the terms of reference, schedule, consultation and the scope for the ERA's research and analysis. Mr Vincent explained the challenges in gathering relevant data and benchmarking across eight very different prison facilities. A discussion followed on the purpose of the prison system.

5 GUEST PRESENTATION - Financial Counselling

Mr Charles Brown, Executive Officer, Financial Counsellors Association of WA provided an overview of the financial counselling network and services available to customers in WA. Mr Brown answered questions throughout and following the presentation on the structure and availability of financial counselling services.

6 ENERGY OMBUDSMAN'S REPORT

The report was taken as read. Mr Marcus Claridge, Director of Energy, Energy Ombudsman briefly highlighted customer complaints trends in electricity, gas and water. A discussion followed on the marketing issues of the two gas traders which have led into an increase in the gas complaints numbers. Discussion also followed in relation to water complaints and the implication the shorter billing span introduced by the Water Corporation has had on the complaints numbers.

7 GUEST PRESENTATION - Solar Power Purchase Agreements

Mr Ky Cao, Managing Director, Perth Energy (PE) provided an overview of PE's business. The presentation covered the mechanism of long-term solar power purchase agreements (PPAs), including a buyback option, that PE offers to contestable non-residential customers. Mr Cao briefed the members on the challenges that photovoltaic businesses encounter – in particular, the contestable customer pool, as defined by the usage threshold, is small (1% of the customer base); and currently the network operator does not allow non-residential customers to export electricity back into the grid.

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8 ERA PRESENTATION – 2014 Water Performance Report

Ms Anu Besson (nee Taskinen), Senior Project Officer, Licensing Monitoring & Customer Protection, ERA provided a brief overview on the ERA's 2014 Water, Sewerage and Irrigation Performance Report, and more generally, the annual reporting requirements for the ERA's water licensees. Ms Besson highlighted some emerging trends in the data collected from the ERA's water services licensees, such as changes in the sources of water and a drop in complaints numbers.

9 NOMINATION OF MEMBER TO PRESENT AT FUTURE MEETING

Ms Rebecca Douthwaite of the Property Council of Australia was nominated to present in the next meeting. Ms Douthwaite will correspond with Ms Cathryn Greville directly regarding the topic title.

10 MEMBER'S ISSUES & QUESTIONS (Questions on notice)

There were no questions or issues raised.

11 CHAIRMAN'S TAKE AWAY & AGREED MESSAGE FOR THE COMMUNIQUE

Dr King thanked Member Presenter Mr Charles Brown, and Guest Presenter Mr Ky Cao for their presentations. Dr King also thanked members for their attendance and active participation.

Dr King noted the variety of presentations, commenting that the focus on consumer needs is essential to good service delivery. This is the case for a wide variety of customers, including vulnerable segments of the community, small businesses and utility users of all types.

12 DATE OF NEXT MEETING

The next meeting will be held on Monday 2 June 2015 at 1.00pm (lunch from 12:30pm).

The remaining 2015 meetings will be held on the following dates:

Monday 14 September 2015

Monday 7 December 2015 (Christmas lunch)

Meeting closed at 4:20pm

DR STEPHEN KING CHAIR, ERACCC