

The Energy Users' Association of Australia (EUAA) is the peak body representing Australian commercial and industrial energy users. Our membership covers a broad cross section of the Australian economy including significant retail, manufacturing, building materials and food processing industries. Combined our members employ over 1 million Australians, pay billions in energy bills every year and in many cases are exposed to the fluctuations and challenges of international trade.

The EUAA appreciates recent efforts by the energy industry, regulatory bodies and governments to improve stakeholder engagement and to ensure energy users have a voice. However, the pace of change in energy markets is relentless and organisations like the EUAA have difficulty in covering all matters that influence our members electricity and gas supply. This is particularly the case given the significant number of consultations that are concurrently underway. Given the rapid change in energy markets we do not see this frenetic pace slowing down so we are constantly making hard decisions about what to be involved in and what we need to let slip past.

In one sense the chance to streamline the consultation process, as the rule change proposes, should be welcome by organisations such as ours. It could allow us, for example, to be involved in more consultations across a wider scope of activities. Yet, what at first glance may appear attractive may not always be so on closer examination. There are good reasons for using two stage consultation processes for important issues. What AEMO may regard as procedural or of lesser importance, our members may regard as very important. Our members may have a different view from AEMO as to what is consistent with the NEO.

Perhaps most importantly, there is a considerable information and resources asymmetry between organisations like the EUAA and AEMO. AEMO will spend considerable staff resources developing a proposed rule change concluding that the change is warranted based on complex analysis of the situation and consideration of options. The EUAA may have only a few hours to come to a view on whether we agree with AEMO and write a submission.

We are concerned that streamlining may be detrimental to effective stakeholder engagement. Just because 'a lot is happening so we need to make things happen faster' is not a reason to lessen engagement on important issues for our members.

'Fit-for-purpose' is a great concept if there is agreement on what the purpose is but it will vary depending on the party making the decision. Having done months of work to produce a comprehensive 30 page report, AEMO might consider the change blindingly obvious and so a 'fit-for-purpose' engagement is one stage. Advocates like the EUAA might need time to fully understand the proposal given the demands on our time. A two stage engagement provides that time and the ability to see what other stakeholders think and come to our own view that is in our members' interests.

So how to strike the balance - we do agree on the benefits of streamlining the many current consultation frameworks – with retaining effective stakeholder consultation such that organisations like the EUAA does not feel like we are being steamrolled into a particular change because of AEMO's resources?

We have had the opportunity to discuss this rule change proposal with Shell Energy and we think that their submission provides an acceptable balance between streamlining and effective consultation.

Do not hesitate to be in contact should you wish to discuss this further.

Kind regards,

A handwritten signature in black ink, appearing to read 'A Richards', written in a cursive style.

Andrew Richards
Chief Executive Officer