

OTTER CUSTOMER CONSULTATIVE COMMITTEE

DRAFT MINUTES

MEETING NO. 4/2019 - 9.30 AM THURSDAY 5 DECEMBER 2019

21 MURRAY STREET, HOBART

9:30 am Meeting commenced

1. Welcome and apologies

Present

Mr Geoff Fader (Tasmanian Small Business Council)
Mr Stephen Durney (TasCOSS)
Mr Jack Gilding (Tasmanian Renewable Energy Alliance)
Mr Robert Mallett (Tasmanian Small Business Council)
Ms Tracey Brown (Energy Ombudsman Tasmania)
Ms Rosalind Herbert (Council of the Ageing)
Mr Tommy Wong (Tasmanian Chamber of Commerce and Industry)
Mr Charles Scarafiotti (Property Council of Australia - Tasmania Division)

In attendance

Mr Joe Dimasi (Economic Regulator, OTTER)
Mr Chris Lock (Director, OTTER)
Mr Glenn Bounds (Assistant Director, OTTER)
Mr David Richardson (Specialist Policy Analyst, OTTER)
Ms Toulia Alvanos (Executive Officer, OTTER)

The Regulator welcomed Stephen Durney and Rosalind Herbert to their first meeting of the OCCC.

Apologies

Mr Michael Bailey (Tasmanian Chamber of Commerce and Industry)
Mr Andrew Hunt (Australian Competition and Consumer Commission)
Mr Luke Sheehan (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 Margie Law (Anglicare Tasmania)
Mr John Pauley (Council of the Ageing)
Ms Georgia Palmer (Local Government Association of Tasmania)
Mr Ray McKendrick (Energy Ombudsman Tasmania)

2. Ratify minutes from meeting 19 September 2019

The minutes from the meeting of 19 September 2019 were ratified.

3. Electricity - Aurora Energy Your Energy Support Program

Mr Craig McKinlay and Mr Giles Whitehouse from Aurora Energy gave an update on Aurora Energy's hardship program. The program is called Your Energy Support (YES) and was established in November 2014. The program has 4 500 customers: 75% of these customers are concession customers. Once on the program, customers are protected from disconnection and Aurora Energy educate customers on monitoring their usage to encourage behavioural change, which includes financial incentives.

The program is partnered with the NILSs Network of Tasmania, Anglicare and the Cancer Council. Since November 2015, through these partnerships and funding Aurora Energy has assisted over 1 300 customers with the purchase of energy efficient appliances.

Aurora Energy have a team of Customer Service Officers (around 12) trained to deal with customers on the YES program. They are trained to listen trigger words and identify customers that can benefit the assistance of the YES program.

4. Water and Sewerage - TasWater Customer Support Program

Ms Tonia Worsley from TasWater provided an update on the Customer Support Program. The program is new and was established in November 2018. Around 280 customers are on the program, of which 58 per cent are concession customers. When establishing the program, TasWater liaised with other Tasmanian utility providers to gain knowledge of how they managed their program. Unlike other utility providers, TasWater's customer base excludes renters.

The presentation outlined the principles consistent with TasWater's values and behaviours. Once on the program customers are on a payment arrangement, late fees and interest are waived. Customers also receive incentives when they reach milestones in the payment arrangement.

5. Water and Sewerage - PSP4 Update - Customer engagement, sewerage charging, trade waste and service standards

Mr Ben Morris from TasWater gave an update on TasWater's PSP4. The presentation particularly focused on:

- An overview of key dates and milestones
- Consultation update
- Sewerage and trade consultation

The presentation touched on the issue of commercial trade waste. Commercial customers are required to have a pre-treatment device, the cost for customers needing these devices are the installation costs and maintenance. This does not take into consideration the catchments they flow into. TasWater are considering a new fee will that will take into consideration the risk to the specific catchment (e.g. infrastructure that is prone to blockages, high concentration of similar customers) and volume. For smaller and/or seasonal operators, water usage could be a proxy to determine volume.

There was discussion on the merits of increasing the share of water and sewerage charges accounted for by variable charges so that consumers have greater incentives to conserve water and manage their total water and sewerage charges. It was also suggested that a guaranteed service level-type arrangement should apply to TasWater, whereby if water use restrictions are in force, customers receive a rebate on their bills.

The Regulator noted that the level of fixed and variable water and sewerage charges and the relative shares is relevant for the Price and Service Plan investigation and that the OCCC will discuss these matters in more depth at the March 2020 OCCC meeting.

6. Energy - Energy Security Annual Review

Mr David Richardson (Specialist Policy Analyst) delivered a presentation on the Energy Security Annual Review released by the Regulator in December 2019 in his capacity as Energy Security Monitor and Assessor under the *Energy Co-ordination and Planning Act 1995*. The presentation covered:

- background of the Energy Security Taskforce;
- an overview Energy Security Risk Response Framework
- a description of the role and functions of the Energy Security Monitor and Assessor and the separate Energy Security Coordinator;
- an overview of energy security during the 2018-19 water year (November 2018 to October 2019) and the Energy Security Monitor and Assessor's assessment of the adequacy of energy security for the following water year.

It was reported that no major energy security issues were identified for 2018-19. For the year ahead, the Energy Security Monitor and Assessor's assessment is that there is a very low likelihood that Hydro Tasmania's energy in storage will fall below the High Reliability Level and that energy in storage may fall below the Prudent Storage level though it is expected that, if this does occur, it is likely to be for short periods only.

There was some discussion on the status of Project Marinus and it was considered that it would be useful if TasNetworks could provide an update on the project at the March 2020 OCCC meeting.

7. Tasmanian Ombudsman update

Ms Tracey Brown, (Office of the Energy Ombudsman) outlined the number and nature of complaints regarding electricity entities for the quarter ended September 2019.

It was agreed that at the next and future meetings the Ombudsman's office will also provide information on complaints in Tasmania's water and sewerage sector.

8. Projects on the go

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

Jack Gilding asked whether more detailed information could be provided in the distribution quarterly performance reports in relation to the '101 Communities' ie reporting at the individual community level so as members could gain a sense of how performance varied between locations.

Members asked for numbers to be included in the retailer market share charts in future (ie the charts in Figures 1, 3 and 9 in Attachment 3a).

Members also requested information about how many concession customers Aurora Energy has.

9. Other Business

Next meeting

It was agreed that the next meeting will be scheduled for Thursday 12 March 2020 at 9.30am.

The meeting closed at 12:00 pm.