



**ENERGY  
CONSUMERS  
AUSTRALIA**

**A** Suite 2, Level 14, 1 Castlereagh Street  
Sydney NSW 2000

**T** 02 9220 5500

**W** [energyconsumersaustralia.com.au](http://energyconsumersaustralia.com.au)

**T** @energyvoiceau

**in** /energyconsumersaustralia

**f** /energyconsumersaustralia

ABN 96 603 931 326

## Media Release

17 October 2017

---

### **Abolishing LMR should end a costly and counter-productive period in network regulation**

The passage of legislation to abolish the Limited Merits Review framework for network revenue decisions places greater emphasis on the need for network businesses to consult consumers in developing their business plans.

Energy Consumers Australia CEO, Rosemary Sinclair, said [ACCC Chair Rod Sims](#) had emphasised the significance of network costs to the energy affordability challenges consumers are now facing.

“The frequent, almost routine, appeals of network revenue determinations in recent years damaged consumer trust in the sector and undermined the authority of the Regulator, Ms Sinclair said.

“Network costs are higher than they need to be, in part because of Limited Merits Review and abolishing it is important and timely reform.

“We are hopeful the abolition of Limited Merits Review will signal the end of a costly and counter-productive period in network regulation.”

Ms Sinclair said there were positive signs that networks businesses were shifting their focus from the legal process to consumer outcomes.

Energy Consumers Australia is part of a new, joint initiative with Energy Networks Australia and the Australian Energy Regulator that will explore ways to improve sector engagement, and identify opportunities for regulatory innovation.

“There are opportunities to better reflect consumer views in revenue determination processes, and to improve consumer trust and confidence in network regulation. Energy customers’ priorities should drive business and regulatory outcomes.

“The network businesses that will thrive in the new market are those that operate in an open and collaborative way to align interests and deliver the services consumers demand in the most efficient and innovative possible way,” Ms Sinclair said.

**Media contact:** Tim O’Halloran 0409 059 617

More information on the joint initiative is available at

<http://energyconsumersaustralia.com.au/news/working-together-improve-engagement-network-revenue-proposals/>