

OTTER CUSTOMER CONSULTATIVE COMMITTEE

MEETING NO. 1/2019

9.30 AM THURSDAY 14 MARCH 2019

MURRAY ROOM, THE TREASURY BUILDING,

21 MURRAY STREET, HOBART

MINUTES

9:30 am Meeting commenced

**1. Apologies**

**Present**

Ms Margie Law (Anglicare Tasmania)

Mr Geoff Fader (Tasmanian Small Business Council/Rural Business Tasmania)

Mr Charles Scarafiotti (Property Council of Australia - Tasmania Division)

Mr Ray McKendrick (Energy Ombudsman Tasmania)

**In attendance**

Mr Joe Dimasi (Tasmanian Economic Regulator)

Mr Chris Lock (Director, OTTER)

Mr Glenn Bounds (Assistant Director, OTTER)

Mr David Richardson (Principal Policy Analyst, OTTER)

Ms Toula Alvanos (Administrative Assistant, OTTER)

**Apologies**

Ms Georgia Palmer (Local Government Association of Tasmania)

Cr Peter Rhodes (Flinders Council)

Ms Bernadette Jago (TasCOSS)

Mr Peter Skillern (Tasmanian Farmers and Graziers Association)

Mr Nick Steel (Tasmanian Farmers and Graziers Association)

Mr Michael Bailey (Tasmanian Chamber of Commerce and Industry)

Mr David MacFie (Australian Competition and Consumer Commission)

Mr Brian Wightman (Property Council of Australia - Tasmania Division)

Ms Kate Cox (Energy Ombudsman Tasmania)

Ms Elizabeth Skirving (CEO, Rural Business Tasmania)

Ms Tracey Brown (Energy Ombudsman Tasmania)

Mr Robert Mallett (Tasmanian Small Business Council)

**2. Ratify minutes from meeting 13 December 2018**

Ms Law noted that the minutes omitted any reference to the annual cost of the app for the Aurora Pay As You Go+ product (Item 3 on the agenda for that meeting).

Subject to including these details, the minutes from the meeting of 13 December 2018 were ratified.

### 3. Electricity - Project Marinus - Initial Feasibility Study

Mr Paul Rayner from TasNetworks delivered a presentation on the outcomes from the Initial Feasibility Study in relation to Project Marinus. The Marinus Link is a proposed second electricity interconnector between Tasmania and Victoria with a capacity of either 600MW or 1 200MW.

Mr Rayner discussed the circumstances under which the project could possibly be viable.

Ms Law and other members raised a number of questions about the Project including:

- the basis of the forecasts of the number of jobs in Tasmania expected to be created by the Project including whether those jobs were direct or indirect, whether they would continue after construction was completed and where this extra employment would occur;
- the environmental impacts of constructing and operating the Link and how future climate change was allowed for in the Study;
- the reasons for increase in the estimates of Project costs since the estimates late last year;
- why the Tasmanian Government was funding \$10m towards the assessment of Project Marinus when the primary beneficiaries of the Project will be customers in mainland jurisdictions; and
- the regulatory framework the Link will operate under and, consequentially, who would pay for the Link.

Ms Law and Mr Scarafiotti expressed a view that customers in Tasmania should not face significantly higher electricity bills as a result of a second interconnector if they receive few or no benefits from its operations. Mr Dimasi advised the Committee that he is very conscious of this issue in his role of approving standing offer prices, given that network costs compromise around 40% of the costs. After the meeting Mr Rayner contacted OTTER and offered to arrange a meeting between relevant TasNetworks staff and Ms Law to discuss in more detail the questions she had raised about the Project.

### 4. Water & Sewerage - TasWater's proposed approach to Customer Engagement

Mr Ben Morris and Ms Robyn Trigge from TasWater delivered a presentation on TasWater's intended approach to customer engagement in relation to its price and service plan for the fourth regulatory period. The presentation outlined:

- the background information on services and infrastructure that TasWater provides to customers, as well as key issues from the customer engagement process carried out in relation to its price and service plan for the third regulatory period;
- key issues from the last pricing investigation; and
- improvements and investigations that TasWater has implemented or is carrying out in response to issues which have been brought to TasWater's attention through its customer engagement (for example, the review of TasWater's Customer Support Program and the reviews of sewerage charging methodology and commercial/industrial trade waste arrangements).

Ms Law asked about the survey TasWater's carried out as part of customer engagement for its price and service plan for the third regulatory period. In particular, Ms Law was interested in the survey size and whether TasWater was able to share the survey questions with the Committee. Mr Morris noted that the consultants engaged by TasWater had recommended the sample size of 511 as being appropriate from a statistical perspective. Mr Morris gave an undertaking to provide the survey questions to the Committee, subject to checking internally as to whether there were any restrictions on releasing the information.

## 5. Tasmanian Ombudsman update

Mr Ray McKendrick, (Office of the Energy Ombudsman) outlined the recent experience with complaints regarding electricity entities for the quarter ending December 2018, and advised that complaints relating to the timeliness of advanced meter installations had completely stopped. However, the Ombudsman had received complaints about the daily service fee (11 cents) for Aurora's PAYG+ app, as well as complaints about the recent reduction in the solar feed-in tariff rate.

Mr McKendrick also mentioned that concerns have been received in regard to 1st Energy with a number of complainants stating their concern that Aurora Energy is supplying their customer information to 1st Energy. The Ombudsman's Office has made it clear to these complainants that this was not the case.

## 6. Projects on the go

The Committee noted the March 2019 edition of Projects on the Go.

## 7. Other Business

### Membership of the Committee

Mr Dimasi advised the Committee that membership needed to be renewed in the near future and that OTTER would be contacting current members seeking their re-nomination. Mr Dimasi advised the members that he is keen to find out from members whether four meetings a year is preferred to less frequent meetings, such as twice a year, and what additional information or presentations the members would find helpful.

Mr Dimasi also asked whether there were other organisations who may be interested in joining the Committee. Ms Law suggested that COTA Tasmania (Council on the Ageing) should be approached.

### Future meeting dates

It was agreed that the next meeting will be scheduled for Thursday 20 June 2019 at 9.30am.

The meeting closed at 12:00 pm.