



Minutes

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| Meeting Title: | Economic Regulation Authority Consumer Consultative Committee | |
| Meeting Number: | 01/2022 | |
| Date & Time: | Wednesday, 30 March 2022 10:00am (AWST) | |
| Location: | Online via Microsoft Teams | |
| Attendees: | Steve Edwell | ERA |
| | Jenness Gardner | ERA |
| | Paul Kelly | ERA |
| | Jason Dignard | ERA |
| | Elizabeth Walters | ERA |
| | Natalie Warnock | ERA |
| | Colin Smith | Synergy |
| | Marcus Claridge | Energy and Water Ombudsman |
| | Tim Dymond | UnionsWA |
| | Liz Crompton | Chamber of Minerals and Energy WA |
| | Melanie Every | Financial Counsellors' Association |
| | Doug Hall | Pastoralists and Graziers' Association |
| | Graham Hansen | WA Council of Social Service |
| | John Hassell | WA Farmers |
| | Rowan Kelly | Consumer Credit Legal Service WA |
| | Penny Lipscombe | Consumer Protection, DMIRS |
| | Kitty Prodonovich | Regional Chambers of Commerce |
| | Brent Savage | Energy Policy WA |
| DMS: | D244909 | |

1. Welcome by Steve Edwell, Chair ERA

The meeting opened at 10:01am. Steve welcomed all attendees, including those attending their first meetings.

2. Apologies

Steve noted the apologies as below:

- Analena Gilhome, Chamber of Commerce and Industry WA.
- Roberta Grealish, Consumer Credit Legal Service (represented by proxy Rowan Kelly).
- Adrienne LaBombard, Chamber of Minerals and Energy (represented by proxy Liz Crompton).

- Suresh Rajan, Ethnic Communities Council of WA.
- Emily Young, Property Council of Australia (WA).

3. Minutes of meeting 03/2021 held on Thursday, 28 October 2021

The Chair approved the minutes of Meeting 3/2021 as a formal record of those events.

4. Guest presentation – Colin Smith, General Manager Customer Experience, Synergy

Colin Smith, Synergy, presented an overview of an emerging issue whereby around 130,000 Synergy customers had received a bill based on an estimate rather than an actual meter reading. This is expected to grow to effect around 200,000 customers over the next few weeks.

There are a number of reasons for this problem – namely labour shortages, the COVID-19 pandemic and the extreme heatwave conditions over summer that meant there were a number of days when meter readings could not take place.

Given estimates are based on previous, rather than actual use, this is expected to lead to bill shock when the much higher actual use of electricity over summer (due to air conditioning) is retrospectively added to the customers' bills. Customers with solar panels are also not receiving their bill credits.

Colin noted that this issue was expected to return to normal by May, and that Synergy had taken a number of actions to try to mitigate the issue – including identifying areas where there were a large number of vulnerable customers so these areas could be prioritised for actual meter reads.

He also noted that gas companies were experiencing similar issues due to labour shortages.

Members asked questions, including the training provided to Synergy employees to deal with questions and complaints about the issue, whether information could be provided to emergency support providers when customers received their higher bills, the geographic spread of the issue, and the effect on those with solar panels.

Steve invited Colin back to the next ERACCC meeting on 1 June 2022 to provide an update on the issue.

5. Container deposit scheme price monitoring – Final report

Jason Dignard, ERA, briefly presented the results of the ERA's final report for the price effects of the State Government's Containers for Change scheme.

The Treasurer had asked the ERA to monitor any effect the introduction of the scheme had on beverage prices over its first year of operation. The ERA was not asked to examine the effect of the scheme on recycling rates, charity income or local government recycling.

The ERA found that the costs of running the scheme in Western Australia were similar to those in other Australian states, and that the average price increases observed were also similar to other Australian states.

Overall, the beverage price increases observed were less than, or similar to, the costs of running the scheme (12.82 cents per container).

The ERA has advised Government that there is no need for ongoing price monitoring.

Members asked questions about the report, including the difference in results for alcoholic and non-alcoholic beverages, and the role the ERA could play assessing the circulate/recycling economy.

6. Western Power AA5 review – done by 11.25

Steve provided an overview of the ERA's review of Western Power's access arrangement, which it conducts every five years.

An access arrangement sets the terms and conditions for third parties to access Western Power's network, and determines the amount of expenditure Western Power can allocate to operate and maintain the network.

Western Power's network charges make up about 45 per cent of the average residential electricity bill.

Steve noted that the ERA must assess Western Power's proposed expenditure against the Access Code, and that the ERA was particularly focussed for this review on how Western Power was considering:

- The energy transformation and increasing use of renewables in the grid.
- Climate change and the risks to the network.
- Security and reliability (particularly in light of the recent independent report into the Perth Christmas outages, and also regional reliability).
- Customer service.
- Tariff reforms.

Elizabeth Walters, ERA, provided an overview of Western Power's \$7.5 billion proposal, noting that asset replacements, metering and IT expenditure were major components.

Members asked questions, including the effect on total customer tariffs, whether Western Power could be opened to more competition in areas like stand-alone power systems, and whether Western Power was adequately staffed to conduct its activities.

Steve resolved to provide an update on this project at the next meeting.

7. Date of next meeting

- Wednesday, 1 June 2022

8. Meeting closed at 11:35AM