



CONSUMER
LAW
CENTRE
VIC LTD

AN INDEPENDENT NON-PROFIT PUBLIC INTEREST LEGAL CENTRE

Level 9/91 William Street, Melbourne 3000

Telephone (613) 9629 6300 Facsimile (613) 9629 6898

info@clcv.net.au www.clcv.net.au

ACN: 056 362 059
ABN: 13 056 362 059

19 May 2006

By email: submissions@aemc.gov.au

Dr John Tamblyn
Chairman
Australian Energy Market Commission
Level 16, 1 Margaret Street
SYDNEY NSW 2000

Dear Dr Tamblyn

Draft National Electricity Amendment (Advocacy Panel) 2006

The Consumer Law Centre Victoria welcomes the opportunity to provide further comment on the draft *National Electricity Amendment (Advocacy Panel) Rule 2006* (the **Draft Rule Determination**). We refer, additionally, to the submission provided by us dated 10 February 2006 and repeat the comments therein.

Focus of the Panel

Despite the Ministerial Council on Energy (MCE) indicating that its policy intent for the long term body established for consumer advocacy in both the gas and electricity schemes is to focus on small to medium consumers, the Draft Rule Determination does not propose to implement this policy. The Draft Rule Determination states that is not appropriate to pre-empt such a Rule change in this interim proposal.

In our view, the Draft Rule Determination will not be pre-empting a Rule change, but rather implementing MCE policy. The MCE's policy, announced in the Energy Market Reform Bulletin No. 57 released on 15 December 2005, recognises that the interests of small to medium consumers are often not effectively heard in national regulatory decisions. We support this policy and believe that there should be an obligation on the Panel to focus on the interests of, and applications concerning, small to medium end-users.

Given that it appears that the new consumer advocacy arrangements foreshadowed by the MCE may not be introduced until 1 July 2007, we strongly believe that it is appropriate for the current rule change to include a requirement that the Panel, in its allocation of funding, give particular focus to small and medium end-users. This would ensure that the interim changes to the operation of the Panel will be in accordance with the MCE's direction, until the long term model is established.

We suggest that Rule 8.10.6 on guidelines for funding applications and funding criteria be amended so that funding application guidelines cannot be approved by the Australian Energy Market Commission (AEMC) unless they include a requirement that applications focus on small and medium end-users. We would also support a requirement that environmental considerations be incorporated into funding guidelines.

If you have any questions in relation to the above comments, please contact Gerard Brody on 03 9629 6300 or at gerard@clcv.net.au.

Yours sincerely

CONSUMER LAW CENTRE VICTORIA LTD

Catherine Wolthuizen
Executive Director

Gerard Brody
Solicitor