

Minutes

Meeting of the Economic Regulation Authority Consumer Consultative Committee

Meeting 3/2019

Date & Time: Thursday, 12 September 2019, 10:30am

Location: Ken Michael and Stirling Rooms, 4th Floor, Albert Facey House
469 Wellington Street, Perth

Attendees:	Nicky Cusworth	Chair, ERA
	Jenness Gardner	Chief Executive Officer, ERA
	Jason Dignard	A/Executive Director, Regulation & Inquiries, ERA
	Sarah Costa	Manager Projects, ERA
	Jenny Kingsley	Senior Project Officer, ERA
	Marcus Claridge	Energy and Water Ombudsman
	Tim Dymond	UnionsWA
	Nebojsa Franich	WA Local Government Association
	Doug Hall	Pastoralists and Graziers Association
	Graham Hansen	WA Council of Social Services
	Diane Hayes	Financial Counsellors' Association WA
	Penny Lipscombe	Department of Mines, Industry Regulation and Safety
	Daniel Norrie	Chamber of Commerce and Industry WA
	Kitty Prodonovich	Regional Chambers of Commerce and Industry WA
	Nicholas Warland	Property Council of Australia (WA) (proxy)
Apologies:	Michael Britton	Property Council of Australia (WA)
	Roberta Grealish	Consumer Credit Legal Service WA
	Linh Nguyen	Chamber of Minerals and Energy of WA
	Rhys Turton	WA Farmers Federation
	Ramdas Sankaran	Ethnic Communities Council of WA
	Suresh Rajan	Ethnic Communities Council of WA (proxy)
Presenters:	Jenness Gardner	ERA
	Adrian Theseira	ERA
	Julian Fairhall	ERA
	Mike Rowe	Department of Water and Environmental Regulation
	Germaine Larcombe	Department of Water and Environmental Regulation

1 WELCOME

The meeting opened at 10:32am. Chair Nicky Cusworth noted the apologies as listed above.

2 MINUTES OF PREVIOUS MEETING (6 JUNE 2019)

The minutes of Meeting 2/2019 on 6 June 2019 were accepted as a true and correct record of the meeting.

3 ERACCC STATUS REPORT

Ms Cusworth summarised the key points from the ERACCC Status Report and took questions from members on the content of the report.

The ERA's 2019 Stakeholder Survey was discussed. Projects discussed included financial hardship policy guidelines for electricity and gas licences, the inquiry into the Container Deposit Scheme and the ATCO access arrangement review of the Mid-West and South-West Gas Distribution Systems.

Members suggested that it would be useful to have a list of everything the ERA is working on. Ms Cusworth said that an option would be to provide a list of all notices published by the ERA.

Members discussed changes in retail and commercial electricity disconnections. Ms Gardner suggested this topic be discussed at the next meeting.

4 FUTURE ERA INQUIRIES

Jenness Gardner, ERA, outlined the references function of the ERA, the process for referral of by the Treasurer, and possible future topics for inquiries. Members queried the ERA's role in this function. Ms Gardner explained that it was to independently and transparently apply economic frameworks to solve policy problems. Ms Gardner asked members to consider potential topics for future inquiries for discussion at the next meeting.

Ms Gardner outlined that the ERA was currently working with Treasury and line agencies to develop a Terms of Reference for the next inquiry, which was likely to address the ageing population in WA, with a possible focus on housing.

Ms Gardner provided background information on the demographics of WA's ageing population and outlined the roles of Commonwealth, State and local governments.

Members raised issues including difficulties faced in regional areas, engaging with the aged care workforce and the interactions between housing and other services.

Members stated that for some previous inquiries, issues papers were not the best engagement strategy, but said for this topic an issues paper would be preferred. Ms Gardner requested feedback from members about their constraints to engaging in the consultation process.

5 ENERGY MARKETS 201

Adrian Theseira and Julian Fairhall, ERA, provided an overview of energy markets.

Mr Theseira explained features of the South West Interconnected System in Western Australia and how this differed from the National Electricity. This included capacity, numbers of generators, customers and proportions of renewable energy. Mr Theseira also explained the energy market in regional WA outside the South West Interconnected System.

Members discussed resistance to contestability in the WA market and reliability in a market with increasing renewable energy.

Mr Fairhall outlined public perceptions about power prices. Members noted that people in the community are struggling to pay their bills, that prices have increased and that there has been slow wage growth.

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Mr Fairhall discussed types of power generation and explained that high increases in rooftop solar energy have significantly affected volatility and energy demand. He outlined how temperature, season and time of day affect demand for energy. Mr Fairhall then explained the component costs of the wholesale cost to supply energy.

Mr Fairhall noted that consultation would soon begin on the ERA's annual review of the Wholesale Electricity Market.

LUNCH

6 STREAMLINE WA REVIEW

At the request of members, Mike Rowe and Germaine Larcombe, DWER, attended to outline the role of Streamline WA.

Mr Rowe explained that Streamline WA was a whole-of-government approach to make it easier to do business in WA by improving regulation and regulatory practice.

Mr Rowe explained that business, industry and the community make submissions or share ideas to improve regulation through Streamline WA's portal. Mr Rowe stated that Streamline WA has received approximately 50 submissions so far. Streamline WA has a Steering Committee which meets monthly to assess and prioritise ideas received. Projects are then delivered by cross-sector working groups.

Mr Rowe outlined three reform projects that Streamline WA is currently undertaking:

- environmental approvals in the mining sector
- regulatory barriers to establishing tourist attractions
- regulatory culture and practice across the sector.

Mr Rowe praised the ERA's inquiry into business licensing and said that Streamline WA was building on recommendations from the inquiry.

Members discussed whether streamlining regulation for environmental approvals would result in negative impacts on the environment. Ms Larcombe suggested that the impact was more about clarifying processes, requirements and conditions. Ms Larcombe stated that the work undertaken by Streamline WA resulted in better regulation which provided better protections and outcomes.

Members discussed the difficulty for people in the regions to comply with some regulatory requirements.

7 ENERGY AND WATER OMBUDSMAN'S REPORTS

The quarterly reports from the Energy and Water Ombudsman were taken as read. Marcus Claridge, Ombudsman's office, attended. No questions were asked by members.

8 OTHER MATTERS

Ms Gardner stated that she wanted the process to be interactive and to allow members to be involved in setting the agenda for upcoming meetings.

Ms Cusworth stated that the next meeting is scheduled for 5 December 2019.

Meeting closed at 1:34pm

NICKY CUSWORTH
CHAIR, ERACCC