

CONSUMER ADVISORY COMMITTEE

MEETING: August 2015

DATE: 31/08/2015

TIME: 2:00pm

Present	<u>Members</u> Mr Charles Millstead (QCA, Presiding Officer) Ms Rose McGrath (Queensland Council of Social Service) Mr Ian Jarratt (Queensland Consumers Association) Ms Robyn Robinson (Council on the Ageing) Ms Julia Mylne (Chamber of Commerce and Industry Queensland)
Observers	Mr Gary Sacre (Energy and Water Ombudsman Queensland) Mr Rodney Cameron (Department of Energy and Water Supply) Ms Catherine Barker (QCA) Mr Adam Liddy (QCA)
Apologies	Ms Carly Allen (Queensland Council of Social Service) Mr Warren Males (Queensland Canegrowers Association) Ms Ilona Cenefels (Energy and Water Ombudsman Queensland)

- 1 Previous minutes** The Committee resolved that the minutes of the meeting held on 3 June 2015 be accepted as a true record of proceedings.
- 2 Status of outstanding issues** The QCA informed members that the Minister for Energy and Water Supply had accepted its invitation to attend a committee meeting and would attend the November meeting.

- 3 **Retail price determination 2015-16**

Members discussed the 2015-16 and 2016-17 retail price determination processes. The QCA informed Members that it had not yet received a delegation from the Minister for Energy and Water Supply to set 2016-17 regulated retail electricity prices due to the Queensland Productivity Commission inquiry. Members were informed that the QCA was considering options for starting the consultation process on some issues shortly, and was liaising with the Department of Energy and Water Supply (DEWS). Members discussed the retail operating cost allowance, retail margin, and new seasonal time of use and demand tariffs.

Representatives from CCIQ and QCOSS highlighted that their forums could provide an opportunity for the QCA to consult on the 2016-17 retail price determination process. The QCA undertook to follow up with both organisations.
- 4 **Review of the Minimalist Transitioning Arrangement for Ergon Energy**

Members discussed the Review of the Minimalist Transitioning Arrangement for Ergon Energy.
- 5 **Energy market reform update**

Members discussed the responsibilities of the QCA, and the role of the AER, under Queensland-specific derogations to the NECF. The QCA agreed to add additional information to its website on the derogations enforced by the AER.

The QCA updated Members on its recent meeting with Ergon Energy Queensland (EEQ) regarding card-operated meters. Members discussed general issues with card-operated meters.

Members discussed electricity on-selling. DEWS informed Members that the Australian Energy Market Commission was considering a rule change to allow contestability for on-selling customers, and the Queensland Government was examining the costs and benefits of the proposal.
- 6 **Code enforcement issues**

Members discussed three breaches of the Electricity Industry Code.
- 7 **Enforcement guidelines**

Members discussed the QCA's revised enforcement guidelines. The QCA reminded Members that the guidelines had been released for public consultation, and submissions were due by 8 September 2015.
- 8 **Other decisions since last meeting**

Members discussed information reporting. Members were informed that, as there was no longer a legal requirement to report under the Queensland industry codes, retailers and distributors had been asked to voluntarily supply June quarter 2015 statistics. Members requested that the QCA update them on the collection of this data.
- 9 **Forward work program**

Members noted the paper.
- 10 **Queensland Productivity Commission Review**

Members discussed the QPC review including the timing, and potential content, of its interim report. Members discussed the solar review and its potential for its recommendations to impact on both solar and non-solar customers.

- 11 **Distributor Tariff Structure Statements** Members highlighted the importance, and potential impact on customers, of network tariff reform being undertaken by distributors. Members discussed the adjustment of Ergon Energy network tariffs to reflect the uniform tariff policy and requested further discussion on the issue during consultation during the 2016-17 retail price determination process.
- EWOQ update** EWOQ updated members on its activities. Members were informed that with the introduction of NECF from 1 July 2015, EWOQ has been trained in the NECF/NERR legislation and has updated its internal dispute resolution documentation and practices.
- From 1 July 2014 to 30 June 2015, EWOQ received 11,131 cases and closed 11,049 cases.
- Top three issues for cases were:
- billing – includes disputed bills / high bills / estimated bills (4137)
 - credit – includes payment difficulty / disconnections (2119)
 - customer service – includes no response from entity / poor advice (1046)
- DEWS update** DEWS informed Members that it recorded 1,485 complaints during the 2014-15 financial year, an increase of 15% on the previous financial year. Solar, billing and on-selling issues remain the top 3 categories of complaints over both of these financial years.
- DEWS informed Members that it has recently received a high number of complaints regarding the metering service charge as a result of a letter sent by AGL to its customers outlining the bundling of the service charge with the T11 metering charge. Origin has also mentioned metering charges in an information box contained in their bills to customers.
- DEWS informed Members that in the 2 months since the commencement of NECF, to date, no systemic issues have been identified. DEWS understands the AER has a back-log of exemption applications from Queensland on-sellers under the exempt selling regime.
- Members were informed that DEWS expects to consult with stakeholders on a range of consumer issues shortly and that there is a review of Qld energy legislation underway. DEWS also expects to conduct another workshop with the Embedded Network Reference Group late in 2015.
- General business** Members discussed Queensland's adoption of the Energy Made Easy website for energy market offer comparisons. The QCA informed Members that the QCA had updated its website to reflect the change and implemented a redirect on the former QCA Price Comparator site so that visitors were automatically transferred to Energy Made Easy.
- One Member noted some small anomalies on the Energy Made Easy website and queried whether all retailers were charging notified prices under standing offers as required by section 22A of the *National Energy Retail Law (Qld) Act 2014*. The QCA undertook to look into the issue.
- Members discussed gas pricing issues, particularly increasing fixed charges and their impact on low income customers.

Next meeting	MEETING: 25 November 2015	TIME: 10:00am
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